

**VILLAGE OF HANOVER PARK  
REQUEST FOR PROPOSAL  
COLLECTION AGENCY SERVICES**

**I. INTRODUCTION**

**A. General Information**

The Village of Hanover Park (the “Village”) is requesting sealed proposals from qualified organizations, referred to herein as “Agency”, for the purpose of assisting the Finance Department in the collection of delinquent miscellaneous receivable accounts citation/violation, red light camera and ambulance fees owned by the Village.

The Village expects to enter into an agreement with the Agency for the services outlined in this Request For Proposal (RFP). A draft of the agreement is included herein. Appendix A is a listing of the number of accounts and total dollars as uncollected by the Village which have not heretofore been placed in collection.

**B. Contract Term**

The term of this contract shall begin on award of contract and shall run through December 31, 2017 subject, however, to the right of the Village to cancel and terminate the same at any time by giving a thirty (30) day notice in writing to the agency. In the event of such cancellation, the agency shall be entitled to receive payment for accounts collected through the termination date following notice under the terms of the contract prior to the effective date of such cancellation, but not be entitled to receive any payments for accounts not collected by such date.

This contract may be extended by the Village for two (2), one (1) year optional extensions with the first extension running from January 1, 2018 to December 31, 2018 and the second extension running from January 1, 2019 to December 31, 2019, upon a ninety (90) day written notice from the Village of its intention to exercise this option.

**C. Expenses Relating to Submitting a Proposal**

Village will not reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

**II. SCOPE OF SERVICES**

**D. General**

This RFP identifies the basic requirements that are considered to be minimal by the Village. This RFP attempts to provide the Agency with sufficient information to fully understand the Village’s requirements, and the environment in which the proposal must be developed and operate. Notwithstanding any of the specific details describes in this RFP, it will be the obligation of the Agency to provide a service that works to accomplish the requirements

identified in this document. To aid the Village in fully understanding each proposal submitted and to ensure that full consideration is given to each aspect of the proposal, any deviation from the requirements specified in this document must be clearly noted and referenced to the subject area of the RFP.

#### **E. Scope of Work to be Performed**

Services to be performed by Agency will include, but may not be limited to:

- Perform all necessary services on the Village's behalf in order to obtain collection of amount due to the Village on accounts submitted to the Agency.
- Agree to comply with all State and Federal consumer and collection practice laws.
- Adhere to the highest professional standards and ethics in providing the Village with a complete collection service, make concerted collection efforts on behalf of the Village for all past due accounts assigned to the Agency.
- Maintain a professional customer service image in working with Village customers and debtors.
- Provide a primary and secondary contact to the Village for daily operational issues.
- Collection activities, which include, but are not limited to, telephone contact, and mail correspondence.
- Provide monthly reports to the Village for items such as the following and in a format agreed to by the Village:
  - Acknowledgement of new accounts submitted.
  - Status of collection for all accounts submitted.
  - Accounts no longer being pursued and the reason why.
  - Active accounts showing the amount submitted, amount paid in the current period (30 days), amount paid to date, balance remaining on the account and amount of commission resulting from any current payment.
  - Annual report detailing for the year the number of accounts and amount placed in collection, average amount of account in collection, collection payments received to date, percentage of collection and commission to date. Said report to be provided by January 31<sup>st</sup> for the preceding year.
- On a monthly basis, remit the amount due to the Village less collection fees resulting from payments made directly to the Agency.
- The Agency must obtain the Village's written approval for any payment plan extending beyond one year from the date of the initiation of the payment plan.
- Pursue legal action for collection only upon approval by the Village's Director of Finance or their designee.
- Have established internal computer systems to accept and communicate with all Village computer systems to provide acceptance and information of Village's electronic file transmissions.
- Accept any account submitted to the agency over **\$25.00** regardless of age of receivable.

- Provide notification to the Village during same business day of any file transmission error or system interruption, and verification to the Village receipt of the completed file transmission.
- The Agency shall report twice a year on July 15<sup>th</sup> (for period ending June 30<sup>th</sup>) and January 31<sup>st</sup> (with its annual report) to the Village all accounts deemed by it to be uncollectible, along with reasons for no collection and actions taken to attempt the collection.
- At any time, during normal business hours and as often as the Village may deem necessary, the collection agency shall make available for examination, by the Village, all of its records with respect to all matters and accounts covered by the contract.
- All information provided to the Agency shall be used solely for the purpose of collection and may not be provided to any outside agency, business, or person without the written consent of the Village.
- If the agreement is terminated, or in the event the Agency is filing bankruptcy, all accounts and documentation will be returned to the Village, regardless of payment arrangements made with the debtors.

The Village will provide documentation to the Agency for each account, including name, last known address, account number, balance due, and the type of account.

The Village reserves the right to recall any account (or portion of account not already collected by agency) at its discretion without charge.

Village has a real estate transfer tax. There will be no fees paid to Agency from amounts collected by Village occasioned through the transfer tax system regardless of whether the debt was provided to Agency for collection or not.

### **III. GENERAL REQUIREMENTS**

The ability of the Agency, as a corporate entity, and the identified key personnel, as individuals, to accomplish this task shall be described in the proposal, and will be considered in the process of proposal evaluation. The Agency shall furnish written information that is necessary to determine its responsibility and competency to successfully accomplish this project. This description shall be in detail and include the following:

1. Adequacy of finance including audited financial statements;
2. Adequacy of personnel and facilities;
3. Proven government collection services experience to execute the work proposed in this document including recovery rates for municipal accounts, customer service and complaint record;
4. SSAE 16 / SOC I type II report (formerly SAS70);
5. Data Encryption;
6. PCI Compliance;
7. BBB A+ rating;
8. Insurance Certification, to include:
  - \$1 million General Liability

- \$1 million Employment Practices Liability
- \$2 million Errors and Omissions Policy
- \$500k Corporate Identity Protection
- \$500k Crime Policy

Agencies are advised that proposals should be as responsive as possible to the provision of this RFP. However, Agencies may make exceptions to or propose alternative methods to these provisions without their proposal being necessarily disqualified. The impact of exceptions and/or alternatives will be considered during the evaluation phase of the award process.

The evaluation and determination of the fulfillment of the above requirement will be determined by the Village, and its judgment shall be final.

#### **IV. PROPOSAL SUBMITTAL**

Respondents shall submit three (3) unbound bound original document and one (1) CD of their proposal in a sealed, clearly marked envelope. Electronic transmitted proposals cannot be accepted. The proposal shall contain the following information:

1. Title page showing the firm's name, address, contact person, and subject of the proposal.
2. Table of contents.
3. Transmittal letter signed by a partner or principal of the firm, stating the firm's understanding of the work to be done, the commitment to perform the work within the time period specified, and a statement that the proposal is a firm and irrevocable offer for a minimum of ninety days.
4. Signed Proposal Sheet
5. Information regarding the size of the firm
6. Information regarding the qualifications and experience of the agency.
7. Information regarding the qualifications and experience of the professional staff to be assigned to the engagement, including a breakdown of the work to be done by each level of professional staff (partner, manager, senior, staff accountant).
8. Provide an outline of agency's collection procedures; including percentage of recovery.
9. Provide a pricing structure complete with details of agency's proposed process detailing collection of unpaid parking tickets, red light camera, ambulance fees and the collection of miscellaneous accounts receivable.
10. Provide complete details on how agency handles a collection, including how contract is made, steps taken, examples of paperwork and detailed explanations. This includes initial notification, credit bureau reporting, and any other type of correspondence to debtor.
11. Provide information and sample of reports that can be provided to Village. Following contract award, the exact style, type and frequency of report will be determined by the Village, in conjunction with the Agency.
12. Provide reference of current and past contracts and a list of all state of Illinois local governments entities that you have provided collection services in the past five (5) years.

13. Specify technology agency has available to facilitate collections.
14. Specify payment options agency offer debtor.

All questions, concerning this RFP shall be submitted in writing via email to [rnavarrete@hpil.org](mailto:rnavarrete@hpil.org) no less than five (5) business days prior the schedule due date. No direct contact shall be made with the Village or it's personal during the process. All email questions and answers shall be posted on Village's webpage.

Sealed proposals are due no later than **2:30 p.m. on Friday, November 04, 2016** to address listed below:

Village of Hanover Park  
Finance Department  
Remy Navarrete  
2121 Lake Street  
Hanover Park, IL 60133

## **V. EVALUATION OF PROPOSAL**

### **F. Review of Proposal and Evaluation Criteria**

Village will review all proposals to determine that all mandatory criteria outlined in this request for proposal has been met. Qualifying proposals will then be reviewed to determine which one best meets the requirements and needs of the Village. Consideration will be given to technical quality and capabilities, experience and expertise of the firm and its staff, and the fees proposed.

During the evaluation process, the Village reserves the right, where it may serve the Village's best interests, to request additional information or clarification from the Agency, or to allow corrections of errors or omissions. At its discretion, the Village may request any or all agencies to meet with committee members as needed.

### **G. Final Selection**

The Director of Finance will make a recommendation of one or more agencies. The Village Board will determine the award. The Village intends to conclude the process by December 15, 2016; however, the Village reserves the right to modify the proposal process and dates as necessary.

### **H. Acceptance of Conditions and Right to Reject any and all Proposals**

Submission of a proposal indicates acceptance by the firm of the conditions, contained in this request for proposals unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the Village and selected Agency.

The Village of Hanover Park reserves the right without prejudice to reject any and all proposals.

**PROPOSAL SHEET**

**Note: Proposer must complete all portions of the Proposal Sheet.**

The undersigned having examined the specifications and all conditions affecting the specified project, offer to furnish all services, labor, and incidentals specified for the price below.

The undersigned Proposer certifies that they are not barred from proposing on this contract as a result of a conviction for the violation of state laws prohibiting bid rigging or bid rotating, (720ILCS 5/33 E-1, et seq.) and are not delinquent in any taxes to the Illinois Department of Revenue. (65ILCS 5/11-42.1-1)

It is understood that the Village reserves the right to reject any and all proposals and to waive any irregularities and that the prices and proposals contained therein will remain valid for a period of not less than ninety (90) days.

I (We) propose to complete the following project as more fully described in the specifications for the following:

**Proposing Company Name:** \_\_\_\_\_

**\_\_\_ Our firm has not altered any of the written text within this document. Only those areas requiring input by the respondent have been changed to complete.**

If it is the Contractor's intention to utilize a subcontractor (s) to fulfill the requirements of this contract, the Village must be advised of the subcontractor's company name, address, telephone and fax number, and a contact person's name at the time of proposal submittal.			
Will you be utilizing a subcontractor?		YES	NO
If yes, have you included all required information with your proposal submittal?		YES	NO

-OR-

NO PROPOSAL - Keep our company on your Vendor List		YES	NO
NO PROPOSAL - Remove our company from your Vendor List		YES	NO

- Note: Please feel free to attached further explanation if desired as to your reason for not submitting a proposal.

**INDEMNIFICATION:** The Proposer hereby agrees to protect, defend, indemnify, and save harmless the Village against loss, damage, or expense from any suit, claim, demand, judgment, cause of action, or shortage initiated by any person whatsoever, arising or alleged to have arisen out of work described herein, except that in no instance shall the Proposer be held responsible for any liability, claim, demand, or cause of action attributable solely to the negligence of the Village.

I hereby certify that the item(s) proposed is/are in accordance with the specifications as noted and that the prices quoted are not subject to change; and that

\_\_\_\_\_ (Company Name) is not barred by law from submitting a proposal to the Village for the project contemplated herein because of a conviction for prior violations of either Illinois Compiled Statutes, 720 ILCS 5/33E-3 (Bid Rigging) or 720 ILCS 5/33-4 (Bid Rotating); and that

\_\_\_\_\_ (Company Name) is not delinquent in payment of any taxes to the Illinois Department of Revenue in accordance with 65 ILCS 5/11-42.1; and that

\_\_\_\_\_ (Company Name) provides a drug free workplace pursuant 30 ILCS 580/1, et seq.; and that

\_\_\_\_\_ (Company Name) certifies they have a substance-abuse program and provide drug testing in accordance with 820 ILCS 130/11G, Public Act 095-0635: and that

\_\_\_\_\_ (Company Name) is in compliance with the Illinois Human Rights Act 775 ILCS 5/1.101, et seq. including establishment and maintenance of sexual harassment policies and program.

\_\_\_\_\_  
Proposer's Firm Name

\_\_\_\_\_  
Signed Name and Title

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
Print Name and Title

\_\_\_\_\_  
City State Zip Code

\_\_\_\_\_  
Fax Number

\_\_\_\_\_  
Phone Number

\_\_\_\_\_  
E-mail Address

\_\_\_\_\_  
Date

**AGREEMENT**  
**COLLECTION SERVICE AGREEMENT**

This agreement made and entered into by and between \_\_\_\_\_  
(hereinafter “Contractor”) whose offices are located at \_\_\_\_\_,  
and the Village of Hanover Park, Illinois (hereinafter “VHP”), whose offices are located at 2121  
West Lake Street, Hanover Park, Illinois.

WHEREAS, VHP desires to refer certain delinquent accounts to Contractor for collection pursuant to this agreement; and

WHEREAS, Contractor shall accept such accounts and collect them on the terms pursuant to this agreement and the terms of the Request for Proposal and the Proposal that is attached hereto as Exhibit “A” and made a part hereof; now, therefore,

IN CONSIDERATION of VHP referring for collection to Contractor certain delinquent accounts, Contractor agrees to collect such accounts pursuant to this agreement.

- A. Contractor is an independent Contractor and nothing contained in this agreement shall be construed as constituting Contractor as an agent or employee of VHP. Contractor is solely responsible for the employment, acts and omissions, control and direction of its officers, agents, and employees.

VHP represents that all accounts placed with Contractor, for collection are owned by and debts due to VHP.

- B. Contractor warrants and represents that its collection practices shall be in accordance with all applicable law, rules, and regulations. It shall keep itself fully informed regarding existing and pending legislation and rules relating to collection practice and procedures that may affect its performance under this Agreement.
- C. Contractor will maintain all licensing, bonding, and financial records as may be required by village, state, and federal laws and regulations.
- D. Contractor agrees not to comingle on any of monies collected on VHP accounts with its own funds or to represent any part of VHP monies as belonging to contractor in the conducting of its business.

Contractor will furthermore, provide VHP a monthly statement of the balance of VHP accounts on its records and a list of all individual collections made the previous month.

- E. Contractor shall indemnify, defend and hold harmless VHP (including its Board of Trustees, officers, agents, and employees), individually and collectively from all claims, liabilities, demands, costs and expenses, including reasonable attorneys’ fees arising out of or in connection with any and all acts or omissions of Contractor or its officers, personnel, employees, or agents in the performance of this agreement.

- F. Contractor will, in accordance with standards and ethical procedures, attempt collection of all accounts placed by VHP with Contractor for collection as follows:
1. Obtain collection of full amount in default; or
  2. Implement an alternate payment plan; or
  3. Submit to VHP a recommendation in writing for subsequent legal action that may be taken by Contractor to bring an unpaid account to conclusion; or
  4. Return the account to VHP with a disposition.

VHP, at its sole discretion, reserves the right to place applicable debt into the State of Illinois' Local Debt Recovery Program. It is understood that debt placed into the Recovery Program may concurrently be placed into collection with Contractor. Should VHP receive payment from a debt from the Recovery Program that is also in collection with Contractor, Contractor shall not be eligible for the fees outlined hereafter.

- G. VHP shall pay Contractor a contingency fee equal to \_\_\_\_\_ percent of the collected amount only. VHP shall pay Contractor a contingency fee equal to \_\_\_\_\_ percent of the collected amount only on all cases requiring legal action after suit is filed.

VHP agrees to notify Contractor of any monies received in its offices on a weekly or more often basis.

- H. Contractor agrees to keep records of all collection work efforts under this agreement for a period of three (3) years.

- I. Contractor shall not initiate any legal action on VHP accounts placed for collection without prior written authority from VHP. Upon receipt of written approval, Contractor shall initiate legal action to collection on the authorized account. Contractor shall advance all court costs on all legal cases approved for litigation. VHP shall not be liable for the advancement of court costs by Contractor. Contractor shall be only entitled to be reimbursed for court costs expended on an individual account from the first monies collected on that account. Contractor shall include in all legal actions, as part of the recovery, a request for court costs to be paid by the responsible party.

- J. VHP shall have the right to have Contractor suspend collection activities on any account in its discretion as it shall determine. Contractor will return any account to VHP within thirty (30) days after notification. Contractor will immediately suspend collection activity and return any account to VHP when notified by VHP or any other source of the pendency of bankruptcy proceedings of any debtor. In the event that VHP cancels or suspends collection activity on any account referred for legal action, VHP shall reimburse Contractor for all court costs expended on the account.

Upon termination of the agreement, Contractor shall cease collection activity and return all accounts to VHP. Contractor will be entitled to its collection fee on accounts where a satisfactory payment plan has been arranged.

K. This agreement is binding on the parties hereto and on any approved respective successors and assigns. Contractor must obtain prior written consent from VHP before any assignment hereof may be valid and any assignment made without such approval shall be void and of no effect.

This agreement shall be construed in accordance with the laws of the State of Illinois.

L. Contractor will provide VHP with the following operational reports:

1. Contractor will provide VHP with immediate verification of all new accounts sent to Contractor for collection. This accounting will itemize individual accounts with grouped batch totals.
2. Contractor shall establish separate statements of accounts for the purpose of accounting, remitting collection, and billing of fees as required by VHP.
3. Contractor shall supply VHP, upon request, with a status report of each individual account available at VHP discretion.

M. It is the parties express intention and agreement that the section of this agreement, paragraph E., concerning indemnification will survive the termination of this agreement.

This agreement has been negotiated fully and equally, pursuant to a Request for Proposals, at arm's length, by both parties, and will not be construed as having been drafted by any single party. This fully executed agreement, together with Exhibit "A", contains the parties' entire understanding and agreement. Although Exhibit "A", the Request for Proposal, and the Proposal are part of this agreement, any conflict between those documents and this agreement to which they are attached, shall be resolved in favor of this agreement.

Contractor

By: \_\_\_\_\_

Village of Hanover Park

By: \_\_\_\_\_

**APPENDIX A**

	<b>TOTAL AMOUNT</b>
Miscellaneous Receivables	\$160,016.26
Red Light Camera	\$9,792.00
Ambulance Charges	\$19,554.18
Parking Violations	\$1,000,370.00
Towing Fines	\$118,000.00
Ordinance Violations	\$242,320.00
Animal Violations	\$22,395.00