

**PENNSYLVANIA OFFICE OF ATTORNEY GENERAL
DEBT COLLECTION SERVICES
RFP# 6100055766**

Questions and Answers

1 **Part III, Technical Submittal, N.PENNSYLVANIA OFFICE REQUIRED states** “Within six months of contract award, each PCA must maintain an office in the Commonwealth of PA from which to perform the services provided for in this contract. PCAs must maintain a single point of contact (operations manager or collections manager) for any issues arising under the contracted delivery of services.”

1. Can the winning Offeror have an office in Pennsylvania but perform a portion of the work outside of Pennsylvania?

ANSWER: All collection work must be completed within Pennsylvania. Support services such as information technology, printing, etc. may be done outside of Pennsylvania. Telework is permitted provided compliance with all federal/state/local rules and regulations including IRS Pub 1075. In addition, Offeror must have a physical location within the Commonwealth and employees working remotely would ideally reside within the Commonwealth.

2 Can remote employees who do not reside in Pennsylvania perform work on this contract?

ANSWER: See response to question 1.

3 Who are your current vendors for debt collection services?

ANSWER: Arcadia Recovery Bureau, LLC
Linebarger Goggan Blair & Sampson, LLP

4 What is your current level of satisfaction with your current vendors?

ANSWER: This question is not germane to the RFP.

5 Just to confirm, is the file “IT Terms and Conditions 8.1.22” the “Part V - Contractor Terms and Conditions” referred to in the RFP Table of Contents?

ANSWER: Yes

6 Will the Commonwealth consider any leeway for an agency that has all of the necessary qualifications and IRS Publication 1075 Certification, but does not have a local office in Pennsylvania?

ANSWER: No. A PA office is required.

7 Please reconfirm the due date for this procurement by providing it in response to answers to questions.

ANSWER: November 10, 2022 at 3:00 p.m. ET

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- 8 Why has this bid been released at this time?
ANSWER: The OAG and the DOR have recently instituted several changes to improve overall collections performance. These changes presented an opportune time to issue this RFP.
- 9 When is the anticipated award date?
ANSWER: The anticipated award date is within the first quarter of 2023.
- 10 Are bidders permitted to deviate in any way from any manner of quoting fees you may be expecting? For example, if there is a pricing page in the RFP, can bidders submit an alternate fee structure? If there is no pricing page in the RFP, do you have any preference for how bidders should quote fees or can bidders create their own pricing categories?
ANSWER: No.
- 11 Please describe your level of satisfaction with your current or recent vendor(s) for the same purchasing activity, if applicable.
ANSWER: This question is not germane to the RFP.
- 12 Has the current contract gone full term?
ANSWER: Yes.
- 13 Have all options to extend the current contract been exercised?
ANSWER: Yes.
- 14 Who is the incumbent, and how long has the incumbent been providing the requested services?
ANSWER: Arcadia Recovery Bureau, LLC - 10+ years; Linebarger Goggan Blair & Sampson, LLP - 10+ years
- 15 How are fees currently being billed by any incumbent(s), by category, and at what rates?
ANSWER: Contracts are contingency fee based with first placement retaining 13% of dollars recovered, and second placement retaining 21% of dollars recovered. Second placement Revenue claims were paid at 25%.
- 16 What estimated or actual dollars were paid last year, last month, or last quarter to any incumbent(s)?

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ANSWER: Refer to question 44 below for historical information related to commission paid in prior fiscal years.

17 What has been the historical rate of return or liquidation rate provided by any incumbent(s), and/or what is anticipated or expected as a result of this procurement?

ANSWER: Refer to question 37 below.

18 What billing servicer do you utilize?

ANSWER: Neither the OAG or the DOR utilize a billing servicer.

19 If applicable, will accounts held by any incumbent(s) or any backlog be moved to any new vendor(s) as a one-time placement at contract start up?

ANSWER: The intent is to move to any new vendor(s) as a one-time placement at contract start up.

20 What is your case management/accounting software system of record?

ANSWER: The OAG utilizes Artiva RM as its system of record for case management and account purposes. The DOR's tax system is GenTax, FAST Enterprises integrated tax system.

21 Who is your electronic payment/credit card processing vendor?

ANSWER: OAG does not currently have an electronic payment/credit card processing vendor. The DOR utilizes ACI through the DOR's public facing portal, myPaTH.

22 What process should a vendor follow, or which individual(s) should a vendor contact, to discuss budget-neutral services outside of the scope of this procurement, but related to it, designed to recover more debt prior to outside placement and lower collection costs?

ANSWER: This question is not germane to the RFP.

23 How do your current processes and/or vendor relationship(s) systematically determine if the death of a responsible party has occurred?

ANSWER: Currently, there is no systemic/automatic process in place for the identification of the death of a responsible party.

24 How do your current processes and/or vendor relationship(s) handle the a death of responsible party?

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ANSWER: Upon notification and receipt of documentation supporting the death of a responsible party, OAG will recall a claim from the vendor.

25 Do you have a designated process or policies around deceased accounts today, and what is envisioned in the future?

ANSWER: See answer to question 24 above.

26 Do you currently search and file probated estate claims? Have you considered an automated tool to identify and file probated estate claims?

ANSWER: This question is not germane to the RFP.

27 To what extent are these accounts owed by private consumers versus commercial businesses?

ANSWER: The OAG volume skews heavily toward private consumers. Approximately 97% of all claims are for individual, private debtors. The DOR will place claims owed by individuals for personal income tax and businesses that owe business taxes. The number of placements will be more for individuals than businesses but the dollars owed will be more for businesses.

28 What is PAOAG definition for First Placements?

ANSWER: Please refer to the Definitions section beginning on page 17 of the RFP, specifically the item titled First Placements.

29 What is the anticipated age of First Placements and Second Placements?

ANSWER: The age for both first and second placements varies significantly for any number of reasons. First placement follows OAG attempts to collect and may occur as quickly as 90 days (approx.) from initial referral to OAG. Second placement follows first placement and may occur as quickly as 210 days (approx.) from initial referral to OAG.

30 What is the anticipated Number # of accounts to be placed on a monthly basis for First Placements and Second Placements?

ANSWER: Any number of factors can influence placement volumes. For OAG, the 12 month pre-pandemic average monthly placed volume for both first and second placements was approximately 1200 accounts. The 12 month post-pandemic average monthly placed volume for both first and second placements was approximately 1000 accounts.

Please see page 21 of the RFP for DOR expected placements.

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- 31 What is the anticipated Dollar amount to be placed on a monthly basis for First Placements and Second Placements?
ANSWER: Any number of factors can influence placement volumes. For OAG, the 12 month pre-pandemic average monthly placed volume for first placement was approximately \$3.5 million and second placement was approximately \$3.1 million. The 12 month post-pandemic average monthly placed volume for first placement was approximately \$2.1 million and second placement was approximately \$2.0 million. Please see page 21 of the RFP for DOR expected placements.
- 32 Are there an incumbent's providing collection services? If so, what contingency fee is currently being charged?
ANSWER: Yes. The contingency fee for first placement is currently 13%. The contingency fee for second placement is currently 21% for OAG placements and 25% for DOR placements.
- 33 If there are current incumbent's providing collection services, would the PAOAG share any historical information concerning liquidation results?
ANSWER: Refer to question 37 below.
- 34 Why is the current RFP out for bid?
ANSWER: The OAG and the DOR have recently instituted several changes to improve overall collections performance. These changes presented an opportune time to issue this RFP.
- 35 ***** is a minority owned company; Should this be stated in the Response to RFP that we offer our services as a stand alone and/or as a partnership with selected vendors?
ANSWER: Yes if you want to share this information with our Organization.
- 36 Could you confirm the intended date for award?
ANSWER: See answer to question 9 above.
- 37 Please provide historical 12-month liquidation rate for each of the following categories:
OAG First Placements
OAG Second Placements
DOR First Placements
DOR Second Placements

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ANSWER: OAG First Placements - Approximately 5.03%, OAG Second Placements - Approximately 2.80%

Due the COVID-19 pandemic and the DOR's modernization efforts, this data is incomplete for the DOR.

38 Please provide volume of accounts and dollar value of assignments that occurred in 2021 broken down by:

- o OAG First Placements
- o OAG Second Placements
- o DOR First Placements
- o DOR Second Placements

ANSWER: OAG First Placements - Approximately 9700 accounts & \$16,600,000; OAG Second Placements - Approximately 5500 accounts & \$12,900,000

Due the COVID-19 pandemic and the DOR's modernization efforts, this data is incomplete for the DOR.

39 Who are current incumbents for:

- o First Placements
- o Second Placements

ANSWER: First Placement - Arcadia Recovery Bureau, LLC; Second Placement - Linebarger Goggan Blair & Sampson, LLP

40 Please provide the total # and dollar value of cases whereby litigation was requested broken down by calendar year – 2021, 2020 & 2019.

ANSWER: Neither the OAG or the DOR requested vendors to participate in litigation during the calendar years listed.

41 Will the offeror be required to provide legal services such as suit filing or obtaining judgments?

ANSWER: Offerors will not be required to provide legal services, but it is possible an offeror may be presented with the opportunity to do so.

42 Will OAG permit remote/work-at-home agents as long as the required security requirements are in place and the agents are located within the Commonwealth of Pennsylvania?

ANSWER: See response to question 1.

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- 43 Will OAG permit a remote/work-at-home agent to fulfill the single point of contact as long as the required security requirements are in place and the agents are located within the Commonwealth of Pennsylvania?
ANSWER: See response to question 1.
- 44 Please provide total commission fee earned by each of the existing collection providers broken down by – 2021, 2020 & 2019.
**ANSWER: In fiscal year 2020-2021, approximately \$1.6 million was paid across both First and Second placement.
In fiscal year 2019-2020, approximately \$3.7 million was paid across both First and Second placement.
In fiscal year 2018-2019, approximately \$3.5 million was paid across both First and Second placement.**
- 45 Understanding DOR is migrating to a modernized system, what is the name of new integrated tax administration system?
ANSWER: The DOR's new system is GenTax, a FAST Enterprises product. The DOR's name for the system is PaTH.
- 46 RFP page 16 states “ the Issuing Office may require a certified or bank (cashier’s) check, letter of credit, or a performance bond conditioned upon the faithful performance of the contract by the Offeror.” Could you provide any details about the performance bond amount or conditions where it would be required?
ANSWER: The performance bond would be required if the Offeror's financial information DOES NOT demonstrate that the Offeror possesses the financial capability to assure good faith performance of the contract, AND the Issuing Office, in its sole discretion, determines further consideration of Offeror is warranted.
- 47 What are the average balances of accounts in the OAG streams? Primary/Secondary
ANSWER: OAG Primary - \$2400; OAG Secondary - \$2000
- 48 What are the average balances of accounts in the DOR streams? Primary/Secondary
ANSWER: The average balance for DOR accounts varies based upon many factors.
- 49 What are the current liquidation rates for accounts in the OAG primary stream at 4 and 12 months?
ANSWER: Refer to question 37 above for historical liquidation rates. OAG is unable to provide for the specific intervals requested.

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- 50 What are the current liquidation rates for accounts in the OAG secondary stream at 8 and 12 months?
ANSWER: Refer to question 37 above for historical liquidation rates. OAG is unable to provide for the specific intervals requested.
- 51 What are the current liquidation rates for accounts in the DOR primary stream at 4 and 12 months?
ANSWER: Due the COVID-19 pandemic and the DOR's modernization efforts, this data is incomplete for the DOR.
- 52 What are the current liquidation rates for accounts in the DOR secondary stream at 8 and 12 months?
ANSWER: Due the COVID-19 pandemic and the DOR's modernization efforts, this data is incomplete for the DOR.
- 53 What percentage of the current primary placement flow is OAG vs. DOR
ANSWER: Currently, all of the primary placement flow is OAG.
- 54 What percentage of the current secondary placement flow is OAG vs. DOR?
ANSWER: Currently, all of the secondary placement flow is OAG.
- 55 The RFP mentions that most collection costs cannot be assessed to the debtor, however, for those that can be, will the collection agency need to be able to "gross-up" balances to recoup collection costs from debtors or will the amounts be added to the balance by the taxing authority who places the account(s)?
ANSWER: For claims placed by OAG, any collections costs which can be assessed will automatically be included with the balance referred. The Vendor will not need to make any adjustments for this purpose. DOR placements will be for the tax, interest, penalty, and lien fee. The additional cost of collection (i.e. the vendor's fee) will not be part of the dollars referred.
- 56 Do the referring authorities offer any settlements for less than the full amount due prior to referring accounts to the collection agencies? If so, to what degree and is that information made available to the collection agency at placement?
ANSWER: Yes, settlements are a possibility but each account/claim/situation is handled differently. There is no single set of guidelines surrounding settlement of debts.

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- 57 Will the questions and answers from all potential bidders be published for general review by all potential bidders by September 8th?
ANSWER: The volume and content of questions received required additional research time to adequately respond. The deadline for completion of questions and answers has been moved to October 27.
- 58 Regarding Part III, Technical Submittal, Statement of Work for PCAs, Item N, Pennsylvania Office Required; In order to better serve the Commonwealth of PA and its citizens, it would be beneficial to leverage existing staff experienced in the collection of identical debt types as well as existing infrastructures. Would the Commonwealth consider eliminating the requirement to maintain an office within the Commonwealth of PA?
ANSWER: No.
- 59 Regarding Part III, Technical Submittal, Statement of Work for PCAs, Item N, Pennsylvania Office Required; In the post-pandemic environment, all of our current State clients have authorized the utilization of a remote workforce. In lieu of maintaining a physical office within the Commonwealth of PA, would the Commonwealth consider allowing the selected vendor to employ a portion the project workforce as remote employees residing in the Commonwealth.
ANSWER: See response to question 1.
- 60 The RFP states, "DOR does not expect to place cases until the 2nd quarter of 2023". It goes on to state that, "beginning on or after January 1, 2023, the DOR projects placing between 7,500 to 15,000 new cases per month...". When can the selected vendors expect to begin receiving accounts from the DOR?
ANSWER: The DOR does not expect to place cases until after the start of the second quarter of 2023.
- 61 The RFP states that, "the DOR projects placing between 7,500 to 15,000 new cases per month among all placement classes. The estimated projected value of these cases per month is \$10,000,000 to \$20,000,000.". Are these numbers the total monthly placements, or are these numbers what each selected agency can expect in monthly placements?
ANSWER: The volumes listed represent total monthly placements.
- 63 How many new monthly account placements and of what face value can an individual vendor expect from both the DOR and AOG if the agency is selected as a primary? Also for a secondary?

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ANSWER: Based on historical and present claims inventory volumes, it should be anticipated that over \$250 million in aggregate delinquent claims may be assigned to PCAs by OAG and DOR at any given time.

For more specific information for OAG, please refer to question 38 above and for DOR refer to page 21 of the RFP.

64 The RFP states that the AOG will have the vendor be paid via a new remit back to the AOG on a weekly basis. It does not specific how the DOR will have the vendor be compensated and in what timeframe. Can you please elaborate on this point?

ANSWER: Vendors will be expected to bill the DOR on a monthly basis. The DOR will review and then provide information on directs. The invoice plus the directs will be sent to the DOR's fiscal office and then to the OAG for payment to the vendor. It is estimated that the Department will need approximately 30 business days to review the invoice and the directs before providing the information to the fiscal office. The turnaround time from fiscal management is approximately ten business days.

65 Please elaborate on the local office requirement. Can a vendor have a project management office within the state for key personnel while the work is performed from another domestic location or must all work be performed within the state of Pennsylvania?

ANSWER: See response to question 1.

66 How are non-English calls expected to be handled? Are there any specific non-English language requirements that the vendor will be asked to include?

ANSWER: OAG volume consists of primarily English speakers, but there is a population of Spanish speakers and it would be beneficial for vendors to be able to support both languages. The DOR volume will also be primarily English speakers, but there will be Spanish and other speakers. Vendors are encouraged to utilize translation services to provide the best possible service.

67 What amounts were paid to the incumbent agencies per vendor per month from 2019 to current?

ANSWER: See answer to question 44 above.

68 We consider our financial statements to be confidential, proprietary, trade secrets of the firm. Would OAG permit us to upload our financials to a third party secure website (SmartRoom) for OAG's authorized reviewers to access and review this information?

ANSWER: No. Refer to Section I-16c of the RFP.

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- 69 Please provide historical liquidation rates and/or actual fees paid to incumbent agencies for the most recent 12 months that information is available.
ANSWER: Refer to questions 37, 38 and 44 above.
- 70 Please clarify the expectations around voice analytics. Is there a specific requirement? Or should vendors provide information about analytics tools that we may use?
ANSWER: Offerors should provide information about analytic tools utilized by Offeror.
- 71 Is work from home allowed within a certain distance of a local Pennsylvania office?
ANSWER: See response to question 1.
- 72 Regarding Part III, Technical Submittal, Statement of Work for PCAs, Item R, Access to PCA's System, Reporting, and Web Portal; This section mentions "number of referred claims in litigation". Please provide the average number of claims per year that have gone to litigation.
ANSWER: The volume of referred claims in litigation, which remain placed with a PCA, has been historically minimal. There have been no such instances for either the OAG or the DOR in recent years.
- 73 Regarding Appendix C, Appendix D, and Appendix F; It appears these are to be completed by the selected vendor(s). Can you please confirm when these are to be submitted?
ANSWER: Appendix C and D would be completed if you are selected as one of our Vendors. Appendix F would be submitted with your proposal if it applies to your business/company.
- 74 Are there language support requirements beyond English?
ANSWER: See question 66 above.
- 75 Is using a TCPA compliant dialer allowed? If not, is Human Contact Intervention allowed?
ANSWER: Yes, use of a TCPA compliant dialer is allowed.
- 76 Are there tax payer opt ins for electronic communication methods?
ANSWER: Yes. Opt ins for electronic communication methods are permitted provided Offerors maintain appropriate records and follow all industry standards (i.e. applicable federal/state/local rules and regulations).

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- 77 Do you have a percentage of fraudulent accounts within the portfolio?
ANSWER: Neither the OAG nor the DOR will submit fraudulent claims on purpose. However, OAG and DOR claims at times may not be valid (i.e. the taxpayer does not actually owe the liability after providing evidence after the fact).
- 78 Will preference be given to incumbent Offerors?
ANSWER: All offerors will be scored on the same scale.
- 79 For IRS PUB 1075 Compliance, will the selected vendor have a period of time to provide the required documentation?
ANSWER: There is no acceptable period of time for which an Offeror may be noncompliant with Pub 1075.
- 80 For the PA office requirement, are collectors domestically located allowed outside of a PA office including the main client POC?
ANSWER: See response to question 1.
- 81 Will a resident Harrisburg POC, not sales representative, be sufficient for the Pennsylvania representation requirement?
ANSWER: It depends on the person's qualifications and role.
- 82 Would the “Enhanced Minimum Wage”, apply to any collectors supporting the program outside of Pennsylvania?
ANSWER: The Enhanced Minimum Wage Provisions are applicable to any individuals subject to Pennsylvania’s Minimum Wage Act of 1968.
- 83 Are PCAs permitted to use work at home agents for the proposed program?
ANSWER: See response to question 1.
- 84 I-11, B. Proposal Format (page 8) states proposals “...shall consist of three separate electronic files” then lists four (4) response items: Part III and Appendices A, B, and C.

Confirm that “Part III” is referring to items III-1 through III-5 located on pages 37-45. If so, must this section be completed twice and submitted separately if bidding on both tiers?

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ANSWER: Each technical submission needs to have Appendix A, B and G attached as these are the (3) mandatory attachments per submission. Each submission would technically have at least 4 parts:

1. Attachment A;
2. The Technical Submission to the RFP;
3. Attachment B; and
4. Attachment G.

If you are submitting a response to both lots, then you would have a minimum of 5 documents (All listed above and an additional technical submission for the other lot)

The OAG is not mandating a particular format for your submission, however we STRONGLY encourage a Table of Contents or the like to organize your submission for ease of review. Please see Section I,11 for electronic submission requirements.

- 85 Are signed copies of Appendices C and D due with our response, or are these to be completed by PCA employees following award?
ANSWER: These would be completed by PCA employees following award.
- 86 Should Appendices F, G, and/or H be signed and included with our response?
ANSWER: G is mandatory and must be signed and included with your response. F and H may be included if they are applicable to your submission.
- 87 Is it acceptable to submit one copy of each signed Appendix, or do these also need to be submitted in duplicate if bidding on both tiers?
ANSWER: See answer to question 84 above.
- 88 III Technical Submittal, Background (page 20): Of the \$250 million aggregate placements, what percentage are 1st placement vs. 2nd placement?
ANSWER: For OAG, approximately 2/3 of all placed volume is in first placement. All DOR claims begin as first placement. The amount placed with second placement will vary depending upon the success of first placement.
- 89 III Technical Submittal, Background (page 21): What is (or will become) DOR's system of record once the modernization project is complete?
ANSWER: The DOR's new system is GenTax, a FAST Enterprises product. The DOR's name for the system is PaTH.
- 90 III Technical Submittal, Background (page 21): Of DOR's \$10-\$20 million projected placements per month, what percentage are 1st placement vs. 2nd placement?

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ANSWER: All DOR claims begin as first placement. The amount placed with second placement will vary depending upon the success of first placement.

91 What is the average liquidation produced by current PCAs, separately for OAG and DOR placements, by placement tier?

ANSWER: See question 37 above.

92 III Technical Submittal, A. Referral Process (page 22): How does DOR define “small dollar liabilities”?

ANSWER: \$500 or less.

93 III Technical Submittal, P. Compliance Management Systems (page 29): Regarding IRS Pub. 1075 compliance, will PCAs submit employee fingerprints on FD-258 cards to the OAG directly, or will the OAG provide a code to submit fingerprints to the FBI electronically?

ANSWER: The DOR will discuss this process with the winning vendors.

94 It is noted that a PA location is required within 6 months of contract award. Would the Commonwealth be amenable to an Offeror employing Work From Home agents who reside in the Commonwealth of PA, rather than having a brick and mortar location?

ANSWER: See response to question 1.

95 Will the Commonwealth please break down volumes of account transfers based on placement level?

ANSWER: Refer to question 38 above.

96 If the Commonwealth is unable to break down the volumes of account transfers based on placement level, would it please provide a historical percentage of the portfolio breakdown so that we can estimate?

ANSWER: Refer to question 38 above.

97 The use of vendors for services such as skip tracing and letter service are customary in the collection industry. For the purposes of this RFP, does the Commonwealth deem these types of service providers as sub-contractors?

ANSWER: Yes.

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- 98 In regard to Statement of Work for PCA's item B, will the Commonwealth confirm that the data elements required for compliance the CFPB rule known as Regulation F will be provided to enable Offerors to issue the required FDCPA compliant initial demand letter?
ANSWER: Yes.
- 99 B. PCA Contact with Consumer (page 23): "PCA shall attempt communication with the Consumer/Debtor/Taxpayer via telephone contact, text, email, or social media mediums..." Are PCAs expected to communicate with debtors through social media platforms (e.g., Facebook messenger)?
ANSWER: PCAs are expected to utilize a variety of contact mediums consistent with their individual collections methodology and in the efforts are in compliance with various federal/state/local rules and regulations.
- 100 R. Access to PCA's System, Reporting, and Web Portal (page 30): The list of potential data points includes claims in litigation and claims paid through garnishment. It is our impression that PCAs will not be allowed to litigate accounts. Is this accurate?
ANSWER: Refer to question 72 above.
- 101 BB. Commission (page 34): The RFP outlines the fee calculation for DOR, but not OAG. How will fees be calculated on OAG accounts?
ANSWER: Refer to item BB. under the Statement of Work for PCAs on page 34 of the RFP.
- 102 There is an option to use a sub-contractor in this Scope of Work. Can the sub-contracting company that is used be located outside of the state of PA?
ANSWER: See response to question 1.
- 103 What companies are the incumbents from the previous contract?
ANSWER: Refer to question 3 above.
- 104 What has been the average collection rate (percentage of collections on the accounts placed) of the first placement accounts?
ANSWER: Refer to question 37 above.
- 105 What has been the average collection rate (percentage of collections on the accounts placed) of the second placement accounts?
ANSWER: Refer to question 37 above.

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106 How old (date of occurrence or date of placement with the OAG by the issuing agency) could these accounts be?

ANSWER: The age of referred claims can vary significantly, but all would be within applicable statutes of limitations.

107 Do you place accounts with PCAs that are past the statute of limitations?

ANSWER: No.

108 Page 7, I-11.A Proposal Submission: please clarify what needs to be submitted twice if a vendor is proposing for both primary and secondary lots (e.g. Appendix A, Appendix B, Appendix G, Trade secret form, Answers to Part III etc.). Would the Commonwealth allow a vendor to submit all of the forms in 1 PDF and the response and supporting documents for Part III in separate PDFs or should all documents for the proposal be assembled in 1 unique document (which might need to be separate PDFs for emailing purposes)?

ANSWER: Each technical submission needs to have Appendix A, B and G attached as these are the (3) mandatory attachments per submission. Each submission would technically have at least 4 parts:

- 1. Attachment A;**
- 2. The Technical Submission to the RFP;**
- 3. Attachment B; and**
- 4. Attachment G.**

If you are submitting a response to both lots, then you would have a minimum of 5 documents (All listed above and an additional technical submission for the other lot)

The OAG is not mandating a particular format for your submission, however we STRONGLY encourage a Table of Contents or the like to organize your submission for ease of review. Please see Section I,11 for electronic submission requirements.

109 Page 8, I-11.B: where in the technical submittal order should answers to Part III questions go, after Appendices A, B and G?

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ANSWER: Each technical submission needs to have Appendix A, B and G attached as these are the (3) mandatory attachments per submission. Each submission would technically have at least 4 parts:

1. Attachment A;
2. The Technical Submission to the RFP;
3. Attachment B; and
4. Attachment G.

If you are submitting a response to both lots, then you would have a minimum of 5 documents (All listed above and an additional technical submission for the other lot)

The OAG is not mandating a particular format for your submission, however we STRONGLY encourage a Table of Contents or the like to organize your submission for ease of review. Please see Section I,11 for electronic submission requirements.

- 110 Page 9, I-16.C: considering our financial statements are exempt from public disclosure, do we still need to submit the Trade Secret form and mark the financials accordingly or will the Commonwealth automatically redact them during a records request?

ANSWER: Please submit the Trade Secret form if it applies to your submissions. Please do not rely on anyone else redacting your documents.

- 111 Page 23, Section B: please confirm the Commonwealth is looking for the vendor's first collection letter to be Regulation F compliant.

ANSWER: Correct. All communications should be compliant with all applicable statutes.

- 112 Page 28 of the RFP, Compliance Management Systems section: #7 in paragraph 1 regarding CMS findings, can the Commonwealth provide additional clarity regarding what is being requested for the last 10 years? Can the time period be reduced to 1 or 2 years?

ANSWER: Offeror must provide detailed documentation of its Compliance Management System to include a detailed description of any findings (self-assessments, client testing, audits, certification processes, consultants, etc.) for the last 10 years. A lesser time period would be acceptable if the Offeror's CMS has existed for less than 10 years.

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- 113 Page 29, Compliance Management Systems: is the Commonwealth looking for prospective vendors to include their SSAE18 SOC 1, SOC 2 or other audits with their submission or simply state which audits are conducted in the applicable sections of Part III?
ANSWER: It is not necessary to provide the most recent copies of the various audits mentioned at the time of response to the RFP, however, if selected, copies of the various audits will be required prior to placement of any claims.
- 114 Page 30, Call Recording: for accounts which are no longer in active collections, how long should the call recording be maintained?
ANSWER: Retention of recording is mandatory for as long as the PCA is under contract to provide OAG and DOR professional services, subject to applicable legal restrictions on retention of recorded calls.
- 115 Page 38 of the RFP, Subcontractor section: can the Commonwealth expand on what is considered a subcontractor for the purposes of this contract/procurement? Typically, our prospective clients are only looking for this level of detail (e.g. audited financials/ownership listing) for entities that will be directly performing a significant portion of the work versus a vendor in a support role. A support role could be a letter printing/mailing company or an entity providing batch skip tracing data.
ANSWER: The Commonwealth would consider a subcontractor to be any third party entity performing services under this contract. Offerors should minimally provide a list of all third party entities involved in the performance of this contract and supply as much of the requested information as possible. OAG/DOR reserve the right to request clarification as needed. Some examples include, but are not limited to, print/mail vendors, skip tracing vendors, data storage vendors, IT services, etc.
- 116 Page 39, PA Office Required: please confirm the "Single Points of Contact" are the staff described on page 28, top paragraph. If these staff are also listed in the response to Section C. Personnel, can we direct the reader there for the resumes?
ANSWER: Yes.
- 117 Page 41, section Q Privacy/Security: the first line is asking for a detailed summary and documentation, can the Commonwealth clarify what documentation is appropriate for this response as our formal security policies can be rather lengthy and contain proprietary details.

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ANSWER: Offeror should explain how it will ensure the confidential data will be protected by describing their information security program and supplying all documentation they feel supports their response.

118 Page 42, section S Licensing, would it be acceptable to only include copies of our actual collection licenses or is the Commonwealth also looking for documentation of any Certificates of Authority issued by Secretaries of State?

ANSWER: Offeror shall provide a list of the jurisdictions in which it is licensed along with supporting documents demonstrating compliance with specific licensure requirements in all jurisdictions in which it is licensed.

119 Trade Secret/Confidential Proprietary Information Notice: if our firm is not submitting trade secret or confidential information, can we omit this form from our response? If we will be submitting trade secret information, where in the response should the document be placed?

ANSWER: There is no specific order of the documents. For ease of finding all necessary documents, it would be suggested to have a Table of Contents or similar in your submission.

120 **Section G. III-1 Statement of The Project. - G. PA Office Required:** Would The Commonwealth allow for Pennsylvania office information to be provided within 90 days of contract award, or prior to placement of accounts? We do not have a Pennsylvania office at this time, but we will open one if necessary by the Commonwealth.

ANSWER: Yes.

121 Can the winning Offeror have an office in Pennsylvania but perform a portion of the work outside of Pennsylvania?

ANSWER: See response to question 1.

122 Is it necessary for all contract work to be completed in a Pennsylvania office?

ANSWER: See response to question 1.

123 Can remote employees who do not reside in Pennsylvania perform work on this contract?

ANSWER: See response to question 1.

124 Instead of requiring a bidder to open an office in Pennsylvania, would the Commonwealth consider allowing for collectors to be residents of Pennsylvania and work remotely?

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ANSWER: See response to question 1.

125 **Section P - Compliance Management Systems:** The RFP details require a SOC 2 report prior to account placement. Would the Commonwealth allow a NIST SP800-53 Rev 5, PCI-DSS, and SOC 1 certifications in lieu of a SOC 2 report as outlined in the Statement of Work?”

ANSWER: Due to the sensitivity of the data involved, the Commonwealth requires a SOC 2 Type II report as outlined in the Statement of Work. No substitutions are appropriate.

126 **Section Q. Statements And Reports:** The RFP requires a monthly report and item 3 contains: Social Media Contacts by count. How does the Commonwealth want agencies to use social media? Will these be social media contacts through the PCA's existing social media channels, or does The Commonwealth want social media campaigns to be used to reach consumers? If so, how does the Commonwealth want these campaigns to be run/managed under the scope of debt collection? Does the Commonwealth want social media campaigns with the PCAs branding, the Commonwealth's branding, or both?

ANSWER: PCAs are expected to utilize a variety of contact mediums consistent with their individual collections methodology. If a selected vendor's collection methodology makes use of social media in any capacity, the vendor must report accordingly.

127 **Section R - Access To PCA's System, Reporting, and Web Portal:** This section states that the Commonwealth wants a dashboard. One of the items requested is: “**7) number of Referred Claims in litigation.**” **Question:** Will PCAs be required to litigate consumers, or will they only be responsible for collections activities on accounts that were litigated by OAG or DOR?

ANSWER: The volume of referred claims in litigation, which remain placed with a PCA, has been historically minimal. There have been no such instances for either the OAG or DOR in recent years.

128 **Section Statement Of Work For PCAS - Referral Process:** This section details DOR standard collection process, and includes the referral of accounts for bank levy or employer lien. Does DOR want PCAs to refer accounts for wage/bank liens? If so, are PCA's paid fee on monies received from liens submitted by PCA?

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ANSWER: Vendors may refer cases back to the DOR that it believes would be better worked by the DOR. The DOR would not pay a commission on those, or any, recalled cases.

129 If PCAs are required to submit liens and levies, will DOR execute those requests, or is the PCA responsible for implementing liens and levies?

ANSWER: Vendors may not issue or implement any garnishments or levies on DOR claims.

130 Who is/are the incumbent(s) and what is the current fee schedule for that incumbent(s)?

ANSWER: Refer to questions 3 and 15 above.

131 On a scale of 1-5 with 5 being the best, how satisfied are you with the current incumbent(s)?

ANSWER: This question is not germane to the RFP.

132 What improvements to the contract would you like to see from the new offeror(s)?

ANSWER: This question is not germane to the RFP.

133 How many staff members are currently working on this project?

ANSWER: This question is not germane to the RFP.

134 Does the Commonwealth have any guidance to how many collectors are assigned to the project for each PCA?

ANSWER: Neither the OAG nor the DOR readily have this information available. Selected vendors are expected to maintain adequate staffing levels.

135 What is the difference between 1st and 2nd placement volumes?

ANSWER: Refer to question 30 above.

136 Do you have any seasonality to incoming volumes?

ANSWER: Yes.

137 Do you have any daily variances in call volumes? (i.e., Fridays are usually 75% of Monday volumes, etc.)

ANSWER: Daily call volume varies based on a number of factors including things like time of year, date of last letter/call attempt, etc.

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- 138 How much money was paid to the incumbent(s) over the past year?
ANSWER: Refer to question 44 above.
- 139 What is the liquidation rate after 365 days for 1st placements? 2nd placements?
ANSWER: refer to question 37 above.
- 140 What is the average account balance?
ANSWER: Refer to question 47 above.
- 141 What determines a 1st placement? Is it the length of time the account has been charged off (ex: 0-12 months) or is it the number of times the account has been placed with an agency? Second placements?
ANSWER: Please refer to the Definitions section of the RFP, specifically the items titled First Placements and Second Placements.
- 142 RFP states that account will be recalled after a certain amount of time. If PCA has a payment pending on the account that has not yet posted, will the PCA be required to request to keep these accounts in writing on an individual basis, or would The Commonwealth agree to this as a universal rule for account retention?
ANSWER: Refer to the RFP section Statement of Work for PCAs, item J. Cancellations
- 143 What is the average handle time per call? Does this handle time include wrap up? If not, can you provide average wrap up time?
ANSWER: For OAG, the average handle time per call is approximately 3 minutes which includes wrap up time. For the DOR, there is too much variability to provide a meaningful answer.
- 144 Will Agency be able to utilize remote employees if security standards are provided?
ANSWER: See response to question 1.
- 145 Does OAG require direct access to the call recordings or just require agency to provide a recording upon request?
ANSWER: Direct access to PCA's call recording platform is preferred.
- 146 If an account is deemed uncollectible, is the OAG looking for us to recommend next actions including legal action?
ANSWER: Yes.

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- 147 Do the Non-Filers include Personal and Corporate?
ANSWER: Yes.
- 148 Will the new rates outlined in the new contract be retroactive for any current inventory being worked by an Agency?
ANSWER: Refer to question 19 above and not the rates outlined in the RFP would be applicable following that one-time placement.
- 149 Section - Calendar of Events
Page # - 4

Question: What is your target date for contract award?
ANSWER: Refer to question 9 above.
- 150 Section - Calendar of Events
Page # - 4

Question: What is the latest date by which you will issue any addendum related to this RFP?
ANSWER: November 9, 2022.
- 151 Section - General Question
Page # - N/A

Question - In the most recent fiscal year, what dollar amount did each of your current contractors retain in fees?
ANSWER: Refer to question 44 above.
- 152 Section - I-11. Proposal Requirements, A. Proposal Submission
Page # - 7
"To be considered, Offerors should submit a complete response to this RFP to the Issuing Office, using the format provided in Section I-11B, providing a single electronic proposal with separate files for the Technical Submittal for each Lot Offeror is; proposing to be considered for award."

Question - Just to confirm, is the preceding sentence saying that if an Offeror is applying for both Lot 1 and Lot 2, the Offeror needs to provide TWO separate Technical proposals? If not, please clarify.

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ANSWER: Yes two separate technical proposals are needed if applying for both Lot 1 and Lot 2.

153 Question - Was something omitted after the semi-colon, or is the semi-color a typographical error?

ANSWER: Typographical error.

154 Section - I-11. Proposal Requirements, B. Proposal Format
Page # - 8

"B. ... Each electronic proposal shall consist of the following three separate electronic files:

1. Technical Submittal, in response to Part III:
 - a. Complete, sign and include Appendix A – Proposal Cover Sheet;
 - b. Complete and include Appendix B – Additional Information; and
 - c. Complete, sign and include Appendix G, Iran Free Procurement Certification Form.

Question - Would the Offeror actually be submitting at least FOUR separate electronic files, namely, 1) Technical Submittal (response to Part III); 2. Appendix A – Proposal Cover Sheet; 3) Appendix B – Additional Information; and 4) Appendix G – Iran Free Procurement Certification Form? And if separate PDF files are required for Lot 1 and Lot 2, wouldn't that be FIVE separate electronic files?

ANSWER: Each technical submission needs to have Appendix A, B and G attached as these are the (3) mandatory attachments per submission. Each submission would technically have at least 4 parts:

1. Attachment A;
2. The Technical Submission to the RFP;
3. Attachment B; and
4. Attachment G.

If you are submitting a response to both lots, then you would have a minimum of 5 documents (All listed above and an additional technical submission for the other lot)

The OAG is not mandating a particular format for your submission, however we STRONGLY encourage a Table of Contents or the like to organize your submission for ease of review. Please see Section I,11 for electronic submission requirements.

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155 Section - H. MINIMUM DUNNING REQUIREMENTS:
Page # - 39

“PCA shall provide copies of its procedures detailing how it will deliver services consistent with the requirements of the Statement of Work. Please note these standards establish minimum requirements and OAG and DOR desire to review detailed explanations of how PCAs will meet and/or exceed these minimum standards.”

Question - Is this response specific to STATEMENT OF WORK FOR PCAs, section B. PCA CONTACT WITH CONSUMER/DEBTOR/TAXPAYER? Or are Offerors to address the entire Statement of Work?

ANSWER: PCA shall provide copies of its procedures detailing how it will deliver services consistent with the Statement of Work. The response to this section should describe PCAs dunning cycle for 1st placement, 2nd placement, or both.

156 Section - III-1 STATEMENT OF THE PROJECT, section S. LICENSING
Page # - 42

“PCA shall provide any supporting documents demonstrating compliance with specific licensure requirements in all jurisdictions in which it is licensed.”

Question - Can you please clarify what you mean by “supporting documents demonstrating compliance with specific licensure requirements ...”? Please provide examples.

ANSWER: There are no specific documents, however Offerors are expected to supply any documentation available (if any) that demonstrates compliance with specific licensure requirements.

157 Section - Section I-4 Objectives
Page # - 5

RFP Section I-4 Objectives states that the OAG will award First Placements to three Offerors and Second Placements to three Offerors. Meanwhile, Section Z. METHODOLOGY FOR PLACEMENTS, on p. 33, says, “OAG and DOR intend to utilize more than one First Placement PCA and more than one Second Placement PCA to promote the highest value delivery of professional services and to promote competition amongst PCAs.”

Question - Will both OAG and DOR use three First Placement contractors and three Second Placement contractors? If not, please clarify.

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ANSWER: Yes. That is the intent of this RFP.

158 Can a PCA select which debt types are placed with them for collections?

ANSWER: No.

159 Are PCA's permitted outsource specific debt types?

ANSWER: No.

160 Does the PCA train their own staff, similar to a "Train the Trainer" approach? If yes, will the PCA Trainer be provided with training from the PA AG office? Or is training created by the PCA assuming that the training documents and scripting be provided by the PA AG and training plans created by the PCA will be agreed to by the PA AG?

ANSWER: OAG and DOR will provide training and/or documentation to selected Offerors.

161 Do PCAs use internal solutions to process payments, or must they use a preapproved vendor? Or are we utilizing a payment system already in use by OAG/DOR?

ANSWER: PCA may utilize internal solutions to process payments.

162 If the PCA does not have access to the PA AG's payment system, where would the payments need to be sent to, Commonwealth of Pennsylvania?

ANSWER: Provided the PCA is unable to process payments, which is ideal for OAG following placement, payments must be made payable to the Commonwealth of Pennsylvania and mailed to the OAG Financial Enforcement Section.

163 Are we required to establish an internal system to manage records, or can we utilize the external system? We know we will maintain the reconciliation and cash activity within.

ANSWER: Selected vendors are required to maintain correct, and secure records that can be easily audited.

164 What is meant by cash must reside in PA? For example, can payments be received in a PO box residing in PA, then sent for processing through a lockbox vendor residing in another state?

ANSWER: Payments on OAG and DOR claims should be sent to a PA address. How the money is banked is up to the vendor.

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- 165 Will Vendors establish their own bank account, or will they have access and utilize an external bank account?
ANSWER: Vendors will need to establish their own bank account.
- 166 Assuming the 48 hr rule accounts for weekend and holidays?
ANSWER: Initial letters must be sent within 48 hours, or 2 business days following placement.
- 167 Can data updates, payment files and balance adjustments be provided/updated more frequently than the current schedule? Daily would be ideal.
ANSWER: For OAG, no. The cadence outlined in the RFP must remain as is. The DOR may consider a different schedule.
- 168 Page 38 Section E “PCA’s must demonstrate the use of Artiva or an ability to interface”

Does this mean that PCA have the option to work directly on Artiva and if so, does this eliminate the need to transmit data files?

ANSWER: The expectation is that PCA will not be using the OAG system/licenses for Artiva and will instead either maintain their own system or one that interfaces with Artiva via file transfer.
- 169 Will PCAs have access to review borrower records in Artiva? If no, how do we provide the consumers, debtors, taxpayers with requested pertinent information or access prior borrower communications? If yes, will we be expected to make any manual updates in Artiva?
ANSWER: PCAs will not have direct access to the OAG system. They will have access to an OAG maintained vendor portal which will provide some information for referred accounts. In the event the PCA requires supplemental documentation for a particular account, a request would be sent to OAG via email.
- 170 What methods of payment are available to the debtor? Are there any administrative based payment solutions similar to wage garnishment?
ANSWER: The vendor must be able to receive checks and money orders. In addition, vendors are strongly encouraged to accept credit and debit cards. Note that vendors may not deduct credit card fees (i.e. if the consumer/debtor/taxpayer pays \$1,000, \$1,000 must be remitted to the OAG/DOR).

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- 171 Other than the information provided in the placement files, what account information would the PCA receive related to activity history and previous correspondence
- ANSWER:** The only information provided to PCA, at least initially and with respect to activity history and previous correspondence, is contained in the placement files. Additional information can be provided upon individual request.
- 172 Does OAG/DOR have template letters and common language the PCA must use?
- ANSWER:** PCA's may use their own templates but all letters will need to be approved by OAG/DOR prior to implementation.
- 173 Are there parameters under which a PCA operates to facilitate a quicker turnaround time on the approval of settlement offers? If not, what is the turnaround time on offers presented to OAG/DOR?
- ANSWER:** Response times for settlement offers vary according to the complexity of the individual claim.
- 174 Can PCAs outsource the skip tracing?
- ANSWER:** Yes, provided the Offeror performs at least 50% of the total contract value as outlined in I-15 on page 9 of the RFP, and Offeror provides the requested information outlined in item D. on page 36
- 175 If we request an extension on the retention of an account and it is granted, do we retain the account for 30 days or 120/240 days depending upon placement tier?
- ANSWER:** The extension will be equal in length to the original Contract Placement.
- 176 We currently train all staff on Compliance with applicable regulations utilizing Talent Development and have built in test/quiz questions as part of the training presentation. Would this suffice or is OAG/DOR requiring that all tests/quizzes be completed after the training has been completed, not as part of the training itself?
- ANSWER:** Annual training must be documented with all of PCA's employees successfully completing scored testing following training. Provided the testing is appropriately scored, results maintained, and supplemental instruction provided as necessary, testing may be split up throughout the training session.
- 177 Do OAG/DOR also work accounts between PCA placement tiers?

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ANSWER: OAG does not actively work accounts between 1st and 2nd placement. The DOR might conduct a levy check prior to referral to second placement and if there's a match, the DOR will not refer to second placement and will proceed with the levy.

178 Will OAG/DOR access be needed to just PCA's collection activity systems, or supporting documentation as well?

ANSWER: PCA shall provide OAG and DOR real time uninterrupted web based access to PCA's collection system of record for due diligence, vendor management, and service observation. The system access may, at the discretion of OAG and DOR, be through a real time web based dashboard.

179 Is access needed directly to PCA's call recording platform, or will file transfers suffice?

ANSWER: Direct access to PCA's call recording platform is preferred, but a file transfers would suffice.

180 What KPIs will be used for evaluation of PCA performance?

ANSWER: KPIs may evolve over time based on OAG/DOR need and examples include items such as Average Speed of Answer, Call Abandons, Social Media Contacts, Emails Generated, Emails Received, Letters Sent, Letters Received, Complaints, Payment Received, Documented Payment Agreements, Liquidated Claims, and Comparison of Expected Monthly Receivables Against Actual Collections.

181 Please detail the current PCA performance incentive model? Will OAG/DOR accept and consider PCA incentive proposals as part of this offering?

ANSWER: There is no PCA performance incentive model. OAG/DOR will not consider PCA performance incentive proposals as part of this offering.

182 When a debt is disputed, does the PCA act as an intermediary between the debtor and Referring Agencies?

ANSWER: For OAG referred claims, PCA will notify OAG of dispute and OAG will obtain necessary information from the Referring Agency and provide it to PCA. For DOR claims, the PCA should notify the DOR and place a hold on the account. The DOR will advise the PCA after a review.

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183 Page 21, last paragraph states 'Each consumer, debtor and/or taxpayer referred to PCA shall be treated in a manner indistinguishable from the communication and treatment afforded the consumer, debtor and/or taxpayer by the OAG and DOR.' Does this mean that we are to identify ourselves as OAG / DOR (phone, email, letters)?

ANSWER: No. It means that PCA is expected to act in a professional, respectful, fair, and dignified manner.

184 Page 28, Section P Compliance Management Systems. Please provide guidance as to what OAG and DOR consider 'material changes to the CMS'?

ANSWER: Each PCA should be maintaining a Compliance Management System in order to ensure, document, and identify its compliance with all laws applicable to the PCA's provision of professional receivables management services. Examples of material changes to the CMS include, but are not limited to the following: 1) new personnel responsible for the PCA's compliance program; 2) a change in the software/system used to house various documentation; 3) changes implemented as a result of compliance testing/auditing; 4) etc.

185 Page 31, Section U Vendor Management and Page 40 Section N Vendor Management – Please describe the requirements of the OAG vendor management program.

ANSWER: The OAG Vendor Management Program is designed and implemented to ensure vendors are performing activities according to contract and acting in the best interests of the Commonwealth. Things like compliance with applicable laws, providing open and honest communication with OAG, collection performance, etc., are all considered.

186 Page 33, Section AA Invoicing and Reconciliation/Payments –

Please provide an example for 'Any bad checks or NSF payments shall be reported separately and PCA agrees any earned commission credited on the bad payment shall be immediately reversed with interest.'

ANSWER: PCA must notify OAG or DOR of any payments PCA processed which are returned and will not receive commission on the amount reversed.

187 Can PCA deduct the amount of commission from the amount of payments received during the month?

ANSWER: Requirements differ for OAG and DOR with respect to payment of commission and can be found in the RFP beginning on page 33.

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- 188 Section – RFP Section I.3 – Overview of Project
Page 5
Question - Please provide the names of your incumbent collection vendors?
ANSWER: Refer to question 3 above.
- 189 Section – RFP Section I.3 – Overview of Project
Page 5
Question - How long have the current vendor(s) provided collection services on behalf of the PAOAG?
ANSWER: Refer to question 14 above.
- 190 Section – RFP Section II-4 – Evaluation Criteria
Page – 14
Question - What metrics, results, and/or processes are you seeking to improve or enhance under this contract?
ANSWER: The OAG and the DOR are not seeking to improve on the current contracts. The OAG and DOR are seeking the services of vendors as described in the RFP.
- 191 Section – RFP Section II-3 – Evaluation
Page – 14
Question - Can PAOAG elaborate on what roles make up the evaluation committee?
ANSWER: This question is not germane to the RFP.
- 192 Section – RFP Part III - Background
Page – 19
Question - Can PAOAG provide historical recovery rates (liquidity rates) on accounts over the last three years?
ANSWER: Refer to question 37 above.
- 193 Section – RFP Section K - Complaints
Page – 27
Question - Please elaborate on PAOAG’s definition of a “complaint”? Does PAOAG includes Written, Verbal; or both within their definition?

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ANSWER: The definition of a complaint may be found in the Definitions section of the RFP. Entry points of complaints include but are not limited to written correspondence, phone conversations, submission to the CFPB, submission to various States Attorneys General, etc.

194 Section – RFP Section K - Complaints
Page – 27

Question - Regarding complaint service level agreements, vendors are required to notify PAOAG within 48 hours of receipt. Please confirm the PAOAG defines 48 hours as 2 business days (excluding weekends and holidays from the timeframe).

ANSWER: Correct. 48 hours refers to 2 business days.

195 Section – RFP Section K - Complaints
Page – 27

Question - Is there a designated contact within PAOAG for reporting of complaint information? Please elaborate on what information should be provided at the time of notification to PAOAG?

ANSWER: There will be a single point of contact for the reporting of complaint information. The RFP details minimum expected data fields to be included in the reporting.

196 Section – RFP Section K - Complaints
Page – 27

Question - What is PAOAG's preferred method of communication to receive notification of complaints? Email, telephone, client portal?

ANSWER: Ideally the information would be made available in the client portal and a notification would be sent via email to appropriate staff.

197 Section – RFP Section N – Pennsylvania Office Required
Page – 27

Question - Please confirm PAOAG is amenable to a work from home model to satisfy this requirement?

ANSWER: See response to question 1.

198 Section – RFP Section N – Pennsylvania Office Required
Page – 27

Question - In addition to a work from home model, would the PAOAG be amenable to the contractor having a physical location within 20 miles of PA in a boarding state?

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ANSWER: See response to question 1.

199 Section – AA Invoicing and Reconciliation of Payments
Page – 33

Question - Any bad checks or NSF payments shall be reported separately and PCA agrees any earned commission credited on the bad payment shall be immediately reversed with interest. Based on the above will additional interest be charged to PCA based on the NSF, if so what % of interest will be assessed?

ANSWER: PCA must notify OAG or DOR of any payments PCA processed which are returned and will not receive commission on the amount reversed.

200 Section – AA Invoicing and Reconciliation of Payments
Page – 34

Question - Will overpayments be remitted in the electronic file and PA OAG/DOR will be responsible for refunding?

ANSWER: Correct. PCAs will be expected to engage with the consumer/debtor/taxpayer in advance of payment to minimize the number of occurrences of overpayments. Should a PCA know that the balance on the account is zero and has collected funds, the PCA should refund the money. If a PCA has collected money and remitted funds and it creates an overpayment on the debtor's account, the Commonwealth will be responsible for the overpayment.

201 Section – AA Invoicing and Reconciliation of Payments
Page – 33

Question - To limit the risk of a NSF payment would the PCA be allowed to hold non-certified payments for a period of 14 days to ensure the funds clear the taxpayer's account before remitting the funds to PA OAG/DOR?

ANSWER: OAG/DOR are agreeable to this approach.

202 Section – BB Commission
Page – 33

Question - Are the following payment methods acceptable:

ACH

Pre-Authorized Check(PAC)

WEB Initiated Debit/Credit card & ACH (MC and Visa)

Western Union

Bank Wire

Checks received via direct mail (personal and business)?

ANSWER: Yes that is the intent.

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- 203 Section – RFP Section BB – Commission
Page – 34
Question - Can the PAOAG provide the total dollar amounts and contingency fees paid to incumbent vendor(s) over the last three years (please include by account type if applicable)?
ANSWER: Refer to question 44 above.
- 204 Section – RFP Section BB – Commission
Page – 34
Question - Please provide target or anticipated fee rates for this contract
ANSWER: Contracts will be contingency fee based as described in the referenced section. No additional fees will be paid to PCAs
- 205 Section – RFP Section BB – Commission
Page – 34
Question - What are the fee rates of your incumbent collection vendor(s)? How are the fees calculated?
ANSWER: The contingency fee for first placement is currently 13%. The contingency fee for second placement is currently 21% for OAG placements and 25% for DOR placements.
- 206 Section – RFP Section BB – Commission
Page – 34
Question - After the initial account placement, will collection vendors be assigned “future flow” account placements (perhaps based on their competitive performance)?
ANSWER: Nothing in this solicitation should be construed to guarantee any specific volume of claims referred by OAG and DOR to PCAs. Items such as PCA performance and effectiveness will be one of many factors considered in future placements.
- 207 Section – RFP Section BB – Commission
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Question - What is the total number of delinquent accounts (expressed as number and dollar amount) that will be assigned for collections?
ANSWER: Refer to the Background section of the RFP beginning on page 19.

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Questions and Answers

- 208 With regard to subcontractors, does OAG require the extensive listing of all subcontractor details for only entities handling core collection functions?
ANSWER: Refer to the Subcontractors section of the RFP beginning on page 38.
- 209 With regard to subcontractors, collection providers often utilize outside entities to perform mundane non-collection functions such as letter mailings, skip-tracing, etc. Does OAG consider these non-core collection functions to bring these mailing/skip trace vendors under the RFP subcontractor requirements?
ANSWER: Yes.
- 210 If subcontractors will not provide or allow the detailed information requested in the RFP, will simply identifying the subcontractor be deemed sufficiently responsive for the RFP?
ANSWER: No.