

ADDENDUM #5

**CSB: Debt Collection Services
PIN: 83622B0003**

THE ADDENDUM IS ISSUED FOR THE PURPOSE OF AMENDING THE REQUIREMENTS OF THE COMPETITIVE SEALED BID AND IS HEREBY MADE A PART OF SAID COMPETITIVE SEALED BID TO THE SAME EXTENT AS THOUGH IT WERE ORIGINALLY THEREIN.

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Part I: Questions & Answers

- Additional Questions & Answers received from vendors are attached to this addendum

All other Terms and Conditions remain the same.

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Part I: Vendor Questions & Answers

Question 1: Under Bidder Qualification Requirements, it says, “5) The Bidder must be able to accept referrals in an electronic format as determined by the City via a secure transfer method. The Bidder must have the capacity to automate referrals via a vendor-hosted system that interfaces with the City’s existing source systems and meets DOF’s requirements for secure data transfer within ten (10) days of contract award.”

Is this requirement saying that the interface to import and export data into our collection systems must be established and tested with City files and operational within 10 days of contract award? Or is it saying that the Contractor must have a secure data transfer method to share data for the onboard process (such as an SFTP site) within 10 days of contract award? Please clarify.

Answer: The Contractor must have a secure data transfer method to share data for the onboard process (such as an SFTP site) within 10 days of contract award. The contractor should have the ability to review and process file layouts in order to upload/download between DOF and the contractor system.

Question 2: Regarding M/WBE Participation Goal revised to “8%, Unspecified” as per Addendum #4: If a proposer previously requested a partial or full waiver regarding the original M/WBE participation goal and is now prepared to fulfill the new goal:

- Can/should the proposer withdraw its waiver request, if it has yet to be addressed by the City? If so, how should this be accomplished?
- Does the revised rate as now authorized and described in Addendum #4 supersede and/or otherwise negate waiver requests that were predicated on the original M/WBE participation goal and already have been submitted for consideration?

Answer: This is being handled on a case-by-case basis. The vendors with approved waivers have been given an opportunity to revise.

Question 3: Is the City able to segregate Federal Tax Information (FTI), or is FTI commingled with non-FTI on account data?

Answer: DOF handles New York City business tax accounts and the account information for this debt type is not commingled with any other DOF accounts data.

Question 4: What level of internal efforts and collection attempts is conducted by City staff before Business and Excise Tax accounts are placed out for collections? Can you please describe what those attempts include? (i.e., how many calls, how many letters or invoices, etc.).

Answer: DOF completes mailing of Notice of Tax Due. If no action is taken to resolve the debt, in addition to outbound calls, the following internal dunning activities should take place by various areas in the Collection Division:

- Issuance of Warrant
- Issuance of Statement of Financial Account
- Assignment to specialized Collections areas
- Bank levy
- Vendor offset

If after the above attempts to collect and the debt is not resolved by the taxpayer, the debt will be assigned to a collection agency.

Question 5: Will participating NYC Departments be able to supply the itemization information required under Reg F? This information includes, an itemization date (last statement date, charge-off date, last payment date, transaction date, or judgment date), the amount due as of the itemization date and the amount of interest charged between the itemization date and the date placed with Reliant, the amount of fees charged between the itemization date and the date placed with Reliant, the amount credited or paid between the itemization date and the date placed with Reliant.

Answer: Listed below is the information DOF supplies to the current vendor which is subject to change by the start of the contract:

- Violation Number
- Violation issue Date
- Docket Date
- Placement Date
- Amount due at date of placement (base, interest, penalty)
- Daily updated amount with penalty (interest must be calculated by vendor for parking debt)
- Payments made when debt is assigned to vendor

Question 6: Via our programming team, our company is able to accommodate any incoming or outgoing file layout that the DOF would provide or require; but for the purpose of fully answering the proposal requirement, what type of record is DOF looking for? (i.e., Placement, Recall, Payment, or Update?)

Answer: From business/operational standpoint, the type of records shall include but not be limited to:

- Payment transactions in support of invoice.
- Outreach transactions, including all types of communication (letter, phone, emails, etc.)
- Other (required/ad hoc) reports in summarized form and/or on record or transaction level, which may include, but not limited to, the following items:
- New/updated contact information (address, phone, email address, etc.)
- Entity status (bankrupt, deceased, etc.)

Question 7: How do your current processes and/or vendor relationship(s) systematically determine if the death of a responsible party has occurred?

Answer: The case is to be returned to DOF via a file transfer, with a “deceased” indicator.

Question 8: Does City of New York require all Cloud-based systems to be FedRamp “Authorized” or is FedRamp “Ready” Sufficient?

Answer: Not necessarily. However, the vendor will be required to prove that it is compliant with all the necessary security controls and measures. The following may be required: OTI Cloud review, Software Security Assurance Process (SSA), Penetration Test, provision of SOC1, SOC2, or SSAE 18.

Question 9: Can you disclose the number of accounts each for ECB, Parking, and Excise Tax?

Answer: Number of Accounts (Cases) – Rounded

- Parking = 1,400,000
- ECB = 304,000
- Business Tax = 295,000

Question 10: What is the expected number of accounts per month or quarter, categorized as follows:

Answer: Monthly Average # of new cases referred to OCA (based on data from July 2021 – Jan 2023) – Rounded

Debt Type	Primary	Secondary
Business Tax	2,000	2,000
Parking	50,000	19,000
ECB	5,000	5,000

Question 11: Please provide the average number of debts per consumer or business.

Answer:

- Parking
 - Case/Taxpayer = 1,400,000
 - Summons/Bill Items = 6,500,000
 - Avg Summons/Bill Item Per Case/Taxpayer = 4.6
- ECB
 - Case/Taxpayer = 304,000
 - Summons/Bill Items = 837,000
 - Avg Summons/Bill Item Per Case/Taxpayer = 2.8
- Business Tax
 - Case/Taxpayer = 159,000
 - Summons/Bill Items = 273,000
 - Avg Summons/Bill Item Per Case/Taxpayer = 1.7

Question 12: In Question 5, it asks about a vendor-hosted system that is compatible with current city source systems. Can you give examples of such systems?

Answer: Gentax & Computer Assisted Collection System (CACS).

Question 13: For the NYC Debt Collection Agency Letter, does a copy of my license suffice?

Answer: No, a dunning letter which is approved by DOF is required.

Question 14: Please provide an estimated value of the accounts currently placed with each vendor by debt type.

Answer: The values are changing daily. Please refer to updated IFB page in Addendum #2 Exhibit IIA and IIB for the projected values.

Question 15: Could a vendor currently serving as a tertiary tier collection vendor for the DOF be awarded a primary contract for the same debt type?

Answer: No.

Question 16: Please confirm a vendor currently serving as a tertiary tier collection vendor could be awarded primary or secondary tier collections for debt types they are not currently working.

Answer: A vendor currently serving as a tertiary tier collection vendor could be awarded a primary or secondary tier collection as long as the vendor's current tertiary contract is not in the same category.

Question 17: Does the DOF anticipate using tertiary tier collection vendors in the future after the existing contracts end?

Answer: DOF anticipates releasing another bid for Tertiary debt collection sometime in the future.

Question 18: Will the selected vendors receive any backlog or legacy placements at the start of the contract?

Answer: Yes.

Question 19: Upon contract award, will accounts currently placed with a primary vendor be recalled and placed with a new primary or secondary vendor?

Answer: The outstanding debt will be retrieved and transferred to the secondary vendor. Primary assignments within the specs of this CSB refer to debts that have not been pursued by a collection agency. Please consult the Scope of Work for details on award restrictions.

Question 20: We are Nationally licensed, bonded, and insured; the solicitation document states to upload all relevant licenses held by the bidder. Uploading every license will result in a very large document. Is it acceptable to upload our NYC and NY State licensing along with a document that includes all other licenses along with license numbers and expiration dates? Understanding that any company awarded a contract must then submit copies of all licenses.

Answer: Collections Division has no issue with this type of submission.

Question 21: What is the estimated forward flow of accounts placed for each debt type?

Answer: Please refer to updated IFB page in Addendum #2 Exhibit IIA and IIB for the forward flow of accounts placed for each debt type.

Question 22: Regarding the Dollar Amount Per Year column of the Debt Collection List of Similar Projects and References Excel file, please confirm if you are looking for the average annual collections or the average of the contract-to-date revenue (amount paid to collection agency).

Answer: The Dollar Amount Per Year column refers to the total value (placement amount) of debt assigned to your company each year.

Question 23: Regarding the Total Contract Amount column of the Debt Collection List of Similar Projects and References Excel file, please confirm if you are looking for the annual collections amount or the contract-to-date revenue (amount paid to the collection agency).

Answer: The Total Contract Amount column refers to the total amount collected out of the total debt assigned (Dollar Amount Per Year column) to your company.

Question 24: Regarding the Debt Collection List of Similar Projects and References Excel file, many bidders will have multi-year contract awards. Please confirm if you are looking for the dollar amounts for the lifetime value of the contract or only the current contract amounts.

Answer: DOF is looking for the total dollar amount for the lifetime of the contract.