



## OFFICE OF PURCHASING

201 WEST KALAMAZOO AVENUE  
KALAMAZOO, MICHIGAN 49007

PHONE: (269) 383-8967

FAX: (269) 383-8862

**CHERYL A. McCAFFERY, CPPB, MANAGER**

April 25, 2011

### REQUEST FOR PROPOSAL

Kalamazoo County is requesting proposals for collection agency services and to facilitate payment on delinquent accounts owed to the Sheriff's Office. Specifications and requirements are attached.

Proposals must be submitted in complete original form by mail or messenger to the following address:

County Purchasing Manager  
201 W. Kalamazoo Ave., Room 108  
Kalamazoo, MI 49007

Proposals will be accepted at the above address until the time and date specified below and immediately after will be publicly opened and the names of the proposers read aloud.

**CLOSING TIME: 2:00 P.M., Local time**  
**CLOSING DATE: May 20, 2011**

All proposers shall complete and enclose the Proposal Form along with the proposal in a tightly sealed opaque envelope and plainly marked "**PROPOSAL – COLLECTION AGENCY SERVICES.**" Proposals opened by mistake due to improper identification will be rejected and returned.

All proposals are subject to the Kalamazoo County Standard Terms and Conditions.

**NO PROPOSAL MAY BE WITHDRAWN FOR AT LEAST 60 DAYS AFTER PROPOSAL OPENING.**

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## STANDARD TERMS AND CONDITIONS

1. **PROPOSAL PREPARATION** - The proposals shall be legibly prepared with ink or typed. If a unit price or extension already entered by a proposer on the proposal form is to be altered, it should be crossed out with ink, the new unit price or extension entered above or below, and initialed by the proposer, also with ink. The proposal shall be signed by an authorized representative and the complete address of the proposer given thereon.
2. **PAYMENT PROVISIONS** - Discount payment within a specified period of time will not be considered in evaluating proposals for award. Such discounts will be taken if payment can be made in that period, even though they are not considered in the evaluation of the proposal. The County comes under the provisions of a state statute which requires Board approval before invoices are paid. There is a delay from 30 - 45 days between invoice receipt and invoice payment.
3. **WITHDRAWAL OF PROPOSALS** - Proposals may be withdrawn in person by a proposer or his authorized representative, provided his identity is made known, and he signs a receipt for the proposal; but only if the withdrawal is made prior to the exact time set for receipt for proposals.
4. **ALTERNATE PROPOSALS** - Proposers are cautioned that any alternate proposal, unless specifically requested, or any changes, insertions or omissions to the terms and conditions, specifications or any other requirement of this Request for Proposal, may be considered non-responsive and at the option of the County, may result in rejection of the proposal.
5. **NO PROPOSAL** - In the event no proposal is to be submitted, a letter or postcard should be sent to the Purchasing Department advising whether future Requests of the type of supplies or services covered by this Invitation are desired. In the event this is not done, the vendor's name may be removed from the bidders list.
6. **AWARD OF CONTRACT** - The contract will be awarded to that responsible proposer whose proposal, conforming to this solicitation will be most advantageous to the County, price and other factors considered.
7. **LOCAL REINVESTMENT AND REGIONAL PARTNERSHIP POLICY** - Local ties to the community, including a physical presence and employment of county/regional residents, is one criterion on which companies will be evaluated in determining their suitability to perform a job in the competitive procurement process. Furthermore, all reasonable effort will be made to include local participation in the competition for County contracts and purchases.
8. **PROPOSAL ACCEPTANCE** - The County reserves the right to accept or reject any or all proposals and to waive any informalities and minor irregularities in proposals received.
9. **PROPOSAL POSTPONEMENT** - The County reserves the right to postpone the proposal opening for its own convenience.

10. **INDEMNIFICATION** - The successful contractor agrees to defend, indemnify and hold harmless the County of Kalamazoo, its officers, officials, employees, agents and representatives from and against all claims, actions, liabilities, losses, suits, fines, proceedings, costs and expenses, including attorney fees, alleged to be caused by the fault or negligence of the contractor or its employees, agents and representatives arising out of contractor's performance or lack of performance under this contract.
11. **INSURANCE** - The successful contractor shall provide to the County of Kalamazoo a certificate of insurance providing for a commercial general liability insurance policy on an occurrence basis with policy limits of at least one million dollars (\$1,000,000), to include but not be limited to personal injury, bodily injury, property damage, automobile liability and contractual liability. The certificate of insurance shall specifically provide that the County of Kalamazoo and its officers, agents, employees and representatives are named as additional insureds and that the insurance policy cannot be cancelled or materially altered without providing a thirty (30) day written notice to the County of Kalamazoo. The usual words in the cancellation clause of the insurance certificate which state "endeavor to" and "failure to mail such notice shall impose no obligation or liability of any kind upon the company" shall be stricken. The bidder shall also furnish to the County of Kalamazoo a certificate of insurance covering workers' compensation for bidder's employees. Failure of the contractor to provide the certificates of insurance or receipt by the County of a notice of cancellation of the insurance policy(ies) by the contractor's insurance company(ies) shall constitute a material breach of contract and this contract may be terminated immediately.
12. **LATE PROPOSALS** - Any proposal received at the office designated herein after the exact time specified for receipt, will be sent back to the proposer unopened with a notation of the date and time received.
13. **NON-ASSIGNMENT** - The successful contractor may not assign, subcontract or otherwise transfer any contract granted without the express written approval of the County.
14. **NON-DISCRIMINATION** - In accordance with provisions of Act 453, P.A. 1976 as amended (Elliott-Larson Civil Rights Act) parties to this contract may not discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions or privileges of employment, or a matter directly or indirectly related to employment because of race, color, religion, national origin, age, sex, height, weight or marital status, or disability unrelated to the individual's capacity to perform the employment/job functions. Breach of this covenant may be regarded as a material breach of this contract.
15. **DEFAULT** - The County may, by written notice to the contractor, at any time terminate this contract, and the contractor's right to proceed with the work for just cause, which shall include, but is not limited to, the following:
  - a. Failure to provide insurance (when called for) in the exact amounts and within the time specified, or any extension thereof.
  - b. Failure to make delivery of the supplies, or to perform the services within the time specified herein, or any extension thereof.
  - c. Unauthorized substitution of articles other than those proposed and specified.

- d. Failure to make progress as to endanger performance of the contract in accordance with its terms.
- e. Failure to perform any other provision of the contract.
- f. Standard of Performance - Contractor guarantees the performance of the commodities, goods or services rendered herein, in accordance with the accepted standards of the industry or industries concerned herein, except that if this specification calls for higher standards than such higher standards shall be provided.

Upon notice by the County of contractor's failure to comply with such standards or to otherwise be in default of this contract in any manner following Notice to Proceed, contractor shall immediately remedy said defective performance in a manner acceptable to the County. Should the contractor fail to immediately correct said defective performance, said failure shall be considered a breach of this contract and grounds for termination of the same by the County.

In the event of any breach of this contract by the contractor, contractor shall pay any cost to the County caused by said breach including, but not limited to, the replacement cost of such goods or services from another contractor.

The County reserves the right to withhold any or all payments until any defects in performance have been satisfactorily corrected.

In the event the contractor is in violation of this contract in any manner and such violation has not been satisfactorily corrected, this may result in the contractor may be barred from being awarded any future County contracts.

- g. All remedies available to the County herein are cumulative and the election of one remedy by the County shall not be a waiver of any other remedy available to the County.

## **GENERAL DESCRIPTION**

The Sheriff of the County of Kalamazoo, Michigan is soliciting proposals from professional collection service agencies, hereinafter referred to as “contractor”, to provide collection agency services under contract with the Sheriff of the County of Kalamazoo, Michigan, hereinafter referred to as “county” to facilitate payments on delinquent accounts owed to the Sheriff of the County of Kalamazoo, Michigan.

### **Service Specifications and Scope of Work**

#### **1. Collection Efforts**

- 1.1. The Sheriff is customer service oriented and firmly believes in a positive approach in dealing with debtors. The Contractor shall not use tactics that may be interpreted as harassment or as demeaning or that may reflect poorly on the Sheriff’s efforts. The Sheriff prohibits any collection enforcement procedures not consistent with the Sheriff’s requirements. The Sheriff requires the Contractor to exercise high ethical standards in their collection philosophy and techniques. The Contractor shall conduct its collection business in a professional manner, which will preserve the dignity of the Sheriff and his relationship with its citizens.
- 1.2. The Contractor shall meet with the Sheriff at least semi-annually.

#### **2. Legal Requirements**

- 2.1. The Contractor shall handle and process all accounts referred by the county in strict conformity with all applicable Federal and Michigan State laws, and any applicable laws that may be enacted, including but not limited to:
  - 2.1.1. Michigan State laws enacted or hereinafter amended governing collection agencies and practices, relating to use of credit agencies by public entities.
  - 2.1.2. Federal laws enacted or hereinafter amended governing collection agencies and practices, including but not limited to, the “Fair Debt Collection Practices Act” (15 USC 1692, et seq.), and all applicable laws and regulations of the United States Postal Service and the Federal Trade Commission.

#### **3. Confidentiality**

- 3.1. The Contractor shall maintain confidentiality of all documents and information provided by the county, except as to disclosure required by State and Federal laws and regulations.

#### **4. Records**

- 4.1. The Contractor must maintain a complete, separate and detailed record of each account (using the Sheriff’s account, citation, inmate number or case number), including all collection actions taken for related transactions and communications, for a period of no less than six years after termination of the

collection action on each account. The Contractor shall grant the county access to these records for inspection purposes during reasonable business hours for six years after termination of the collection contract.

- 4.2. The Contractor shall employ a Certified Public Accountant firm to perform an annual financial audit of the Contractor. A copy of the audit report and any management letters or auditor comments relevant to the Contractor's fiscal/management practices affecting or having the potential to affect the performance of services described in this RFP and resulting contract shall be sent to the county on an annual basis for each year covered by the contract for services.

## **5. Types of Referrals**

### **5.1. General Accounts**

- 5.1.1. General Accounts shall mean medical expenses, booking fees, housing costs; past due accounts, or other amounts owed the county.
- 5.1.2. The Contractor shall not have full rights to the accounts and shall only be able to pursue collections on behalf of the county. The county shall provide copies of documentation as required by the Contractor to respond to debtors' requests. The county will make every effort to provide all pertinent information to the Contractor in a format approved by the county.
- 5.1.3. The Contractor shall allow for time payment agreements and place this statement on all collection notices. The Sheriff or his designee shall set parameters in which the Contractor may accept a payment agreement without permission of the county.
- 5.1.4. The Contractor shall not have authority to accept a compromise settlement on any account without written consent of the Sheriff or designee. This consent may be accomplished by setting parameters in which the Contractor may accept a settlement without permission.

### **5.2. NSF/Returned Checks**

- 5.2.1. NSF/Returned checks mean any check not honored and returned to the county for any reason, except "Stop Payment" checks. Check may be drawn on US or Canadian banks.
- 5.2.2. Currently, county NSF/returned check fees are \$25 US checks or the actual amount if higher.
- 5.2.3. At the sole discretion of the Sheriff or designee, the Contractor shall receive NSF from the county's Sheriff or designee in a timely manner.
- 5.2.4. Within 15 days of receipt of a NSF/returned check, the Contractor shall provide any notices to the debtors that are required by law and/or necessary to collect the debt owed the county.
- 5.2.5. At the end of the 15-day period, at the sole discretion of the county, collection efforts on the NSF/returned check may be continued as a General Account collection item. For all NSF/Returned checks referred by the county, unless otherwise instructed by the Sheriff or designee, the county's NSF/returned

check fee and the principal amount shall collected by the Contractor from the debtor, and the NSF fee retained by the by the Contractor prior to remitting the principal amount to the county.

## **6. Collection Fees/Costs**

- 6.1. General Accounts
  - 6.1.1. For all General Accounts referred by the county, unless otherwise instructed by the Sheriff or designee, the Contractor fee shall be added by the Contractor to the principal amount of the debt, collected by the Contractor from the debtor, and deducted by the Contractor prior to remitting the principal amount to the county, as presently authorized by state law.
  - 6.1.2. Should there be changes in laws or county policy that allows a different method for recovering collection contractor fees, the Contractor shall modify its methods accordingly, upon instruction from the county.
  - 6.1.3. The Contractor shall accrue interest on outstanding balances at the rate of twelve percent per annum upon assignment to collections from the county and only while in active collection status. All interest collected will be remitted to the county.
  - 6.1.4. If an account is reduced or cancelled by the county, no collection fee will be due the Contractor for the amount so reduced or cancelled.
  - 6.1.5. If the bankruptcy court discharges the Contractor fee, the Contractor shall be entitled to a percentage equal to the Contractor fee of the non-dischargeable debt collected. The Contractor shall deduct this amount prior to remitting the remaining principal amount to the county.

## **7. Remittance**

- 7.1. The Contractor shall, on the last day of each month, remit to the county monies collected for the county between the first (1st) and the fifteenth (15th) day of the same month. All monies collected for the county between the sixteenth (16th) and the last day of the month, shall be remitted on the fifteenth (15th) day of the following month.
- 7.2. If a partial payment is collected, the Contractor shall remit a pro-rata share to the county. For example, if the amount owed the county is \$100 and the collection fee is \$20 (total due of \$120) and \$90 is collected, the Contractor would remit \$75 to the county ( $100/120 \times 90$ ) and would retain \$15 ( $20/120 \times 90$ ).
- 7.3. If the Contractor receives payment from a debtor who owes money to other parties not related to the county, the Contractor shall pay the county first, unless specifically directed otherwise by the debtor.

## **8. Reporting**

- 8.1. The Contractor shall have a comprehensive computerized system to report account status, collection statistics and other information as required by the county on a daily, monthly, annual or other basis. Reports shall be received

no more than 7 days after completion of the appropriate period. Provided below is the minimum reporting requirements, subject to change at the sole discretion of the Sheriff or designee.

- 8.1.1 Cash Activity Report: This report tracks on a monthly and annual basis, the total dollars collected, fees collected, interest collected, and dollars remitted to the county.
- 8.1.2 Referral Report: This report tracks on a monthly and annual basis, the number of accounts and dollars referred into active collection.
- 8.1.3 Monthly Transaction Journal: This report tracks all postings to the county account. Each posting tracks amounts allocated to principal, contractor fees, interest, legal costs or fees and NSF checks.
- 8.1.4 Suit and Garnishment Report: This report tracks new suits and garnishments requested during the month and all garnishments or legal fees paid in full during the month.
- 8.1.5. Aging Report: This report will track the current balance owing, amount collected on each account during the previous month and year-to-date, and the age of each account since referral by the Sheriff.
- 8.1.6. Client Index Report: This report tracks the account status at the individual account level. The report shall include the debtor's name, account number, date assigned, amount assigned, amount collected, balance, and account status.
- 8.1.7. Monthly Interest Remittance Report: This report tracks the amount of interest remitted for the previous month.
- 8.1.8. Account Acknowledgment: This report is due within 3 days of receiving accounts for placement into active collection by the county. It shall include the detail for each batch of accounts referred, debtor's name, account number, total amount referred, total number of accounts and total dollars listed in the batch.
- 8.1.9. Monthly Cancellation Report: This report tracks account status. It shall include the debtor's name, account number, total dollars collected, dollars remitted to the county, Contractor fee collected, and remaining balance.
- 8.1.10. Monthly Bankruptcy Report: This report tracks accounts that are in bankruptcy. It shall include the debtor's name, account number, bankruptcy case number, total dollars collected, dollars remitted to the county, Contractor fee collected and remaining balance.

## **9. Reporting to Credit Bureaus**

- 9.1. The Contractor shall report all uncollected accounts to the major credit bureaus. Such reporting must be in accordance with all applicable Federal and Michigan laws including, but not limited to, the Fair Debt Collection Practices Act, Federal Equal Credit Opportunity Act, Regulations and the Consumer Credit Protection Act, as now in effect or hereafter amended. The Contractor shall not report accounts to the credit bureaus until the Contractor has worked the account for 60 days. At the request of the county, the Contractor shall remove an account notification from all affected bureaus and



provide a copy of that notification to the county. In accordance with the Fair Credit Reporting Act, the county requires that accounts be cancelled from each credit bureau upon request of the Sheriff or designee.

#### **10. Disputed Accounts**

- 10.1. The Contractor shall accept and process all written disputes in compliance with all Federal and State laws. The county will work with the Contractor to validate the debt.

#### **11. Garnishments and Legal Suits**

- 11.1. After all efforts of the collection process have been exhausted; the Contractor may garnish active accounts with judgments. For all accounts referred, the Contractor shall be responsible for initiating legal actions to reduce to judgment any debt owed to the county that is not already a judgment and for filing garnishments as necessary. No legal action shall commence on any account without written authorization from the county.

The following criteria will be considered in evaluating a proposal:

1. The proven ability, stability, capacity, and skill of the Contractor to provide the service required
2. Appropriate licensure by the State
3. Cost of service
4. Simplicity and ease of adaptation with which the proposed collection procedures and practices meet with the specifications in this RFP
5. Completeness and thoroughness of reports used to meet the specifications in this RFP
6. Access and use of technology systems to improve collection efforts and communication with the Sheriff of the County of Kalamazoo, Michigan
7. An overall impression that the review committee establishes about the Contractor based on intuitive opinions and feelings regarding ability and willingness of the contractor to accomplish the goals listed in this RFP

The county may request additional clarifying information from any proposer during proposal evaluation.

Interviews for the clarification of proposals may be held with selected proposers. An appointment to visit agency facilities may be requested. Proposals will be rated and ranked.

Members of the committee will grade responses to the RFP. Responses may be disqualified outright for failure to meet the minimum requirements or for failing to respond in the manner specified in this Request for Proposal.

The following weights will be given to the criteria listed in the RFP:

- 35% Ability to meet the needs specified
- 35% Costs including bid amount, on-going support, administrative costs, implementation costs, and training costs.
- 15% References demonstrations, documentation, working relations, and dependability
- 15% Training and implementation plan, technology, extra services, and overall response.

## **INQUIRIES**

Questions may be directed to:

Cheryl McCaffery [camcca@kalcounty.com](mailto:camcca@kalcounty.com)

Captain Thomas Shull [tashul@kalcounty.com](mailto:tashul@kalcounty.com)

Please put "Collection Agency Services" in the Subject line.

## **EXPECTED TIMELINE**

04/25/2011	Publish RFP
05/20/2011	Proposals Due
05/24/2011	Vendors-On Site Presentations to Committee
05/27/2011	Vendors notified of Recommendation
05/30/2011	Contract Negotiations
06/21/2011	Board of Commissioners Approval
07/01/2011	Contract Implementation

## **PERFORMANCE CAPABILITY**

To be successful, a vendor shall, if requested, promptly submit to the county satisfactory evidence of sufficient financial resources, experience, organization, and equipment available for the performance of the contract. The county will be the sole judge of any vendor's apparent capability to carry out the terms of the contract responsibly.

## **PROCESS**

The request for proposal is a solicitation of offers and is not an offer to contract.

The county intends to enter into a one-year contract beginning July 1, 2011 with the successful proposer. Any contract made as a result of this RFP will be for one year and may be extended for five additional one-year periods by mutual agreement of the parties.

**PROPOSAL FORM AND REQUIREMENTS**

Submit five (5) copies of each proposal plainly marked on the outside with proposer's name and address, and the words "PROPOSAL- COLLECTION AGENCY SERVICES"

REFERENCES: We have provided collection agency services at the following locations:

Name  
Firm  
Phone #

Name  
Firm  
Phone #

Name  
Firm  
Phone #

Name  
Firm  
Phone #

COST: We propose to furnish all labor and materials, and to perform all work as specified for consideration in the following amounts, payable according to specifications following acceptance of the service by the county.

1. General Account collections as a % of referred amount
2. 15-day NSF/Returned Check collections (US) \$25

**CAPABILITY** - Please indicate, by checking YES or NO, the firm's ability to meet each of the requirements. Qualified or negative answers should be explained in writing on an attached sheet. Any exceptions or special conditions should also be noted in writing.

- |                                 |                                       |
|---------------------------------|---------------------------------------|
| 1. Collection Efforts YES NO    | 6.1.2                                 |
| 1.1                             | 6.1.3                                 |
| 1.2                             | 6.1.4                                 |
|                                 | 6.1.5                                 |
| 2. Legal Requirements YES NO    |                                       |
| 2.1                             | 7. Remittance YES NO                  |
| 2.1.1                           | 7.1                                   |
| 2.1.2                           | 7.2                                   |
|                                 | 7.3                                   |
| 3. Confidentiality YES NO       |                                       |
| 3.1                             | 8. Reporting YES NO                   |
| 4. Records YES NO               | 8.1                                   |
| 4.1                             | 8.1.1                                 |
| 4.2                             | 8.1.2                                 |
|                                 | 8.1.3                                 |
| 5. Types of Referrals YES NO    | 8.1.4                                 |
| 5.1. General Accounts           | 8.1.5                                 |
| 5.1.1                           | 8.1.6                                 |
| 5.1.2                           | 8.1.7                                 |
| 5.1.3                           | 8.1.8                                 |
| 5.1.4                           | 8.1.9                                 |
| 5.2 NSF/Returned Checks         | 8.1.10                                |
| 5.2.1                           |                                       |
| 5.2.2                           | 9. Reporting to Credit Bureaus YES NO |
| 5.2.3                           | 9.1                                   |
| 5.2.4                           |                                       |
| 5.2.5                           | 10. Disputed Accounts YES NO          |
|                                 | 10.1                                  |
| 6. Collection Fees/Costs YES NO |                                       |
| 6.1. General Accounts           | 11. Garnishments and Legal Suits YES  |
| 6.1.1                           | NO                                    |
|                                 | 11.1                                  |

## **PROPOSAL CONTENTS**

Proposals shall include the following sections

1. The signed and completed proposal form, the signed “contract for professional services”, with references and proposed costs.
2. A history and description of the firm, when it was established, type of facility, location of main office and branches, size of staff employed, volume and diversification of current clients, volume and diversification of prior clients, and documentation certifying that the proposer is licensed to perform collection services within the State of Michigan, and nationwide.
3. NSF Check Collections (describe each separately) –
  - 3.1. Procedures for in-state collection efforts
  - 3.2. Procedures for out-of-state collection efforts
  - 3.3. Timeframe of collection activities
  - 3.4. Referral methods utilized
  - 3.5. Record maintenance
  - 3.6. Dispute resolution process
  - 3.7. Procedures for obtaining civil judgments and garnishments
  - 3.8. Procedures for filing bankruptcy claims for dischargeable and non-dischargeable debts
  - 3.10. Credit bureau reporting
  - 3.11. Provide information to the success of your collection efforts utilizing these procedures.
4. Reports – Provide samples of reports currently in use that would be used to comply with Section 8 of the service specifications. Please provide any necessary documentation on how these reports would be modified, if necessary, to meet the needs of the County of Kalamazoo as described in this RFP.
5. Transition and Implementation Plan
  - 5.1. What is your transition plan, including timelines?
  - 5.2. Describe your experience planning and implementing transitions from an existing collection system to a new collection system
  - 5.3. What is your process for monitoring the transition schedule and how will you ensure that the established timeline is met?
6. Technology and Communication Capability – Provide a description of all systems utilized to perform the services described in this RFP document
  - 6.1. Description of data and communication software and hardware
  - 6.2. Safeguards utilized to protect sensitive data
  - 6.3. Describe the software and hardware to comply with Section 5.2.5 of the service specifications
  - 6.4. Description of the plan for recovery from a major failure or disaster

## PROPOSAL FORM

The undersigned, having fully familiarized himself/herself with all the documents, specifications, terms and conditions of the RFP, hereby proposes to furnish collection agency services, per attached proposal.

### IF APPLICABLE, CHECK ALL THAT APPLY BELOW:

I acknowledge receipt of Addendum #1 \_\_\_\_\_

I acknowledge receipt of Addendum #2 \_\_\_\_\_

I acknowledge receipt of Addendum #3 \_\_\_\_\_

I hereby state that all of the information I have provided is true, accurate and complete. I hereby state that I have not communicated with, nor otherwise colluded with any other proposer, nor have I made any agreement with, nor offered or accepted anything of value from an official or employee of the County of Kalamazoo that would tend to destroy or hinder free competition.

SIGNED \_\_\_\_\_ NAME \_\_\_\_\_  
(PRINT)

TITLE \_\_\_\_\_ DATE \_\_\_\_\_

FIRM NAME \_\_\_\_\_ PHONE \_\_\_\_\_

ADDRESS \_\_\_\_\_  
(STREET CITY STATE ZIP)

Please provide the following information:

\_\_\_\_\_ Number of employees that live in Kalamazoo County

\_\_\_\_\_ Number of employees that live in counties contiguous to Kalamazoo County  
(Allegan, Barry, Branch, Calhoun, Cass, St. Joseph and Van Buren counties)

CONTRACT FOR PROFESSIONAL SERVICES BETWEEN THE COUNTY OF KALAMAZOO AND

\_\_\_\_\_

THIS CONTRACT is made and entered into this \_\_\_ day of \_\_\_\_\_, 2011, between the County of Kalamazoo (County), 201 West Kalamazoo Avenue, Kalamazoo, Michigan 49007, and \_\_\_\_\_ (Contractor), \_\_\_\_\_ (Insert Contractor's address).

WHEREAS, the County desires to hire a Contractor to provide collection agency services and facilitate payment on delinquent accounts owed to the Sheriff's Office; and

WHEREAS, the Contractor possesses the experience, expertise and training to provide collection agency services.

NOW, THEREFORE, in consideration of the covenants and promises contained in this Contract, the parties agree as follows:

SECTION I. THE CONTRACTOR'S DUTIES

The Contractor agrees to perform the following duties:

See Exhibit A – Service Specification and Scope of Work.

SECTION II: THE COUNTY'S DUTIES

The County agrees to perform the following duties:

See Exhibit A – Service Specification and Scope of Work.

SECTION III: COMPENSATION

County shall compensate Contractor for its services under this Contract in the following manner:

\_\_\_\_\_ % of general account referral collected.

SECTION IV: GENERAL TERMS AND CONDITIONS APPLICABLE TO BOTH PARTIES

The following duties and responsibilities apply equally to the Contractor and the County unless the language of the provision clearly indicates that it applies only to the Contractor or the County.



1. **INSURANCE.** The Contractor shall provide the County with a certificate of insurance providing for a commercial liability insurance policy on an occurrence basis with policy limits of at least one million dollars (\$1,000,000) to include, but not be limited to, personal injury, bodily injury, property damage and contractual liability. The Contractor shall have the County listed as an additional insured on the certificate of insurance (to the extent of the liability which the Contractor assumes under this contract). The insurance certificate shall state that the insurance policy cannot be amended or canceled unless the County is given thirty (30) days written notice. The insurance company issuing the certificate shall strike from the certificate the usual words in the cancellation clause of the certificate which state "endeavor to" or "failure to mail such notice shall impose no obligation or liability of any kind upon the company". The Contractor shall also furnish to the County a certificate of insurance covering the Contractor's Workers Compensation responsibilities for the Contractor's employees. Failure of the Contractor to provide the certificates of insurance or receipt by the County of a Notice of Cancellation of the insurance policies by the Contractor's insurance company(s) shall constitute a material breach of this contract and the County may then, at its sole option, terminate this Contract immediately.

2. **INDEMNITY.** The Contractor agrees to indemnify and hold harmless (to the extent of the liability which the Contractor assumes under Section IV, Paragraph 1 of this contract) the County, its agents, employees, officers and representatives from all fines, costs, lawsuits, claims, demands and actions of any kind or nature, including reasonable attorney fees, which occur by reason of any wrongful act, negligence or wrongful omission on the part of the Contractor, its agents, employees, officers, or representatives, in performing this contract. The County agrees to indemnify and hold harmless the Contractor, its agents, employees, officers and representatives from all fines, costs, lawsuits, claims, demands and actions of any kind or nature, including reasonable attorney fees, which occur by reason of any wrongful act, negligence or wrongful omission on the part of the County, its agents, employees, officers, or representatives, in performing this contract; provided that nothing herein contained in this Contract constitutes, nor shall be construed, as a waiver of any governmental immunity that has been provided to the County and its agents, employees, officers or representatives by common law, statute or court decision.

3. **ASSURANCES AGAINST DISCRIMINATION.** Contractor assures that it shall not discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions or privileges of employment because of race, creed, color, religion, national origin or ancestry, gender, age, marital status, height, weight or disability/handicap unrelated to the person's ability to perform the duties of a particular job or position. Breach of this provision shall constitute a material breach of this Contract and authorizes the County to, in its sole discretion, immediately terminate this Contract.

4. **DISPUTE RESOLUTION.** In the event a dispute arises between the County and the Contractor concerning the performance of this Contract, the parties agree to meet, and negotiate in good faith, in order to attempt to resolve the dispute. Said meeting shall take place within thirty (30) days after one party sends the other party written notice identifying the cause or reason for the dispute and requesting a meeting. The County and the Contractor agree that neither party will file any lawsuit for the purpose of resolving a dispute, or exercise its right to

terminate the Contract, until sixty (60) days after the date on which the parties held their final meeting to resolve the dispute. THIS PARAGRAPH DOES NOT APPLY TO DISPUTES INVOLVING ACTS, CONDUCT, ERRORS, NEGLIGENCE OR OMISSIONS BY THE COMPANY THAT ARE IDENTIFIED IN THIS CONTRACT AS CONSTITUTING A MATERIAL BREACH OF THIS CONTRACT.

5. ASSIGNMENT. This is a Contract for Professional Services and the Contractor may not assign its interest in this Contract without the express written consent of the County.

6. RELATIONSHIP BETWEEN THE PARTIES. This Contract shall not be construed to establish any employer/employee, master/servant, or principal/agent, relationship between the County and the Contractor.

7. AMENDMENTS. Changes to this Contract will only be valid if they are in writing and signed by the Contractor and the County.

8. NOTICES. Any Notice/Communication required, or permitted, under this Contract from one party to another, including the Contractor's request for assistance from County personnel in carrying out Contractor's duties under this Contract, shall be deemed effective if the party sending the Notice/Communication hand delivers the Notice or communication to the other Party or if the Party sends the Notice/Communication through first class mail to the other Party. The Parties agree that Notices and Communications should be sent to the Parties at the following addresses:

CONTRACTOR:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

COUNTY:

Captain Thomas Shull  
1500 Lamont Avenue  
Kalamazoo, MI 49048

9. SEVERABILITY. If a court of competent jurisdiction declares any part, portion or provision of this Contract invalid, unconstitutional or unenforceable, the remaining parts, portions and provisions of this Contract shall remain in full force and effect.

10. ENTIRE CONTRACT. This Contract constitutes the entire Agreement between the Parties with respect to the subject matter identified in the Contract, and no modification or revision to the Contract shall have any force and effect unless it complies with the provisions of Paragraph 7, SECTION IV of this CONTRACT. The failure of any Party to insist on the strict performance of any condition, promise, agreement, or undertaking set forth herein shall not be construed as a waiver or relinquishment of the right to insist upon strict performance of the same condition, promise, agreement or undertaking at a future time.

11. HEADINGS. The Titles of the Sections and Paragraphs of this Contract are provided for reference purposes only. If any discrepancy or disagreement exists between a Title and the text of the section or paragraph, the text shall control.

12. SIGNATURES. The individual or officer who signs this Contract certifies through his/her signature that he/she is authorized to sign this Contract on behalf of the entity that he/she represents.

13. GOVERNING LAW. This Contract shall be governed, and interpreted in accordance with, the laws of the State of Michigan. The parties agree that any action to enforce this Contract may be brought in any state or federal court that possesses subject matter jurisdiction and is located in, or whose district includes Kalamazoo County, Michigan.

SIGNATURE SECTION

For: CONTRACTOR

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

Date:

Its:

For: KALAMAZOO COUNTY

By: \_\_\_\_\_  
Deborah Buchholtz

Date:

Its: Chairperson

By: \_\_\_\_\_  
Timothy a. Snow

Date:

Its: Clerk/Register