



PINAL COUNTY
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Offer and Acceptance

Pinal County
Finance Department
31 N. Pinal St.
Bldg. A
P.O. Box 1348
Florence, AZ 85132

OFFER AND ACCEPTANCE FORM

TO PINAL COUNTY:

The undersigned hereby offers and agrees to furnish the material, service, or construction in compliance with all terms, conditions, specifications, and amendments in the Solicitation.

Ron Seyler Account Executive
 Authorized Signature Title
Ron Seyler 10/7/13
 Printed Name Date
Professional Credit Service 1-888-888-1992
 Company Name Telephone
400 International Way, Ste 200 Springfield, Oregon 97477
 Address City, State, Zip

For clarification of this offer, contact:

Name: Ron Seyler Phone: 360-567-4982 Fax: 360-567-4989

Email: seyler@professionalcredit.com

ACCEPTANCE OF OFFER (For Pinal County Use Only)

The offer is hereby accepted and the Responder is now bound to sell or provide the materials, services, or construction as indicated by the Purchase Order or Notice of Award and based upon the solicitation, including all terms, conditions, specifications, amendments, etc. and the Offer as accepted by Pinal County.

The contract is for:

This contract shall henceforth be referenced to as Contract No. PC-130318. The Offeror is cautioned not to commence any billable work or to provide any material or service under this contract until Offeror receives an executed purchase order or notice to proceed.

Awarded this 12th day of November 2013.
Stephen B. Miller Chairman [Signature]
 Name (Print) Title Signature

Approved as to form:

[Signature]
 Pinal County Attorney's Office



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OFFER AND ACCEPTANCE FORM – Page 2

By signing the previous page of the Offer and Acceptance Form, Responder certifies:

- A. The submission of the bid did not involve collusion or other anti-competitive practices.
- B. The Responder shall not discriminate against any employee or applicant for employment in violation of Federal Executive Order 11246.
- C. The Responder has not given, offered to give, nor intends to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the Submittal.
- D. The Responder certifies that it complies with Executive Order 12549 related to Federal Government Debarment and Suspension (see 4-7)
- E. The Responder certifies that the individual signing the bid is an authorized agent for the Responder and has the authority to bind them to the contract.

Professional Credit Service

Firm

Ron Taylor

Authorized Signature

Pinal County
Finance Department
31 N. Pinal St., Bldg. A
Florence, AZ 85132
Attn: Lorina Gillette

PROPOSER NAME: Professional Credit Service

PROPOSAL
to provide
Debt Collection Services
for
Pinal County, Arizona

ORIGINAL
Solicitation Number PC-130418
Due: 10/8/13

Submitted by:
Ron Seyler, Account Executive
360-567-4982
Ray Klein, Inc. dba Professional Credit Service
400 International Way, Suite 200
Springfield, OR 97477

October 7, 2013

All material in this proposal is made from recycled and/or recyclable materials



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Addendum Acknowledgement Form

Pinal County
Finance Department
31 N. Pinal St.
Bldg. A
P.O. Box 1348
Florence, AZ 85132

ADDENDUM ACKNOWLEDGEMENT FORM

Solicitation Addendums are posted on the Pinal County website at the following address:
<http://pinalcountyaz.gov/Departments/Finance/Pages/BidsProposals.aspx> . It is the responsibility of the Responder to periodically check this website for any Solicitation Addendum.

This page is used to acknowledge any and all addendums that might be issued. Any addendum issued within five days of the solicitation due date, will include a new due date to allow for addressing the addendum issues. Your signature indicates that you took the information provided in the addendums into consideration when providing your complete response.

Please sign and date:

ADDENDUM NO. 1 Acknowledgement _____
Signature: Ron Seyler Date: 10/7/13

ADDENDUM NO. 2 Acknowledgement _____
Signature _____ Date _____

ADDENDUM NO. 3 Acknowledgement _____
Signature _____ Date _____

If no addendums were issued, indicate below, sign the form and return with your response.

Firm

Authorized Signature

Request for Taxpayer Identification Number and Certification

**Give Form to the
 requester. Do not
 send to the IRS.**

Print or type
 See Specific Instructions on page 2.

Name (as shown on your income tax return)
Ray Klein, Inc. dba:

Business name/disregarded entity name, if different from above
Professional Credit Service

Check appropriate box for federal tax classification:
 Individual/sole proprietor C Corporation S Corporation Partnership Trust/estate

Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____

Other (see instructions) ▶ _____

Exempt payee

Address (number, street, and apt. or suite no.)
PO Box 7548

City, state, and ZIP code
Springfield, OR 97478

List account number(s) here (optional)

Requester's name and address (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number

--	--	--	--	--	--	--	--	--	--	--	--

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Employer identification number

9	3	-	0	5	8	6	4	5	5
---	---	---	---	---	---	---	---	---	---

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here Signature of U.S. person ▶ *[Handwritten Signature]* Date ▶ *6/21/13*

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.



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Responder's Checklist

Pinal County
Finance Department
31 N. Pinal St.
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P.O. Box 1348
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RESPONDERS CHECKLIST

	Yes/No
Did you sign your Offer sheet? <i>See Page 25 & 26 of this solicitation.</i>	Yes
Did you acknowledge all addendums, if any? <i>See page 22. Any addendums would be posted on the Pinal County website on the Bids/Proposals page of the Finance/Purchasing Department.</i>	Yes
Did you complete all required Response Forms? <i>Any Response forms would be posted on the Pinal County website on the Bids/Proposals page of the Finance/Purchasing Department.</i>	No
Did you include your W-9 Form? <i>See page 23 of this solicitation.</i>	Yes
Did you include any necessary attachments?	Yes
Is the outside of your sealed submittal marked with the Solicitation #, Due Date and Time? <i>See page 1 for this information.</i>	Yes
Did you include one original and the required number of copies? <i>See page 1 for the quantity.</i>	Yes
Did you follow the order for submissions of documents? <i>See Section 3.4 – Offer format in the Special Instructions of this solicitation.</i>	Yes
Did you include proof of insurance(s) if requested? <i>Not requested - will include on demand</i>	N/A



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**Response Form 1
RFP PC-130418
Debt Collection Services**

Pinal County
Finance Department
31 N. Pinal St.
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Florence, AZ 85132

Responder Name: Professional Credit Service

Responders shall complete the following Response Form, indicating their responses in the spaces provided. Additional pages may be added so long as they are clearly referenced in the spaces provided.

Please note: Any exception and the total number of exceptions taken will negatively affect your evaluation score. Compliance to Terms and Conditions has been identified as an evaluation criterion for this solicitation.

Any exception not contained within this section of the solicitation will be deemed invalid and will not be considered.

Acceptability of Responses

Offers that do not include fully completed copies of Response Forms 1 and 2 may cause the entire offer to be deemed unacceptable and therefore non-responsive. Forms with incomplete or unacceptable responses will also be considered non-responsive.

1 Capacity of Responder

- 1.1 Responder shall describe the firm including company name and location. Also include number, qualifications and type of personnel.

Ray Klein, Inc. is doing business as Professional Credit Service. Professional Credit Service (PCS) was established in Eugene, OR in 1933. The assumed business name was filed in Lane County, Oregon on August 14, 1933 by Anna Forsberg. The business was sold to Lex B. Cox in September 1938, and sold by Cox to his brother, M. N. Cox in December of 1943. M.N. Cox operated the business until his death in October 1969. Ray Klein, Inc. an Oregon Corporation bought the business from the estate of M. N. Cox in November 1970. Ray and Jennifer Klein owned and operated PCS until they retired in December 2000. In 1989, Ray and Jennifer's son, Joseph Hawes joined PCS as the Collection Manager and then in 1995 he became a partner. Joseph Hawes acquired 100% of the stock in Ray Klein, Inc. in 2001 and assumed the position of president and CEO. PCS is now an affiliate division of the Hawes Financial Group of Companies.

Company Description:

- PCS is one of the largest privately held collections and receivable management firms nationally and employs over 130 people with 96 dedicated collectors.
- PCS works with both private and public clients in a variety of industries including government, healthcare, financial, utility services and retail.
- PCS offers the professionalism and experience of a large company, while also providing our clients with friendly, dedicated and personal service.
- PCS has a state-of-the-art corporate facility with over 80,000 square feet and six additional offices to accommodate any future growth.
- PCS provides state-of-the-art tools, equipment and resources to perform debt recovery services for our multiple clients at the highest level.



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Locations:

Seattle Metro/North Washington
305 111th Ave NE, Suite B
Bellevue, WA 98004
(425) 213-5251

Portland Metro/South Washington
12204 SE Mill Plain Blvd., Suite 101
Vancouver, WA 98684
(360) 567-4976

Corporate Office
400 International Way, Suite 220
Springfield, OR 97477
(541) 343-5641

Bend
1435 NE Street, Suite A
Bend, OR 97701
(541) 749-9688

Salem
198 Commercial St. SE, Ste 110
Salem, OR 97301
(541) 335-2220

Medford
713 S Riverside Avenue
Medford, OR 97501



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Joseph Hawes, Chief Executive Officer

Direct: 541-335-2205

Fax: 541-335-2138

joe@professionalcredit.com

Joe Hawes is the Chief Executive Officer of PCS. Joe is dedicated to ensuring that PCS maintains its reputation for excellence by providing leadership and guidance to the management team.

Joe has more than twenty years of experience in the credit and collections industry. He has a distinguished career with a proven track record of outstanding results. Through ethical business practices, evolving business strategies, sound governance, and value-based decision making, Joe has established the company's foundation for success.

Joe has received notable distinctions including the Outstanding Education Chairman of the Year from the American Collectors Association.

ACA International, the Association of Credit and Collection Professionals, is the comprehensive, knowledge-based resource for success in the credit and collection industry.

Founded in 1939, ACA brings together 5,000 members worldwide, including third-party collection agencies, asset buyers, attorneys, creditors and vendor affiliates. The Association establishes ethical standards; produces a wide variety of products, services and publications; and articulates the value of the credit and collection industry to businesses, policymakers and consumers.

He has been and continues to be recognized for his countless professional, industry and civic services as well as his generous contributions to the community. Joe earned his MBA from the University of Oregon. Joe is a member of the following professional organizations:

- American Collectors Association
- Consumer Credit Counseling Service of Lane County
- Credit Association of Oregon
- District X international Credit Association of North America
- Emerald Executive Association
- Health Care Financial Managers Association
- Lane County Credit Association
- Oregon Collectors Association
- Society of Certified Credit Executives



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Floyd (Buz) C. Mattson, President and General Counsel

Direct: 541-345-2479

Fax: 541-345-2996

bmattson@professionalcredit.com

Mr. Mattson brings over 30 years of extensive experience in business management, operations and litigation. As the company's trusted legal advisor, Buz oversees licensing and litigation matters, as well as operational compliance activities. Since joining PCS in 2005, Buz has successfully streamlined the company's legal policies and procedures. Under his leadership and vision, PCS continues to expand its customer base and geographic presence.

Buz is admitted to practice before state, federal and tribal courts in Oregon and Washington. He leads a group of attorneys and professional staff who provide a wide array of legal services, advice and representation to PCS. He specializes in creditors' rights litigation, and has been a key leader in the company's post-judgment collection efforts. He also supervises all Oregon Small Claims cases, and oversees the Oregon and Washington litigation staff.

Mr. Mattson received his law degree from the University of Oregon, School of Law in 1994. While working towards his degree, he served as Associate Editor for the Journal of Environmental Law and Litigation, as well as a Representative to the Student Bar Association.



Jeff Johnson, Chief Marketing Officer

Direct: (541) 335-2207

Fax: (541) 335-2140

jeff@professionalcredit.com

As the Chief Marketing Officer, Jeff Johnson leads marketing operations, sales operations, product management, and customer and client relations. With over 20 years of senior leadership experience in marketing and sales management, Mr. Johnson has established a reputation for building and maintaining a high performance culture.

In addition to his role as CMO, Jeff is a sought-after motivational coach and keynote speaker. Jeff generously shares his skills with all of Professional Credit Service's clients. Through his impeccable communication and presentation methods, Jeff coaches individuals, groups, and staff in order to inspire their best performance.

Jeff is a master facilitator. He works with employees and clients to help them strengthen their existing knowledge, provides education on how to improve their work environment, and develops their business and professional relationships.

Mr. Johnson joined PCS in 2005. Jeff continues to improve efficiencies and strengthen the company's competitive position. Jeff holds a degree in business administration from Brigham Young University located in Provo, Utah.



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G. Scott Purcell, Chief Operations Officer

Direct: 541-393-3181

Fax: 541-393-3186

spurcell@professionalcredit.com

In his role as Chief Operations Officer, Scott Purcell is responsible for all aspects of operations and infrastructure. Since joining PCS in 2010, Scott has focused on empowering the company to self-govern with defined processes and policies. He has implemented best-in-class tools and programs that enable PCS to deliver quality and value-added services. As the leader of the PCS Lean Initiative, Scott is able to achieve PCS's corporate value of continuous improvement and create even greater results for PCS clients. Through his leadership and direction, PCS continues to meet its strategic objectives.

Over the course of his impressive career, Scott has owned and operated a consulting firm, worked as an audit partner for Moss Adams LLP (the 10th largest CPA firm in the country), and served as the Chief Financial officer of a publicly-traded international technology firm. Mr. Purcell was regularly requested by leaders and organizations to serve as their business advisor and confidant. He earned his Bachelor's degree in Business Administration-Accounting from Oregon State University and in 2000 the college recognized his achievements by honoring him with the Outstanding Accounting Alumnus Award.



Chris Deless, Vice President of Information Technology

Direct: 541-335-2221

Fax: 541-335-2146

chris@professionalcredit.com

Chris Deless is charged with overseeing the IT infrastructure, business applications, and support services that drive PCS's successful software development. His staff and the IT resources under his supervision are aligned with business units within PCS. Throughout his career, he has always sought to create an environment of trust and collaboration in which employees are motivated to do their best work.

Chris is also responsible for ensuring PCS systems interface seamlessly with that of its clients. He has introduced a number of advanced procedures to handle issues ranging from security and integration, to matters of efficiency and convenience. Chris has expanded the PCS web initiative by implementing online tools and reporting processes for clients. He developed intranet knowledge stores and applications to automate processes, creating efficiencies that continue to give PCS its competitive edge.



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Ron Seyler, Account Executive

Direct: 360-567-4982

Fax: 360-567-4989

rseyler@professionalcredit.com

Ron Seyler began his career with PCS in 2011. He has over 20 years of marketing and sales experience with a proven track record of success. Ron currently is responsible for business development and he continues to identify opportunities to engage new clients. Ron is known for strong contract management and maintaining strong relationships by focusing on the client's needs.

Prior to joining PCS, Ron spent nearly 19 years with a large advertising and interactive marketing company. He is an active member of the Colorado Healthcare Financial Management Association as well as several other professional organizations.

Ron earned a Bachelor of Science in Criminal Justice from Portland State University.

- 1.2 Responder will describe other government agencies for which they have provided debt collection services. Responder must include information on the dollars collected and success rate.

Name of Government Agency	Revenue Listed with PCS	Revenue Recovered	Recovery Rate	Years Of Being PCS Client
City of Tucson, AZ	\$1,549,294	\$162,357	10.50%	Since 2012
Marion County, OR	\$19,443,869	\$4,765,775	24.26%	Since 1987
Benton County, OR	\$1,227,201	\$195,658	17.82%	Since 2011
City of Vancouver, WA	\$2,800,358	\$365,281	14.78%	Since 2011
State of Oregon-Dept of Rev	\$152,148,628	\$16,345,055	13.18%	Since 1996
Clackamas County, OR	\$8,781,438	\$1,121,028	12.80%	Since 2010
City of Garden Grove, CA	\$59,124.00	\$5,264.00	9%	Since 2012
King County, WA	\$11,400,00	\$966,375	8.90%	Since 2010



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- 1.3 Responder shall provide a minimum of three (3) references who can comment on the firm's professional work. Must include phone, fax, email and physical address of each reference.

City of Tucson, AZ
255 W. Alameda 8th floor
Tucson, AZ 85701
Chris Davison
Financial Services Supervisor
520-837-4362
Chris.davison@tucsonaz.gov

City of Garden Grove, CA
11222 Acacia Parkway
Garden Grove, CA 92840
Jeff Kuramoto
Utility Revenue Supervisor
714-741-5081
jeffku@ci.garden-grove.ca.us

King County, WA
500 Fourth Ave. 6th Floor
Seattle, WA 98104
Eric Valdez-Moses
Manager
206-205-5677
Eric.valdez-moses@kingcounty.gov

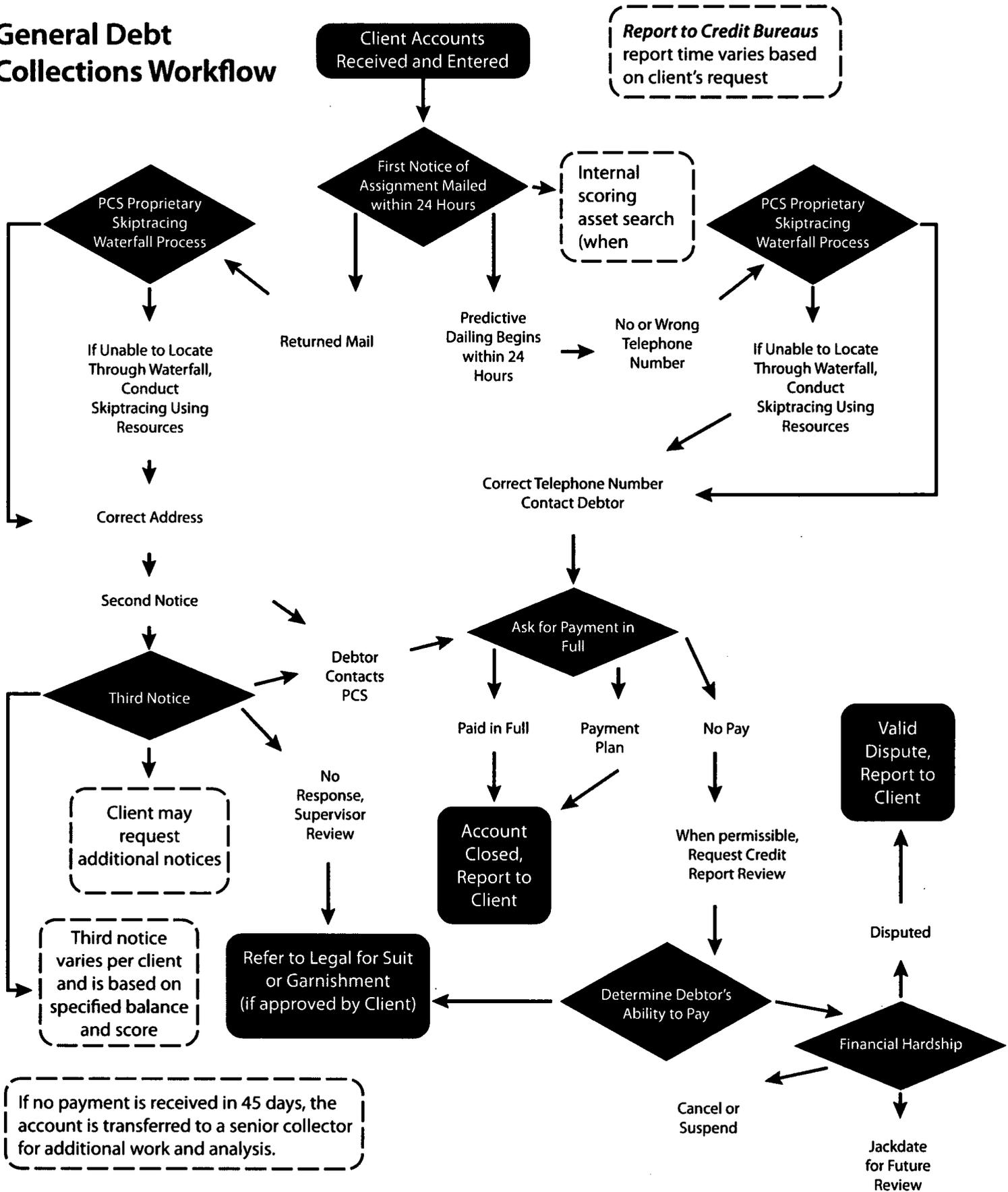
City of Vancouver, WA
610 Esther St.
Vancouver, WA 98668
Carrie Lewellen
Treasurer
360-487-8482
Carrie.lewellen@cityofvancouver.us

2 Method of Approach

- 2.1 Responder will describe method used for collection of debt

Professional Credit Service accepts all accounts from its clients, regardless of the size of the debt. At the time of assignment all accounts are initially handled the same (e.g., address scrubbing, letter notice, predictive dialing). For a visual representation, please refer to the attached General Debt Collections Work Flow Chart that details the work process of a typical collection account. PCS's processes are also customized based on our client's requirements.

General Debt Collections Workflow





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What makes PCS so unique in collections is that it dedicates several internal resources to improve skip tracing efforts beyond the common external resources utilized for skip tracing including the following:

- **Seasoned Collectors:** PCS invests in training for all collection representatives on how to use the number of resources to locate a consumer and trains them on techniques when contacting family members, neighbors or speaking to someone at a place of employment.
- **Data Analytics Team:** PCS has established a team of decision scientists who analyzes relationships of various data elements related to consumers—those that pay and those that don't—and what collectors need in order to be even more effective at resolving accounts.
- **Behavioral Science Team:** PCS also has an internal team of social scientists who focus on the behaviors of consumers and then create strategies to increase the effectiveness of the collectors by helping ensure the timing is right, and the information is right, to connect with those consumers.

Within our collection process and throughout the organization, PCS has established a LEAN philosophy. Through a commitment of continuous improvement, PCS's LEAN strategy focuses on eliminating waste to ensure all key processes optimize value to our clients. Because of this LEAN thinking, PCS has improved efficiency and maximized recovery by optimizing technology. Additionally, a process to automate information gathering and analysis was formed to improve the effectiveness of collection efforts and ensure accounts are worked continually. The following details the proprietary process that PCS has developed:

The Waterfall Process:

PCS has developed a proprietary process called PCS Proprietary Phone & Address Waterfall that ensures addresses and phone numbers on the accounts are updated and as accurate as possible. The Waterfall Process is an automated skip trace system to obtain new addresses and phone information from four separate national data providers when new information is needed. If the updated information such as address, telephone number, or place of employment is not received from the first provider, then it instantly falls to the next data provider to gather the information. PCS monitors and evaluates which vendors provide the highest quality of data and adjusts the Waterfall based on these findings. The Waterfall Process is activated on all incoming accounts.

When updated information is received, the system updates the address and/or phone fields automatically, notes the file, automatically initiates the correct letter, and if appropriate, sets the account into a dialing queue. For those that come back with no information from any of the vendors, the file is noted accordingly before determining further action

Triggers:

Along with the Waterfall, PCS utilizes Triggers, a Trans Union program which monitors each account nightly for positive economic changes. The Triggers Program notifies PCS once a consumer's credit score has improved, address changed, or if there is a change in demographic information, thus, providing PCS with up-to-date information in contacting consumers for payment. PCS uses Triggers (when allowed by law and by client) to ensure that accounts are constantly being worked even when no current information is available to proceed with collection efforts. This allows PCS to improve efficiency, and liquidation rate for its clients.

First Contact:

Within one to five business days upon receipt of an account, PCS initiates contact with a consumer. The PCS collection management software automatically generates a formal, yet easy to understand, validation letter to a consumer explaining the delinquent status of an account. This letter includes all disclosures required under the FDCPA and all relevant state laws.



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For Spanish speaking consumers, PCS generates letters in Spanish for their convenience. PCS generates thousands of letters per day for its clients. All letters include a toll free telephone number for the consumer to reach a collection representative as well as directions for the consumer to resolve/pay their account online using PCS's web-based payment portal (www.pcsdirectpay.com). PCS will provide additional sample letters to Pinal County upon request.

The mailing envelope is stamped with "Address Service Requested" to help ensure that PCS receives any updated address information. The mailing house also provides an additional phone scrub. If new information is available, it is automatically updated in PCS's collection software. All addresses also pass through the National Change of Address (NCOA) database prior to printing and mailing. All PCS letters are reviewed by in-house counsel for legal compliance and externally by an ACA-International certified letter review attorney.

If PCS is not able to confirm a current address, the account will be monitored until new contact information becomes available. A subsequent verification letter may be mailed to a consumer when a good address is confirmed.

Initial Calling Campaign:

PCS recognizes that speed is important in reaching consumers. With this knowledge, PCS designed its system so that new accounts show up in the calling campaign as quickly as possible. Typically, dialable accounts show up in the call campaign two days after sending the validation letter.

PCS provides multilingual call center service to consumers. Many of the collection representatives are bilingual in Spanish and English. Additional multilingual employees are available on an as needed basis to assist the caller. When additional languages are necessary, PCS uses a service called Certified Languages. PCS absorbs all cost for this additional language service.

Payment Solutions:

PCS will enter into payment agreements with Pinal County consumers based on mutually agreed work instructions between Pinal County and PCS. When a PCS collection representative speaks with a consumer, the qualified collection representative is required to verify the following information at the appropriate time:

- Contact information – including home / employment address and phone number
- Source of income and the individual's financial status
- Any bankruptcy or other litigation matters
- Assets such as property or other tangible items that can be used for collateral

In an effort to collect payment in full, the collection representative will remind the consumer of their financial obligation along with their rights and responsibilities. PCS communicates with every consumer in a positive and helpful way. Payments can be made over the phone by check, debit, or credit card. PCS also provides a secure Consumer Portal that will allow the consumer to make payment arrangements and view statements on line.

Standard PCS Arrangement Protocol:

When requesting payment from a consumer, PCS typically asks for payment in full. If the consumer is unable to meet that obligation, the PCS collector will work with the consumer to formulate a payment arrangement (based on mutually agreed parameters by PCS and its Client).



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Upon payment arrangement, the consumer will be given a definite payment due date and the representative will schedule a follow-up in the event the account is not paid as agreed.

The financial condition of the consumer is taken into account, along with the ability to otherwise liquidate the account. PCS guidelines further stipulate that when making a payment arrangement on an account that the consumer be required to make their first installment within 30 days.

Standard PCS Defaulted Arrangement Protocol:

PCS will make every reasonable effort to work with the consumer to ensure payments are made. In the event the collection representative is not able to reach suitable arrangements for payment with the consumer, the collection representative requires the consumer to update all pertinent information (present address, telephone number, place of employment, and social security number), and informs them that PCS will proceed with further collection efforts, and if appropriate, suggest that the consumer enter a Consumer Credit Counseling Service (CCCS) program. If the consumer chooses to enter a CCCS program, the collection representative provides the telephone number of the CCCS office located in their area and requests that the consumer make an appointment for counseling. The account is then marked for follow-up to verify that the debtor has entered the program.

Continual Follow-up:

PCS has implemented several programs to maintain follow-up on accounts including the Waterfall process, Triggers and a Retro Program (please see below).

Accounts are reviewed by supervisors to ensure the representative come to a proper conclusion about the consumer's inability to pay their obligation (either in full or payment arrangement). These accounts are placed in the Triggers program and monitored for any improvements to the consumer's financial condition.

Additional Calling Campaign:

If an account goes through the Waterfall process for a second time and receives a valid phone number, the collection representatives have the same goal as in the initial calling campaign... which is to connect with the consumer. In this call campaign, the tactics are different. More time and effort is spent trying to contact the consumer including three attempts, two voice-mails or one consumer contact, before deciding to progress these accounts to a senior collection representative.

Customer Care Team:

The Customer Care team focuses on providing the highest level of customer service to both consumers and clients. This team is skilled at dealing with legitimate account questions and issues while at the same time finding quick and efficient ways of resolving these questions. PCS has automated the way they can obtain supporting information to assist in answering questions, thereby reducing the time clients spend responding to the consumer's questions. The Customer Care Team members, like the collection representatives are skilled at seeing through stalls and consumer tactics used to delay payment on legitimate obligations.



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Retro Program:

The Retro Program is a formal program for unresolved accounts that are greater than 36 months from the date of referral to PCS. The first step for these accounts is to apply an internal scoring. These in-house scores enable PCS to consider other factors that may cause the account to be collectible even.

Typically these accounts are formally worked again starting with a dialing campaign. Once the dialing campaign is complete, these accounts progress through the Waterfall process to find an additional / updated phone or mailing address. Whenever a new address is validated, an additional letter is sent.

Accounts that warrant additional work are moved to a Retro Team Credit Representatives who use the normal PCS collector tools in resolving accounts. In the meantime, these accounts are included in the daily and weekly monitoring programs.

Additional Skip Tracing Tools:

In addition to the methods previously mentioned, PCS utilizes the following skip tracing resources.

- **Internet** - PCS uses direct access to the Internet for researching data, search engines and directories, which collection representatives can use to effectively locate consumers who have skipped. All PCS offices are connected virtually over the Internet.
- **Intranet** - Internet resource information is further organized through the PCS internally developed intranet system, "Metolius". Metolius provides links to all pertinent procedural and regulatory information that a collection representative may need, and ensures that all shared resources and information are current and consistent. Metolius is an extremely fast, flexible, and user-friendly interface enabling collection representatives to create custom menus that port them directly to resources both locally and on the Internet.
- **Assessor Information** - PCS has access to Assessor information allowing collection representatives unlimited access to property information throughout the country. This tool allows collection representatives to skip trace with property owners and locate consumer property assets.
- **Telephone Directories** - PCS online directory access provides all residential and business telephone listings for the entire United States. With a few keystrokes, collection representatives have access to millions of names, addresses, phone numbers, and zip codes for businesses and residences throughout the country. Collection representatives can search listings by name, SIC classification, yellow page classification, address, phone number, zip code, or any combination. PCS collection representatives can further use directories to find neighbors or consumers with the same last name by state or for additional location information. While traditional phone book searches may yield no results, with the aid of directories, a PCS collection representative will have the consumer on the phone updating their information and making arrangements to have the balance paid in full.
- **Directory Assistance** - PCS collection representatives have the ability to check with directory assistance conventionally with the phone company by telephone.
- **Post Office** - PCS has a variety of interactions with the United States Postal Service. PCS collection representatives are encouraged to contact local post offices for consumer address information. PCS postal envelopes are sent "Address Correction Requested" to assure receipt of forwarding information.
- **Credit Report** - If allowed by the State and if the account falls within the defined "permissible purposes" for searching a consumer's credit history as defined by the Fair Credit Reporting Act (FCRA) and Fair and Accurate Credit Transactions Act (FACTA), PCS collection representatives are able to access all three major credit bureaus (Equifax, Experian, and Trans Union Credit Information Co.) online for credit and location information. This information is very useful in locating skips and resolving accounts, providing both a financial picture of the debtor and address and employment information provided by other creditors.
- **Social Networking Sites** - PCS collection representatives routinely check Facebook, LinkedIn, and other social sites for information that is used to locate consumer or clues to assets.



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In-House Counsel:

PCS's legal team reviews the applicable state laws in which the consumer lives, verifies the consumer has vulnerable assets and then makes sure the consumer has an address at which they can be served. PCS then asks for litigation approval from Pinal County if authority to sue (including suit parameters) has not already been given.

Only upon Pinal County's approval will PCS's team proceed. Once an account is approved for legal action, PCS will prepare a summons and complaint to be served to the consumer with the goal of obtaining a judgment.

2.2 Responder will describe ability to maintain confidentiality of documents/information.

Professional Credit Service has a superior commitment to compliance and security. PCS holds the following certifications and distinctions:

- **ISO/IEC 27002:** According to an ISO industry consultant, less than 200 collection agencies worldwide possess this certification.
- **PPMS:** PCS is certified in all 18 elements of the ACA's Professional Practices Management System. Of the ACA's 5000 member agencies, only 60 have this distinction.
- **SSAE 16 SOC Type 2:** PCS has completed a SSAE 16 SOC Type 2 audit according to the American Institute of Certified Public Accountants standard, an independent group that verified all of PCS's collection controls.

These certifications and audits are not easy to complete. All of them are labor intensive, costly and require a great deal of internal examination by third party organizations. Professional Credit Service's enthusiasm in engaging in these independent audits, above average recovery rates, and complete accountability to its client base produce a service level no other provider offers.

Additionally, PCS maintains information security by keeping technology and client services staff internally at offices located in the United States. There is no international outsourcing of information warehousing or call management.

2.3 Responder will describe record keeping ability including how records will be maintained.

Professional Credit Service utilizes the DAKCS Collection System from DAKCS Software. This proven collection and recovery system is the tool used to keep and maintain client-referred records. PCS also scans all hard copies of documents provided by clients using software called Docuware. These scanned images are securely and seamlessly linked in the DAKCS software for secure maintenance and retention.

DAKCS – Has been an industry leader in the collection software market for more than 25 years. Online archiving of all system reports has made PCS a nearly paperless operation. Direct database access allows PCS to co-develop solutions to fit the PCS business model and specific client needs. The DAKCS Collection System provides PCS with fully automated and integrated collection software that:

- Provides a commission rate system that allows extremely flexible user-definable rules to determine rate.
- Presents detailed management and client reports to maintain quality assurance and provide statistical and trend-related information.
- Provides online financial and historical records to assure collection accuracy.



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- Provides integrated trust accounting and production reports to assure fiscal accuracy.
- Offers electronic data interchange (EDI) programs to accept client accounts electronically and provide electronic reports, producing client savings, enhanced communication on collections, and quicker action on delinquent files.
- Provides custom query and report generation allowing PCS to create virtually any report that a client may need.
- Organizes computerized collector work files for maximum efficiency.
- Utilizes Collection Prioritization Scoring to effectively direct resources at the most collectible accounts at the earliest possible point in the collection cycle.
- Allows collectors access to hundreds of computer-generated notices and automated letter series.
- Allows online credit bureau inquiries and extended search programs to maximize skip-tracing ability.
- Utilizes integrated legal file maintenance and tracking to greatly enhance ease, accuracy, and efficiency of legal collections.

The Sting™ with Beyond.NET™ - Collection Management System offers advance account scoring and work flow management capabilities via its Intercept and Priority Table automation. It provides real time payment processing for credit cards and check-by-phone, and real time access to credit reports and skip tracing resources. It also allows for quick access to a debtor's complete information at the click of a mouse.

Professional Credit Service firmly believes that providing greater transparency for its clients is critical to establishing long term, strategic partnerships. Additionally, having access to real-time information on a configurable computer system gives clients a better experience. PCS provides this access to its clients through its secure online Client Tools application.

Client Tools - The PCS Client Tools module is a real time interface for clients retrieving their consumer records and viewing account activity with unmatched transparency. Additional modules allow the client to report payments, request cancellations, resolve account holds or requests for information, and generate reports. The client has control over their user's access to each module. Additionally, if a client only wants a user to view a certain subset of the client's entire portfolio, that user can be restricted to only view the necessary clients.

Client Tools is an internally developed and maintained GUI interface to the DAKCS system accessible via the web. This interface provides more intuitive and user friendly access to client data information.

With the PCS Client Tools utility, clients may:

- View assigned account information, including payments, notes, and actions.
- View, upload, and download reports.
- Send and receive secure messages to specified account representatives.
- Report direct payments.
- Resolve questions about accounts on hold via a specific online exceptions form.
- Administer account permissions themselves.

Docuware – PCS uses Docuware's document imaging and management system to store and manage paperwork electronically. This provides additional security, easier and faster access, and supports the paperless office mission of many of its clients.

The Sting™ and Beyond.NET™ are trademarks of DAKCS Software Systems, Inc.



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2.4 Responder will describe their reporting capabilities

PCS provides a number of standard reports and can quickly provide the Pinal County with custom reports using almost any requested content and measured within any requested timeframe. PCS Reports enable clients to closely monitor collection success and trends with real-time data. Client reports are available on a regular basis or as requested, via email, secure web download, or print format. All reports are also available in electronic spreadsheet format (Microsoft Excel ®) through the PCS Online Client Tools web portal.

PCS maintains confidentiality of all documents and information provided. The specific format of all reports identified in this section shall be agreed upon between the Pinal County and PCS.

One special option available online is the "**Inventory Report**", where clients can design and generate a report based on chosen criteria. The inventory report allows clients to search their referred account information using extensive criteria. Available options for search /output include but are not limited to:

- Last Name
- First Name
- Street Address
- City
- State/ Zip
- PCS Account #
- Client Account #
- Account Status
- Referral Date
- Service Date
- Last Payment Date
- Amount Referred
- Principal Balance
- Interest
- Other Charges
- Court Costs
- Attorney Fees
- Total Due
- Cancellation Date

Standard PCS Reports Summary

A variety of the standard PCS measurement reports are summarized below.

- **Alphabetical Acknowledgment Report** - The Alphabetical Acknowledgement Report lists an account assigned for collections alphabetically and includes the client's account number, service information, balance, PCS account number, and age of accounts in months. The report is typically provided to a client within three (3) business days of receipt of accounts. However, PCS is able to modify the time frames according to the needs of Pinal County.



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- Detailed Collection Activity Progress (Consumer Status) Report - The Detailed Collection Activity Progress (Consumer Status) Report lists client accounts alphabetically by consumer name or numerically by client account number for all or any dates of referral. The report gives the client account number and PCS account number. The report provides information on spouse or roommate, PCS collection representative number, date of referral, date of last payment, amount referred, balance, and remarks on individual account status.
- Account Extended Print-Out Report - The Account Extended Print-Out Report provides a complete print-out of all activities on an individual account. This report shows consumer's most current information and all collection representative notes relating to the file. This report also shows all notices mailed, payments made, and applicable financial information.
- Aged Statistical Analysis (Collection Actuary) Report - The Aged Statistical Analysis (Collection Actuary) Report provides monthly actuary analysis for previous 12 months, annual analysis of previous 2 years, total prior analysis, and a total actuary analysis. The actuary examines placements with respect to number of accounts listed, total dollar amount, and average balance. It examines collections by amount paid, and the number paid in full. It also examines the number of accounts still active and their cumulative balance. The actuary shows the percent recovered for each month and year.
- Production Analysis (Collection Flow) Report - The Production Analysis (Collection Flow) provides month-to-date, year-to-date, and total analysis of number of accounts listed, dollars listed, average balance listed, number of payments collected, dollars collected exclusive of interest, commissions exclusive of interest, percent of commissions to dollars collected, PCS unit yield per account, client net unit recovery per account, dollar performance percentage, last new business received, and other relative information. The difference between the production analysis and the actuary analysis is that the production analysis gives an indication of flow of referral and analysis, and is not presented in an actuary format.
- One Year Client Monthly Activity Analysis Review - The One Year Client Monthly Activity Analysis Review provides a breakdown of collection activity for the last 12 months. Report includes number of accounts listed with dollar amount, reporting period, and average balance. This report also provides a breakdown of the number of accounts cancelled and returned monthly including the dollar amount. This report shows the client the total dollar amount that was collected each month and the amount of accounts that paid in full. The client can also view net dollars recovered per account listed and the percentage of recovery.
- Cancellation Report - The Cancellation Report provides a listing of accounts cancelled and returned from PCS. The report provides client account number, consumer name, amount returned, date of referral to PCS, PCS account number, and a brief description of the reason for cancellation.
- Remittance Report (Statement) - The Remittance Report provides a complete breakdown of payments received for remittance. Report provides trust remittance date, consumer name, client account number, PCS account number, payment date, balance, amount paid PCS, amount paid to client, PCS commission percentage, PCS commission, and amount due client, on an account by account basis as well as in summary. The report also provides a breakdown of the total amount collected, the PCS commission, the amount being remitted and the balance due PCS.
- Detailed Collection Activity Progress Report - The Detail Collection Activity Progress Report provides a complete report of the collection activity on a quarterly basis. The collection activity includes dollar amount on cancelled, recovered and active accounts.
- Quarterly Reconciliation Report - A Quarterly Reconciliation Report provides a breakdown of all accounts that have been reconciled.
- Garnishment Report - The Garnishment Report provides all accounts receiving garnishments within a specified period of time.

3 **Cost**

Responder shall complete Response Form 2 Pricing Sheet RFP PC-130418 Debt Collection Services. Any response that does not include this completed Pricing Sheet or includes an incomplete Pricing Sheet may cause the entire offer to be deemed unacceptable and therefore non-responsive.

Please see attached Response Form 2 Pricing Sheet RFP PC-130418 Debt Collection Services.



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4 Conformance to Terms and Conditions and Scope of Services

Response Form Responses

Professional Credit Service has read, understands, and shall comply with all Terms and Conditions. Responders that accept the County's Terms and Conditions shall check **YES** to clearly indicate their acceptance. Responders who take exception to the County's Terms and Conditions shall check **NO** and clearly indicate their exception(s) and provide Responder's suggested language.

YES, I acknowledge that I have read and understand all Terms and Conditions and will comply in any resultant contract.

NO, I acknowledge that I have read, understand all Terms and Conditions and will comply in any resultant contract with the exceptions listed below.

Exceptions (If checked NO)

Responders that take exception to any Terms and Conditions shall justify their exception as well as proposing any changes to the County's language with the Responder's suggested changes clearly indicated. Additional pages may be added so long as they are clearly referenced in the spaces provided. **Please note that taking exception to any Terms and Conditions may affect your evaluation score.** Both the number of exceptions and the severity of the exceptions can affect your score and may have you deemed non-responsive for this solicitation.

Cite the specific Term and Condition for which an exception is taken: None

Responder's justification for the exception: None

Responder's suggested changes: None

Professional Credit Service has read, understands, and shall comply with the Scope of Services. Responders that accept the Scope of Services shall check **YES** to clearly indicate their acceptance. Responders who take exception to any item in the Scope of Services shall likewise check **NO** and clearly indicate their exception and provide Responder's suggested language.

YES, I acknowledge that I have read and understand the Scope of Services and will comply in any resultant contract.

NO, I acknowledge that I have read, understand the Scope of Services and will comply in any resultant contract with the exceptions listed below.

Cite the specific item in the Scope of Service for which an exception is taken: None

Responder's justification for the exception: None

Responder's suggested changes: None

End of Response Form 1 for RFP PC-130418 Debt Collection Services