



## Office of the Administrative Director – Financial Services Department

THE JUDICIARY • STATE OF HAWAII • 1111 ALAKEA STREET, 6<sup>TH</sup> FLOOR • HONOLULU, HAWAII 96813-2807  
TELEPHONE (808) 538-5800 • FAX (808) 538-5802

**Terri Gearon**  
FINANCIAL SERVICES DIRECTOR

December 27, 2018

### MEMORANDUM

TO WHOM IT MAY CONCERN:

FROM: Terri Gearon, Financial Services Director /s/ Terri Gearon  
SUBJECT: **ADDENDUM NO. 1, REQUEST FOR PROPOSALS NO. J19233**  
**Collection Of Delinquent Accounts Owed To The Judiciary, State of Hawaii**

Transmitted herewith for your review is one copy of Addendum No. 1, and is hereby made a part of Request for Proposals J19233 for the above Collection Of Delinquent Accounts Owed To The Judiciary, State of Hawaii and shall govern the work taking precedence over previously issued specifications governing the items mentioned.

Should you have any programmatic questions regarding this addendum, please contact Terri Gearon at 808.538.5800, or email [Terri.L.Gearon@courts.hawaii.gov](mailto:Terri.L.Gearon@courts.hawaii.gov). Other questions regarding the Request for Proposal may be directed to Ms. Tritia Cruz in the Judiciary Contracts & Purchasing Office at 808.538.5805, or email [Tritia.L.Cruz@courts.hawaii.gov](mailto:Tritia.L.Cruz@courts.hawaii.gov)

**ADDENDUM NO. 1**  
**REQUEST FOR PROPOSALS NO. J19233**  
**Collection Of Delinquent Accounts Owed To The Judiciary**  
**State of Hawaii**

The items listed hereunder are hereby made a part of Request for Proposals (RFP) No. J19233 for the above Collection Of Delinquent Accounts Owed To The Judiciary, and shall govern the work taking precedence over previously issued specifications governing the items mentioned.

**Questions submitted relating to RFP J19233, with Judiciary Responses:**

**Administrative Questions**

Q1: What is the date by which you will answer these questions?

A1: On or about December 27, 2018

Q2: Please describe your level of satisfaction with your current or recent vendor(s) for the same purchasing activity, if applicable.

A2: Satisfactory

Q3: How many copies of proposals are vendors required to submit?

A3: One (1) original and three (3) copies

Q4: Why is the contract out to bid at this time?

A4: Current contract will be ending February 2019

Q5: Has the current contract gone full term?

A5: Yes, current contract has completed full term

Q6: Have all options to extend the current contract been exercised?

A6: Yes, all options to extend the current contract has been exercised

Q7: Who is the incumbent, and how long has the incumbent been providing the requested services?

A7: GILA, LLC DBA Municipal Services Bureau & GILA Group

**Amend RFP J19233 as follows:**

***Revise Section One – Introduction and Significant Dates, Section 1.2 Significant Dates, Evaluation Period shall be updated to read as follows:***

Evaluation Period

January 2019

***Revise Section Six – Special Provisions, 6.5 Offers on CD or Flash Drive page 24. shall read as follows:***

**Offers on CD or Flash Drive.** As an option to submitting hard copies (one original and three copies) of the entire Proposal Packet, Offer(s) may be submitted on CD or flash drive (three copies) in Adobe pdf format no later than the date and time indicated in the Significant Dates section of this RFP

**Programmatic Questions**

Q8: What estimated or actual dollars were paid last year, last month, or last quarter to any incumbent(s)?

A8: In 2017, \$9,483,843 was collected

Q9: What is the total dollar value of accounts available for placement now by category, including any backlog?

A9: In 2017, workable cases submitted totaled \$22,238,825

Q10: What is the total number of accounts available for placement now by category, including any backlog?

A10: In 2017, total number of workable cases submitted was 128,937

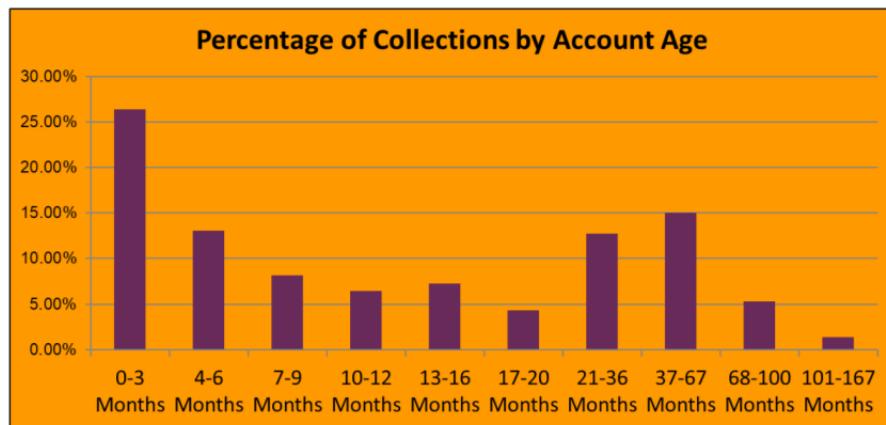
Q11: What is the average balance of accounts by category?

A11:

Balance Range	Recovery %
<\$100	<b>53.28%</b>
\$101 - \$249	<b>43.88%</b>
\$250 - \$499	<b>39.72%</b>
\$500 - \$999	<b>32.61%</b>
\$1,000 - \$2,499	<b>25.16%</b>
\$2,500 - \$10,000+	<b>2.66%</b>

Q12: What is the average age of accounts at placement (at time of award and/or on a going-forward basis), by category?

A12:



Q13: What is the monthly or quarterly number of accounts expected to be placed with the vendor(s) by category?

A13: Not category specific, estimated accounts to be placed is 10,000

Q14: What is the monthly or quarterly dollar value of accounts expected to be placed with the vendor(s) by category?

A14: Estimated \$1.8 million monthly

Q15: What has been the historical rate of return or liquidation rate provided by any incumbent(s), and/or what is anticipated or expected as a result of this procurement?

A15: In 2017, historical liquidation recovery rate was 39.53%

Q16: If applicable, will accounts held by any incumbent(s) or any backlog be moved to any new vendor(s) as a one-time placement at contract start up?

A16: Yes, all accounts will transfer to the new contractor

Q17: What is your case management/accounting software system of record?

A17: JIMS application (traffic) and Trust Accounting (criminal)

Q18: Who is your electronic payment/credit card processing vendor?

A18: Various bank institutions

Q19: What process should a vendor follow, or which individual(s) should a vendor contact, to discuss budget-neutral services outside of the scope of this procurement, but related to it, designed to recover more debt prior to outside placement and lower collection costs?

A19: For questions and/or concerns outside the scope of this procurement, you may contact Terri Gearon by email at: [Terri.L.Gearon@courts.hawaii.gov](mailto:Terri.L.Gearon@courts.hawaii.gov)

Q20: Where do I find the volume, average balance, and age of the accounts?

A20: Currently, average balances varies case to case

Q21: How are fees currently being billed by any incumbent(s), by category, and at what rates?

A21: The Judiciary currently has no fees. Incumbent will include service fees per case

Q22: Will accounts be primary placements, not having been serviced by any other outside collection agency, and/or will you also be referring secondary placements? If so, should bidders provide proposed fees for secondary placements also?

A22: Primary placements

Q23: What collection attempts are performed or will be performed internally prior to aithplacement?

A23: None

Q24: Have all cases been fully adjudicated by the time of placement?

A24: Yes

Q25: What computer software system do you use to manage your accounts/inventory?

A25: JIMS application (traffic) and Trust Accounting (criminal)

Q26: Do you have any plans of changing that system in the future, and why/why not?

A26: No, not at this time, current system is suffice

Q27: Do you subscribe to any offset programs?

A27: No