

**Minnesota Judicial Branch**  
**Collection Services – RFP Issued 06/30/05**  
**Addendum – Response to Questions from Vendors**  
**Issued 07/22/05**

The Judicial Branch has recently become one state funded organization. We are currently developing statewide business practices and standard procedures. We are seeking an agency to implement collection services and provide expertise to our accounts receivable process.

***Change in RFP Copy Requirements (as stated on section 5.5, page 18 of the original RFP): please submit 15 copies of the proposal. One original and 14 copies are sufficient as long as the original is clearly identified.***

**General:**

Supplemental information regarding awarding the contract and the expectations of the collection agency:

- Our expectation is that one contract will be awarded.
- The Courts will select the agency most responsive to its needs and provides best value to the organization. The evaluation factors include, but are not limited to, customer service, timeliness of initial set-up and ongoing services, reports, experience, technological compatibility, performance record and cost.
- The Minnesota Collection Agency license is required at the time the contract is executed; 10/01/05 is the anticipated contract date. The agency selected will be expected to have all licenses required to operate within all states where collection efforts are initiated.
- Courts will consider all training and certifications, including the Fair Debt Practices Act and membership in the American Collectors Association. Please describe relevant training and certifications.

**Bond**

Supplemental information to the Bond requirement:

- For purposes of this RFP, comprehensive commercial crime insurance will be an acceptable alternative to the fidelity bond. Vendors must submit a copy of the policy along with the proposal for review and approval.

- The amount of the bond will not be lowered.

## **Technology**

Additional details regarding technical processes:

The references should provide a description of the database system utilized. For each of your client references, provide the following information:

- A brief description of the client's business and the debt that is being collected
- How you receive the collection referrals from the client
  - Automated pass – batch – how frequently?, or
  - Automated pass – real-time, or
  - Manual entry to your system
- How you report the individual referral statuses back to the client
  - Automated pass – batch – how frequently?, or
  - Automated pass – realtime, or
  - Other?
- Additionally, please describe your system technology, and whether you own or license your system
  - Hardware platform
  - Software platform
  - Database
  - Real-time integration capabilities
- Additionally, please provide information about support for your system
  - Who provides the support, and through what process?
  - What service levels do you provide for your system?

The Courts currently utilize these database systems:

- Total Court Information System (TCIS)  
Legacy court application being replaced incrementally over the next two years - currently operational in about 55 counties, but that number decreases with the migration to MNCIS. Automated batch pass to collection agency is produced monthly, but time increment could change to weekly or daily. The Courts will provide record layout for batch pass to agency. A report is received from the agency on a regular basis. The current report layout will be provided.
- Minnesota Court Information System (MNCIS)  
New web-based court application that is being implemented statewide over the next two years – currently operational in about 32 counties, but that number increases over time. Would prefer daily automated batch pass. The Courts will provide a record layout for the batch pass to the collection agency.
- ViBES (Violations Bureau Electronic System)

3-Tier PC based system used in Ramsey and Hennepin Counties. The initial system was developed jointly between the Counties however, since January 2002 the Counties have worked independently on developing and enhancing the system to best meet each County's needs and programs. Currently information is exchanged daily through batch processes. Passes to refer cases, recall cases, void payments and update payment and defendant information must remain daily. We would prefer that payments to the court and closed case reports be daily; they are weekly now.

- St. Louis County System – county database system for parking citations
- SIP – Hennepin County system used for criminal cases

There will need to be interfaces for both incoming data and outgoing data with at least the five identified MN systems: TCIS, MNCIS, VIBES and St Louis County and SIP. The form of interfaces will vary depending on the system.

### **Volume/Case Estimates:**

The Minnesota Judicial Branch has recently completed the transition to become one state entity. The trial court locations transferred from being individual county departments to a state agency. With this transition, the Courts are looking to coordinate collection efforts and standardize processes. However, at this time, extensive participation by individual courts is optional.

The Courts are currently developing financial reports and implementing a new case management database system, MNCIS (Minnesota Court Information System.) However, due to the various collection practices and different database systems, we do not have statewide volume estimates at this time.

Each county currently has its own collection procedures in place. Hennepin, Ramsey, Stearns, and St. Louis Counties previously utilized the Department of Revenue - Minnesota Collection Enterprise. Other court locations have implemented internal collection procedures and file manual revenue recapture claims with the Department of Revenue.

The proposal can include different percentage fees based on manual referrals, current and non-current debt, and other factors. However, each factor must be clearly defined along with the related fee amount.

### **Referrals:**

Additional referral information:

- Daily referrals will be made for the large court locations. Other locations with lower volumes will transfer cases as processed or manual transmissions allow.

- Debt older than May 2005 will be referred. Previous collection efforts on these debts may have varied based on the case type or individual court procedures. All revenue recapture claims that were previously filed by Hennepin, Stearns, Ramsey and St. Louis Counties will need to be reentered. Other courts may have implemented various collection efforts or utilized the county collection offices.

### **Collection Procedures:**

Additional information regarding collection procedures:

- Routine collection efforts would include filing revenue recapture claims, sending notices, and initiating phone calls. Progressive collection efforts would be any other actions taken. Initially, garnishments, liens and levies are not being considered, but may be subject for further discussion and recommendations from the selected agency.
- The Courts have additional sanctions for non-payment that are initiated within the Courts; for example, driver's licenses may be suspended for unpaid driving violations and arrest warrants may be issued for unpaid criminal fines. The use of these sanctions prior to referral will be based on individual court policy.
- Hennepin and Ramsey Counties currently impound cars for non-payment of vehicle violations. Any questions from debtors regarding the impounding or releasing of the vehicles should be referred to the originating county.
- The 87 county court locations currently have various collection practices in place. Many counties will continue their internal collection efforts of sending notices, suspending driver's licenses, initiating revenue recapture. If these efforts are not successful, they may refer cases to the agency.
- The Courts currently have difficulty collecting from out-of-state residents due to revenue recapture is not available. Most of these cases would be referred to the agency as current debt.
- Minn. Stat. §609.135, subd. 8, states that fine and surcharges survive for a period of six years after probation ends. The Agency will be expected to keep cases open for this time period.

### **Revenue Recapture**

Supplemental information regarding the revenue recapture process:

- The Agency will have authorization to file claims on behalf of the Courts. The Department of Revenue will not charge a fee for filing the claims. The Agency will work directly with the Department of Revenue to set up the required interfaces and reporting requirements.

- Minn. Stat. §270A – Revenue Recapture Act lists the reporting and notification requirements for the revenue recapture program.

### **Social Security Numbers:**

Additional information:

- Social security numbers will not be provided for most cases.
- The Department of Revenue charges a \$15 fee to the debtor for each payment intercepted. If a revenue recapture payment is deducted from the wrong person due to Agency error, the Agency would be responsible to refund the \$15 fee and any other pending action.
- The vendor is legally responsible for any erroneous debt collection.

### **Previous Collections:**

Additional collection information:

- Four counties previously submitted claims to Minnesota Collection Enterprise (MCE.) MCE could not handle the volume for the remaining court locations. MCE did forward claims to a third party vendor, but the Courts were not involved in this process.
- The Courts do not have copies of any contracts between the Department of Revenue and outside collection agencies. These contracts may be public information, but you would need to contact the parties directly for this information.
- The Department of Revenue referred cases to an outside vendor without notifying the courts. The Courts do not have knowledge of the volume of cases or collection rates.
- Some counties also utilize internal collection efforts and file revenue recapture claims manually. Previously, some trial courts utilized the county collection departments.

### **Fees:**

Fee schedule clarification:

- The proposal may include different fee schedules for various processes such as non-current vs. current debt, manual vs. electronic submissions, revenue recapture payments vs. other payments, etc.
- The Agency is entitled to their fees from payments received through revenue recapture from the Department of Revenue and from payments accepted directly by the Courts.

- We currently do not withhold from unemployment benefit payments.

### **Payments/Refunds:**

Additional information regarding payment and refund processes:

- The Agency will be expected to propose proper methods and reporting for refunding money. The Agency will be expected to process the refunds due to errors that are found prior to the transfer of money. For funds already transferred to the Courts, it is preferred that the Agency will process the refund and charge the amount on the next payment report.

### **Miscellaneous Information:**

Additional information:

- One original proposal is acceptable as long as it is clearly noted as the original. Then include 14 copies of all documents in addition to the original. The number of copies has increased from the original amount requested in the RFP.
- On page 20 of the original RFP, the Fee Schedule should be listed as Tab 16.
- The State Court Administration - Finance Division is located in the Minnesota Judicial Center in St. Paul. This division provides services to all district and county court locations. The Finance Division will be the contact for general contract and overall questions; the individual counties would handle their county issues, referrals and reporting.

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