

**MEMORANDUM
COUNTY OF PLACER
ADMINISTRATIVE SERVICES DEPARTMENT**

TO: Honorable Board of Supervisors

FROM: Clark Moots, Director of Administrative Services

DATE: August 24, 2010

SUBJECT: Recommendation to Approve Change Order #2 to BPO16861 with Access Capital Services, Inc. for Debt Collection Services, Increasing the Maximum Amount by \$60,900.00 for a Revised Maximum Amount of \$170,900.00.

ACTION REQUESTED

Approve Change Order #2 to BPO16861 with Access Capital Services, Inc. for Debt Collection Services and authorize the Purchasing Manager to sign the resulting Change Order in the requested amount of \$60,900.

BACKGROUND

On June 9, 2009, your Board approved the award of a Blanket Purchase Order (BPO) with Access Capital Services, Inc. for Debt Collection Services to support the Administrative Services Department's Revenue Services Division (Department). A BPO in the amount of \$100,000 was issued for the period of June 9, 2009 through February 1, 2011. The estimated BPO amount was based on Fiscal Year 2009/2010 debt collection projections.

On July 16, 2010, the Procurement Services Division issued Change Order No. 1 to Access Capital Services, Inc. in the amount of \$10,000. The total amount of this BPO is currently \$110,000.

The Department has contracted with Access Capital Services, Inc. since September 2005 for the collection of unpaid delinquent court ordered fines, forfeitures, penalties and county fees. This agreement requires us to pay a 21% administrative fee on the amount collected and a 10% administrative fee on tax intercept collections. Because 90% of the accounts transferred to Access Capital Services, Inc. are court-related accounts, the administrative fees are reimbursed to the County through Penal Code Section 1463.007 at a rate of 79% of the actual costs. The remaining 21% of the administrative fee must be borne by the County. Since 2005, Access Capital Services, Inc. has collected more than \$1,239,531 on behalf of Placer County.

With six months remaining on the current BPO, the Department projects an additional \$290,000 in revenues collected by Access Capital Services Inc. through the end of the contract date of February 1, 2011. Based on these estimates and the administrative fees associated with the cost of collections and tax intercept collections, an increase in the amount of \$60,900 to cover expenditures through February 1, 2011 is being requested. Section 2.1 (g) of the Purchasing Manual requires your Board's approval for Change Orders greater than ten percent or \$49,999.99. Upon, your approval the BPO's not to exceed amount will be increased to \$170,900.

FISCAL IMPACT

The maximum fiscal impact to the County's General Fund is estimated to be \$12,789 as approximately 79% of the fees charged by Access Capital Services, Inc. are reimbursed through Penal Code Section 1463.007.

cc: Ron Baker, Senior Administrative Services Officer
Sandy Hammock, Senior Administrative Services Officer
Jim Boggan, Purchasing Manager
Sandy Conte, Revenue Services Manager

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FISCAL IMPACT STATEMENT

TO: Honorable Board of Supervisors

FROM: Clark L. Moots, Director of Administrative Services

DATE: August 24, 2010

SUBJECT: **Fiscal Impact Statement**
Recommendation to Approve Change Order #2 to BPO16861 with Access Capital Services, Inc. for Debt Collection Services, Increasing the Maximum Amount by \$60,900.00 for a Revised Maximum Amount of \$170,900.00.

The Administrative Services Department's Revenue Services Division (Department) projects an additional \$290,000 in revenues will be collected through Access Capital Services, Inc. Based on these estimates and the administrative fees associated with the cost of collections and tax intercept collections, an increase in the amount of \$60,900 to cover these expenditures through February 1, 2011 is being requested.

The maximum fiscal impact to the County's General Fund is estimated to be \$12,789 as approximately 79% of the fees charged by Access Capital Services, Inc. are reimbursed through Penal Code Section 1463.007.