

**MEMORANDUM  
COUNTY OF PLACER  
ADMINISTRATIVE SERVICES DEPARTMENT  
PROCUREMENT SERVICES DIVISION**

TO: Honorable Board of Supervisors  
FROM: Brett Wood, Purchasing Manager  
DATE: June 16, 2015  
SUBJECT: Debt Collection Services – Financial Credit Network Inc.

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**ACTION REQUESTED**

1. Approve the award of a blanket purchase order to Financial Credit Network Inc. of Visalia, for debt collection services using a competitive bid from the Judicial Council of California in the maximum amount of \$310,000 for the period of June 16, 2015 to December 31, 2016, funded by the Administrative Services Department's FY 2014-15 Final Budget and the FY 2015-16 requested budget with an estimated net County cost of \$310,000,
2. Approve the option to renew resulting blanket purchase order for additional one-year terms through the effective period of the Judicial Council of California Master Agreement with a renewal amount not to exceed 10 percent of the recommended contract amount of \$310,000.

**BACKGROUND**

The Administrative Services Revenue Services Division has utilized outside collection agencies for several years, for the collection of court-ordered fines, forfeitures, penalties, and victim restitution. Use of outside collection agencies, in addition to the division's own staff, maximizes the division's success in collecting this court-ordered debt. The service fees for these collection services are based on a percentage of the amount collected on behalf of the County. The division has effectively utilized a master agreement awarded to Access Capital Services by the Judicial Council of California, a state agency.

On March 25, 2014 your Board approved the award of BP021204 to Access Capital Services Inc. for the period April 1, 2014 through December 31, 2015. Access Capital recently changed ownership and on April 17, 2015 sent a notice to Placer County notifying the County of their intent to terminate the agreement with 90 days' notice, in accordance with the contractual agreement, which will be effective July 17, 2015.

Revenue Services staff evaluated several other collection agencies are participating in the Judicial Council Master Agreement. The evaluation considered the fees to be charged to the County as well as the agencies' success rate and performance for other public clients, based on client feedback. Revenue Services determined that Financial Credit Network Inc. will best meet the County's collection goals.

Section 1.3(e)(3) of the Purchasing Policy Manual permits the use of other public agency contracts without additional competitive bidding. The Judicial Council's Master Agreement No. MA-201304 with Financial Credit Network is effective through December 31, 2016.

Therefore your Board's approval is required to execute a Blanket Purchase Oder with Financial Credit Network for debt collection services in an amount not to exceed \$310,000.

**FISCAL IMPACT**

Upon your Board's approval, a new BPO will be issued in the department's requested maximum amount of \$310,000 for the period June 18, 2015 through December 31, 2016. The Administrative Services Department's Revenue Services Division has sufficient funding in the FY 2014-15 Final Budget and in the FY 2015-16 requested budget to support the requested services. Funds are not encumbered until services are rendered against the BPO.

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cc: Virginia Meyers, Revenue Services Manager  
Melissa Nunnink, Administrative & Fiscal Operations Manager