Indiana Secretary of State
Securities Division

RFP 003-07-SED

Request for Proposals: Collection of certain fines, civil penalties and judgments on behalf of Indiana Secretary of State - Securities Division

1.01 INTRODUCTION

The Securities Division of the Indiana Secretary of State's office engages in enforcement activity involving securities dealers and brokers, investment advisors, loan brokers and collection agencies. These activities result in fines, civil penalties and judgments, some of which may include costs of investigation and collection fees (hereafter collectively referred to as "penalties") against individuals and business entities both in and outside of Indiana. Certain penalties owing to the Securities Division have not been readily paid or otherwise collected. The Securities Division is soliciting responses from Indiana licensed collection agencies to this Request for Proposals (RFP) for collection of certain unpaid penalties.

1.02 SCOPE OF THE RFP

The Securities Division may contract with one or more qualified Indiana licensed collection agencies for the collection of unpaid penalties. The Securities Commissioner will determine what penalties will be assigned for collection under this RFP. The accounts assigned will generally involve penalties owed by persons or business entities which cannot be readily located, or payments due which are in arrears more than 45 days. Based on the responses received, the Securities Division may award one or more contracts. Alternatively, the Securities Division may decline all proposals and not issue a new RFP or solicit proposals under a separate RFP or employ some other method of evaluating and selecting a collection agency.

1.03 TERM

The Security Division proposes a term of one year. However, collection agencies may submit proposals for a one-year term and additional one-year terms.

1.04 ISSUING OFFICE and SUBMISSIONS

Proposals are to be submitted to the attention of:

Securities Commissioner
Indiana Secretary of State
Indiana Government Center South - Room E-111
302 W Washington Street
Indianapolis, IN 46204

1.05 DUE DATE FOR PORPOSALS AND QUESTIONS

All proposals must be received by the Securities Commissioner no later than 3 p.m. Eastern Standard Time on September 22, 2006. All envelopes or parcels containing proposals must be clearly marked with RFP No. 003-07-SED. Proposals received after the due date will not be considered.

Proposals should be double-sided and printed on 30% post-consumer recycled content paper. Soy based ink should be used if possible.

All questions regarding this RFP should be submitted in letter form or via e-mail no later than 9 a.m. Eastern Standard Time on September 20, 2006. Questions should be submitted to:

Jerry A. Bonnet, General Counsel
Indiana Secretary of State
Indiana State House, Room 201
Indianapolis, IN 46204
e-mail: jbonnet@sos.in.gov

Only written answers signed by the Securities Commissioner or Jerry A. Bonnet, General Counsel, shall be considered official and valid by the Securities Division.

Respondents to this RFP are requested not to contact the office of the Indiana Secretary of State or Securities Division by telephone, or otherwise communicate with Secretary of State or Securities Division employees regarding this RFP. No negotiations, decisions or actions outside of the proposals requested are authorized or will be acknowledged.

1.06 MODIFICATION OR WITHDRAWL OF OFFERS

Responses to this RFP may be modified or withdrawn in writing with notice sent to the Securities Commissioner by mail, fax or e-mail received prior to the exact hour and date specified for receipt of proposals. Proposals may not be withdrawn after the proposal due date and time has passed.

1.07 PRICING

The Securities Division requests that the pricing associated with this RFP be a firm proposal price that must remain open and in effect for a period of not less than 180 days from the proposal due date.

The Securities Division recognizes there are certain industry practices for collection agency providers. However, the Securities Division encourages respondents, in their responses to the RFP, to be as creative as possible regarding cost and payment terms, as cost efficiency will be a

major consideration in determining whether a contract(s) will be awarded based on responses to the RFP.

1.07 DISCUSSION FORMAT / BEST AND FINAL OFFERS

The Securities Division reserves the right to reject any or all proposals received, or to award, without discussions or clarifications, a contract on the basis of initial proposals received. Therefore, each proposal should contain the respondent's best terms from a pricing standpoint.

The Securities Division reserves the right to conduct discussions, either oral or written with those respondents determined by the Securities Division to be reasonably viable to being selected for a contract award. If discussions are held, the Securities Division may ultimately request best and final offers. The Securities will initiate and schedule all discussions. Any information gathered or relied upon by respondents as a result of oral discussions should be confirmed in writing.

The Securities Division reserves the right to reopen discussions after receipt of best and final offers if the Division believes it is in its best interest to do so. If discussions are reopened, the Securities Division may issue one or more additional requests for best and final offers from respondents determined by the Division to be reasonably susceptible to being selected for a contract award.

Decisions of the Securities Division with respect to eliminating proposals from consideration are final.

Following evaluation of best and final offers, if any, the Securities Division may select proposal(s) for contract awards or enter into negotiations with respondent(s) determined by the Division to be reasonably susceptible to being selected for a contract award.

The Securities Division reserves the right to initiate communication for clarifications to resolve minor issues. If only clarifications are sought, requests for best and final offers may not be requested. The Securities Division retains sole authority to determine whether contact with respondents is for the purpose of discussion or clarification.

1.08 CONTRACT NEGOTIATION / FORM / APPROVAL

After selection of one or more proposals by the Securities Division, contract negotiations will commence. Contracts will be based primarily on the required clauses of the most recent version of the Indiana Department of Administration (IDOA) Professional Services Contact (See Attachment A.)

Proposals should include a statement that respondents have reviewed the clauses and provisions of the IDOA Professional Services Contract and agree to its terms.

The award of any contract by the Securities Divison pursuant to this RFP is subject to the approval of the Indiana Secretary of State, Indiana Attorney General and Indiana State Board of Accounts.

1.09 TAXES

The Securities Division is exempt from federal, state and local taxes. The Division will not be responsible for any taxes levied on the respondent as a result of a contract pursuant to this RFP.

1.10 ADDITIONAL REQUIREMENTS FOR PROPOSALS

Proposals must include a completed Indiana Economic Impact Statement including minority and women's business enterprise participation. (See Attachments B and C.)

Proposals must include a statement that the respondent, it's agents, contractors, employees and assignees, comply fully with applicable state and federal fair debit collection practices and assume full responsibility for compliance with same.

Proposals must include a statement that the respondent indemnifies and assumes strict and absolute liability for compliance with applicable state and federal fair debit collection practices on behalf of the Securities Divison, Securities Commissioner, Secretary of State and State of Indiana.

Proposals must include a statement that respondent, its agents, contractors, employees and assignees, understand and will comply fully with Indiana's Social Security Number nondisclosure statute (Indiana Code 4-1-10 *et seq*).

Proposals should include a detailed description and documentation of the respondent's history, experience and success in the collection of penalties, including references with contact information.

Proposals should include a detailed description of the respondent's operations strategy, facilities, capabilities, typical collection cycle timetable, management and ownership.

Proposals should include a detailed description of pricing formulas, price scales, or otherwise how price for services rendered or results achieved is to be calculated, including any contingencies and terms of payment.

1.11 EVALUIATION CRITERIA

Proposals will be evaluated based upon the proven ability of the respondent to collect penalties owed to the Securities Division in a timely and cost-effective manner. Each of the evaluation criteria categories is described below with a brief explanation of the basis for evaluation in that category. The percentage of the total point score associated with each category is indicated following the category name (total maximum points = 100).

I. Adherence to RFP requirements and objectives (10 points)

II. Exp., mangt., capability, strategy, references (40 points)

III.	Price and terms	(40 points)
IV.	Indiana Economic Impact/ Minority/Women Ent.	(10 points)

1.12 PROPOSAL CERTIFICATION

Responses to this solicitation serve as a warrant that the respondent is properly registered as required by law, if applicable, with the Secretary of State and Securities Division, and that is has no current or outstanding criminal, civil, or enforcement actions initiated by the State of Indiana, and that it agrees that it will immediately notify the Securities Division of any such actions. The respondent also certifies that neither it nor its principals are presently in arrears in payment of its taxes, permit fees or other statutory, regulatory or judicially required payments to the State of Indiana. Any respondent agrees that the Securities Division may confirm, at any time, that no such liabilities exist, and if such liabilities are discovered, that state law and Securities Division policy may operate to bar the respondent from contracting with the Division, cancel existing contracts, withhold payments to setoff such obligations, and withhold further payments until the entity is current on its liabilities to the State.

1.13 AUTORIZATION FOR REVIEW

All proposals will be reviewed by the Securities Division. Submission of responses to this solicitation constitutes acknowledgment and authorization for investigation and review of the respondent by the Division. References may be contacted. The Securities Commissioner or designees may interview respondents. The Securities Commissioner or designees will, in the exercise of the sole discretion of the Division, determine which proposal(s) offer the best means of servicing the interests of the Securities Division, Secretary of State and State of Indiana. The exercise of this discretion will be final.

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