



Fulton County, GA

Department of Purchasing & Contract Compliance

Cecil S. Moore, CPPO, CPPB, CPSM, C.P.M., A.P.P
Director

ADDENDUM NO. 1
Request for Proposal – 10RFP74398C-MT
Business License Tax Collection and Audit Services
Fulton County, Georgia

August 9, 2010

Dear Vendors:

This addendum is in reference to the RFP – 10RFP74398C-MT
Business License Tax Collection System

1a. What is the estimated volume (based on prior year accts) for (please estimate) \$ volume and # of accounts)?

RESPONSE: There were 2,774 renewal notices mailed for the 2011 annual renewal. We have had 2,289 licensed issued so far this year (renewals and new) for total current year business license revenues of \$3.44M.

b) Monthly hotel motel tax accounts? **RESPONSE: 11**

c) Monthly alcohol excise tax accounts? **RESPONSE: 30 for alcohol remittances and 20 for wine remittances.**

d) Does the scope for the alcohol excise tax account collections include a) tax by the drink (on-premise consumption) **RESPONSE: Yes** and b) distributor/sales excise taxes? **RESPONSE: Yes**

2. Describe an estimated monthly volume for business license accts & \$ payments.

RESPONSE: Since the volumes are not evenly spread with a March 31st deadline for renewals, looking at monthly volumes is not appropriate. We issued 2,289 in business license current year applications and received \$3.44M in current year revenues. Please keep in mind that all current year processing has to be priced on a “price per transaction” basis. Below is a breakdown of the monthly # volumes:

January 2010 – \$134k

February 2010 – \$320k

March 2010 – \$1.5M

April 2010 – \$1.1M

May 2010 – \$91k

June 2010 – \$198K

July 2010 - \$115k

YTD 2010 - \$3.44M



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3. Provide an estimate the volume of delinquent accounts from 2009 or 2008 (recent experience level) for FCFD.

RESPONSE: Fulton County had past due Business License Revenues we've collected of \$122k YTD in 2010, \$496.4K in 2009, and \$832k in 2008. We do not have an easy way of identifying the number of past due accounts collected.

4. Please clarify requirements for closed account/business notification to FDFD. Does existing terminating notification documents include the future contact information (name, address, phone, contact for terminating owners/operators)?

RESPONSE: When the owner receives the renewal application they have to note the business has closed and return to the processor to close the account on the system. Yes, this application includes the information on the business. If not caught during the renewal process, then the account is identified as closed during our in-house field inspection process and reported to the third party processor for closing on their system.

5. Please describe the extent of Fulton County database records were updated/purged for new municipal jurisdictions (including Sandy Springs & South Fulton).

RESPONSE: The records for all of the incorporated cities (Sandy Spring, Milton, Johns Creek, etc.) were turned over to those cities upon incorporation and hand off of the processing. The third party provider maintains the database records for South Fulton and online access to those records to Fulton County staff.

6a. Describe the penalty & interest applicable for delinquent business accounts.

RESPONSE: The penalty is 10% of the amount owed for each calendar year plus interest in the amount of 1.5% per month.

6b. What are the current sanctions and escalations for unpaid delinquent accounts (beyond penalty & interest assessment)

RESPONSE: It is up to the 3rd party vendor to escalate based on their current internal practices which should be disclosed in detail in the RFP response. We would want to review these processes upon initial hiring to make any changes we feel appropriate for managing FC past due accounts.



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7. Which vendor/vendors are used for Fulton County's delinquent collections?

RESPONSE: We have one internal field inspector that does collections and Revenue Discovery Systems is our current 3rd party vendor that provides discovery / recovery services.

8. Describe current Fulton County sanctions for NSF check fees.

RESPONSE: There is a \$35 fee

9. What is an estimated volume of NSF checks last year or the current year to-date?

RESPONSE: Only one that I'm aware of earlier this year and none that I'm aware of from last year.

10. Will lockbox processing solutions for the selected vendor require processing directly by the FCFD banking relationship or will electronic file & reconciliation verification suffice?

RESPONSE: The processor will maintain the lockbox processing, not Fulton County, and an electronic file and reconciliation verification will be sufficient. The County prefers online access to this data, although it is not mandated.

11. What is estimated award timeframe for the contract respecting the bid & evaluation process?

RESPONSE: We expect to award the contract by the Oct 6th BOC meeting.

12. Please describe the options offered for license renewal if a business over-estimates gross receipts beyond actual results (annual reconciliation process for license renewal).

RESPONSE: The reconciliation is always done with the next renewal cycle once final actual prior year revenues are available. Any shortfall/excess paid in prior year is netted against the next year's renewal payment. If the refund exceeds the renewal payment amount then a refund request has to come to Fulton County Finance to refund the business directly.



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13. Compliance Audits – Please confirm the statutory period allowed for the compliance audit (3 years + current year or what specific allowed timeframe)

RESPONSE: Each wholesale dealer or jobber in this state shall keep a record of all sales of tangible personal property made in this state whether the sales are for cash or on terms of credit. The record shall contain the name and address of the purchaser, the date of the purchase, the article purchased, and the price at which the article is sold to the purchaser. These records shall be kept for a period of three years and shall be open to inspection by the commissioner or his duly authorized deputies, agents, and assistants at all reasonable hours during the day.

14. What installment payment timeframe is currently allowed on delinquent accounts under current FCFD procedures?

RESPONSE: We do not provide installment payments but would certainly be open to it on a one off basis if the amount warrants.

15. Please describe whether compliance audits have been recently conducted for FCFD (year or most recent audits).

RESPONSE: The 3rd party audit provider always has some accounts under audit at an hourly rate.

16. Will the selected vendor team have access to the past history and approach on collections results and audit results?

RESPONSE: We will try to have all outstanding audits resolved by the contract end date if the decision is to move to a new vendor. If audits are still in process, we'll work with the current vendor to transition the audits to the new provider. All records on previous audits will be available.

17. Which financial system is used for Fulton County accounts relevant to this work scope?

RESPONSE: None. All databases are maintained by the third party vendor with online access available to Fulton County.

18. How frequently are financial records updated/purged for inactive accounts?

RESPONSE: Daily as identified.

19. Will there be any up front working capital allocated to the winner of this contract?

RESPONSE: No.



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20. Do you have any statistical data regarding possible volume this contract will bring?

RESPONSE: There were 2,774 renewal notices mailed for the 2011 annual renewal. We have had 2,289 licensed issued so far this year (renewals and new) for total current year business license revenues of \$3.44M. Fulton County had past due Business License Revenues we've collected of \$122k YTD in 2010, \$496.4K in 2009, and \$832k in 2008. The alcohol remittances are 30 for alcohol remittances and 20 for wine remittances. We have 11 hotels/motels that file monthly remittances.

21. Is it possible to obtain a copy of the previous contract?

RESPONSE: This is a purchasing question. Are current contracts a matter of public records that we normally provide if requested during an RFP process?

22. Section 3.4 has been revised to include the following:

Section 9 – Cost

The respondent with the lowest total cost will receive the full **25 points**. For respondents with the second, third, fourth, etc., their total costs will be divided into the lowest cost and multiplied by 10, the total points allowed for cost.

The County has established the following formula to evaluate cost proposals for Request for Proposals (RFP):

Lowest cost submitted

Each successive cost **X** ***Points allocated for cost in RFP = Cost proposal score***



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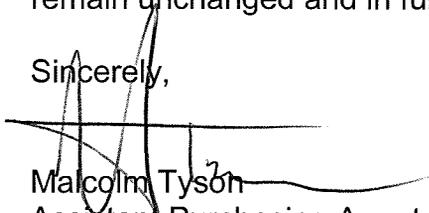
Fulton County, GA

For additional information regarding this addendum contact Malcolm Tyson, Assistant Purchasing Agent at (404) 612-5811 or e-mail at malcolm.tyson@fultoncountyga.gov.

The undersigned propose acknowledges receipt of this addendum by returning one (1) copy with their bid. Failure to return a signed copy of this addendum with your bid may render your bid to be non-responsive.

Except as provided herein, all terms and conditions in the bid referenced above remain unchanged and in full force and effect.

Sincerely,


Malcolm Tyson
Assistant Purchasing Agent

ACKNOWLEDGEMENT OF ADDENDUM

COMPANY NAME: _____

SIGNATURE: _____

TITLE: _____

DATE: _____