

# STATE OF MONTANA TERM CONTRACT

Department of Administration  
 State Procurement Bureau  
 165 Mitchell Building  
 PO Box 200135  
 Helena, MT 59620-0135  
 Phone: (406) 444-2575 Fax: (406) 444-2529  
 TTY Users-Dial 711  
<http://www.mt.gov/doa/gsd>

**T.C. #: SPB08-1486D**  
**Title: Debt Collection Services**  
**This is a non-exclusive contract.**

|                |  |                   |                 |   |
|----------------|--|-------------------|-----------------|---|
| CONTRACT TERM  | FROM   | January 1, 2012   | CONTRACT STATUS | NEW ( )                                       |
|                | TO   | December 31, 2012 |                 | RENEW (x) 2 <sup>nd</sup> Renewal, Fifth Year |
| VENDOR ADDRESS | Collection Bureau Services, Inc.<br>212 Spruce Street<br>PO Box 7339<br>Missoula, MT 59807 |                   | ORDER ADDRESS   |   |
| ATTN:          | Jeff Koch  |                   | ATTN:           |   |
| PHONE:         | (406) 721-4454   |                   | PHONE:          |   |
| FAX:           | (406) 829-1930   |                   | FAX:            |   |
| E-MAIL:        | jeffk@collection bureau.biz  |                   | E-MAIL:         |   |

PRICES: Per Agreement  
 DELIVERY: Per Agreement  
 F.O.B.: Per Agreement  
 TERMS: Per Agreement

REMARKS: Amendment #2

IFB/RFP No.: RFP08-1486D

Rick Dorvall, CONTRACTS OFFICER

DATE: 10/05/2011

**AUTHORIZED SIGNATURE**

## Standard Terms and Conditions

**By submitting a response to this invitation for bid, request for proposal, limited solicitation, or acceptance of a contract, the vendor agrees to acceptance of the following Standard Terms and Conditions and any other provisions that are specific to this solicitation or contract.**

**ACCEPTANCE/REJECTION OF BIDS, PROPOSALS, OR LIMITED SOLICITATION RESPONSES:** The State reserves the right to accept or reject any or all bids, proposals, or limited solicitation responses, wholly or in part, and to make awards in any manner deemed in the best interest of the State. Bids, proposals, and limited solicitation responses will be firm for 30 days, unless stated otherwise in the text of the invitation for bid, request for proposal, or limited solicitation.

**ACCESS AND RETENTION OF RECORDS:** The contractor agrees to provide the department, Legislative Auditor, or their authorized agents, access to any records necessary to determine contract compliance. (Section 18-1-118, MCA). The contractor agrees to create and retain records supporting the services rendered or supplies delivered for a period of three years after either the completion date of the contract or the conclusion of any claim, litigation, or exception relating to the contract taken by the State of Montana or third party.

**ALTERATION OF SOLICITATION DOCUMENT:** In the event of inconsistencies or contradictions between language contained in the State's solicitation document and a vendor's response, the language contained in the State's original solicitation document will prevail. Intentional manipulation and/or alteration of solicitation document language will result in the vendor's disqualification and possible debarment.

**ASSIGNMENT, TRANSFER AND SUBCONTRACTING:** The contractor shall not assign, transfer or subcontract any portion of the contract without the express written consent of the department. (Section 18-4-141, MCA.)

**AUTHORITY:** The attached bid, request for proposal, limited solicitation, or contract is issued under authority of Title 18, Montana Code Annotated, and the Administrative Rules of Montana, Title 2, chapter 5.

**COMPLIANCE WITH LAWS:** The contractor must, in performance of work under the contract, fully comply with all applicable federal, state, or local laws, rules and regulations, including the Montana Human Rights Act, the Civil Rights Act of 1964, the Age Discrimination Act of 1975, the Americans with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973. Any subletting or subcontracting by the contractor subjects subcontractors to the same provision. In accordance with section 49-3-207, MCA, the contractor agrees that the hiring of persons to perform the contract will be made on the basis of merit and qualifications and there will be no discrimination based upon race, color, religion, creed, political ideas, sex, age, marital status, physical or mental disability, or national origin by the persons performing the contract.

**CONFORMANCE WITH CONTRACT:** No alteration of the terms, conditions, delivery, price, quality, quantities, or specifications of the contract shall be granted without prior written consent of the State Procurement Bureau. Supplies delivered which do not conform to the contract terms, conditions, and specifications may be rejected and returned at the contractor's expense.

**DEBARMENT:** The contractor certifies, by submitting this bid or proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction (contract) by any governmental department or agency. If the contractor cannot certify this statement, attach a written explanation for review by the State.

**DISABILITY ACCOMMODATIONS:** The State of Montana does not discriminate on the basis of disability in admission to, access to, or operations of its programs, services, or activities. Individuals who need aids, alternative document formats, or services for effective communications or other disability related accommodations in the programs and services offered are invited to make their needs and preferences known to this office. Interested parties should provide as much advance notice as possible.

**FACSIMILE RESPONSES:** Facsimile responses will be accepted for invitations for bids, small purchases, or limited solicitations ONLY if they are completely received by the State Procurement Bureau prior to the time set for receipt. Bids, or portions thereof, received after the due time will not be considered. Facsimile responses to requests for proposals are ONLY accepted on an exception basis with prior approval of the procurement officer.

**FAILURE TO HONOR BID/PROPOSAL:** If a bidder/offeror to whom a contract is awarded refuses to accept the award (PO/contract) or fails to deliver in accordance with the contract terms and conditions, the department may, in its discretion, suspend the bidder/offeror for a period of time from entering into any contracts with the State of Montana.

**FORCE MAJEURE:** Neither party shall be responsible for failure to fulfill its obligations due to causes beyond its reasonable control, including without limitation, acts or omissions of government or military authority, acts of God, materials shortages, transportation delays, fires, floods, labor disturbances, riots, wars, terrorist acts, or any other causes, directly or indirectly beyond the reasonable control of the nonperforming party, so long as such party is using its best efforts to remedy such failure or delays.

**HOLD HARMLESS/INDEMNIFICATION:** The contractor agrees to protect, defend, and save the State, its elected and appointed officials, agents, and employees, while acting within the scope of their duties as such, harmless from and against all claims, demands, causes of action of any kind or character, including the cost of defense thereof, arising in favor of the contractor's employees or third parties on account of bodily or personal injuries, death, or damage to property arising out of services performed or omissions of services or in any way resulting from the acts or omissions of the contractor and/or its agents, employees, representatives, assigns, subcontractors, except the sole negligence of the State, under this agreement.

**LATE BIDS AND PROPOSALS:** Regardless of cause, late bids and proposals will not be accepted and will automatically be disqualified from further consideration. It shall be solely the vendor's risk to ensure delivery at the designated office by the designated time. Late bids and proposals will not be opened and may be returned to the vendor at the expense of the vendor or destroyed if requested.

**PAYMENT TERM:** All payment terms will be computed from the date of delivery of supplies or services OR receipt of a properly executed invoice, whichever is later. Unless otherwise noted in the solicitation document, the State is allowed 30 days to pay such invoices. All contractors will be required to provide banking information at the time of contract execution in order to facilitate State electronic funds transfer payments.

**RECIPROCAL PREFERENCE:** The State of Montana applies a reciprocal preference against a vendor submitting a bid from a state or country that grants a residency preference to its resident businesses. A reciprocal preference is only applied to an invitation for bid for supplies or an invitation for bid for nonconstruction services for public works as defined in section 18-2-401(9), MCA, and then only if federal funds are not involved. For a list of states that grant resident preference, see <http://gsd.mt.gov/procurement/preferences.asp>.

**REFERENCE TO CONTRACT:** The contract or purchase order number MUST appear on all invoices, packing lists, packages, and correspondence pertaining to the contract.

**REGISTRATION WITH THE SECRETARY OF STATE:** Any business intending to transact business in Montana must register with the Secretary of State. Businesses that are incorporated in another state or country, but which are conducting activity in Montana, must determine whether they are transacting business in Montana in accordance with sections 35-1-1026 and 35-8-1001, MCA. Such businesses may want to obtain the guidance of their attorney or accountant to determine whether their activity is considered transacting business.

If businesses determine that they are transacting business in Montana, they must register with the Secretary of State and obtain a certificate of authority to demonstrate that they are in good standing in Montana. To obtain

registration materials, call the Office of the Secretary of State at (406) 444-3665, or visit their website at <http://sos.mt.gov>.

**SEPARABILITY CLAUSE:** A declaration by any court, or any other binding legal source, that any provision of the contract is illegal and void shall not affect the legality and enforceability of any other provision of the contract, unless the provisions are mutually dependent.

**SHIPPING:** Supplies shall be shipped prepaid, F.O.B. Destination, unless the contract specifies otherwise.

**SOLICITATION DOCUMENT EXAMINATION:** Vendors shall promptly notify the State of any ambiguity, inconsistency, or error which they may discover upon examination of a solicitation document.

**TAX EXEMPTION:** The State of Montana is exempt from Federal Excise Taxes (#81-0302402).

**TECHNOLOGY ACCESS FOR BLIND OR VISUALLY IMPAIRED:** Contractor acknowledges that no state funds may be expended for the purchase of information technology equipment and software for use by employees, program participants, or members of the public unless it provides blind or visually impaired individuals with access, including interactive use of the equipment and services, that is equivalent to that provided to individuals who are not blind or visually impaired. (Section 18-5-603, MCA.) Contact the State Procurement Bureau at (406) 444-2575 for more information concerning nonvisual access standards.

**TERMINATION OF CONTRACT:** Unless otherwise stated, the State may, by written notice to the contractor, terminate the contract in whole or in part at any time the contractor fails to perform the contract.

**UNAVAILABILITY OF FUNDING:** The contracting agency, at its sole discretion, may terminate or reduce the scope of the contract if available funding is reduced for any reason. (Section 18-4-313(4), MCA.)

**U.S. FUNDS:** All prices and payments must be in U.S. dollars.

**VENUE:** This solicitation is governed by the laws of Montana. The parties agree that any litigation concerning this bid, request for proposal, limited solicitation, or subsequent contract, must be brought in the First Judicial District in and for the County of Lewis and Clark, State of Montana, and each party shall pay its own costs and attorney fees. (Section 18-1-401, MCA.)

**WARRANTIES:** The contractor warrants that items offered will conform to the specifications requested, to be fit and sufficient for the purpose manufactured, of good material and workmanship, and free from defect. Items offered must be new and unused and of the latest model or manufacture, unless otherwise specified by the State. They shall be equal in quality and performance to those indicated herein. Descriptions used herein are specified solely for the purpose of indicating standards of quality, performance, and/or use desired. Exceptions will be rejected.

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Revised 11/06

## APPENDIX B: CONTRACT

1. Parties
2. Effective Date, Duration, and Renewal
3. Services and/or Supplies
4. Confidentiality
5. Publicity
6. Default - Remedies of State
7. Retention of Pay Files
8. Judgments
9. Bankruptcy
10. Obligations Beyond Contract Term
11. Non - Exclusive
12. Consideration/Payment
13. Access and Retention of Records
14. Assignment, Transfer, and Subcontracting
15. Hold Harmless/Indemnification
16. Required Insurance
17. Compliance with Workers' Compensation Act
18. Compliance with Laws
19. Contract Termination
20. Liaison and Service of Notices
21. Meetings
22. Contractor Performance Assessments
23. Transition Assistance
24. Choice of Law and Venue
25. Cooperative Purchasing
26. Scope, Amendment, and Interpretation
27. Execution

**Debt Collection Services  
08-1486D**

**1. PARTIES**

THIS CONTRACT is entered into by and between the State of Montana Department of Administration, (hereinafter referred to as "the State"), whose address and phone number are 125 N Roberts 165 Mitchell Building, Helena, MT 59620, (406) 444-2575 and Collection Bureau Services Inc., (hereinafter referred to as the "Contractor"), whose address and phone number are 212 Spruce Street PO Box 7339 Missoula, MT 59807 and (406) 721-4454.

**THE PARTIES AGREE AS FOLLOWS:**

**2. EFFECTIVE DATE, DURATION, AND RENEWAL**

**2.1 Contract Term.** This contract shall take effect upon contract execution and terminate on December 31, 2012, unless terminated earlier in accordance with the terms of this contract. (Section 18-4-313, MCA)

**2.2 Contract Renewal.** This contract may, upon mutual agreement between the parties and according to the terms of the existing contract, be renewed in one-year intervals, or any interval that is advantageous to the State. This contract, including any renewals, may not exceed a total of seven years.

**3. SERVICES AND/OR SUPPLIES**

Contractor agrees to provide to the State debt collection services.

**4. CONFIDENTIALITY**

- A. The Contractor must treat all information which it obtains by its performance under the Contract, as **private/confidential information, as provided under State and Federal law.**
- B. No private or confidential data collected, maintained, or used in the course of performance of the Contract shall be disseminated except as authorized by statute, either during the period of the Contract or thereafter. The Contractor shall protect the information contained in any necessary database(s) and provide safeguards ensuring that the information will be used only for the following purposes:
  - 1. Collecting Agency debt and locating individuals owing money to the Agency.
  - 2. Allowing the Contractor to report updated information on referred receivables.
  - 3. Allowing the Contractor to report on the initiated activities to collect delinquent receivables.
  - 4. Allowing the Contractor to explain the basis for collection action to debtors.

Use of the information contained in any necessary database(s) for any purpose other than those stated above shall be considered a material breach of the confidentiality requirements of this Contract.

- C. Contractor agrees:
  - 1. That information provided by the Agency cannot be used to collect or locate any other debt except Agency debt. In addition, information provided by the ORS, State Tax Commission, Workforce Services, etc. may be limited to the use of collecting and/or locating that agency's receivables and when prohibited by law may not be used for the purpose of collecting receivables referred by other Agencies.
  - 2. That no information can be disseminated except as authorized by statute, either during the period of the Contract or thereafter.
  - 3. Not to use or permit the use of the names and/or addresses of receivables referred from the Agency for any commercial purpose.
  - 4. The Contractor's employees shall sign Confidentiality Agreements provided by the Agency

before gaining access to receivable information. The Contractor shall maintain a continuously updated file of copies of signed Confidentiality Agreements and forward the original copy to the Agency.

5. The Contractor agrees it will, if necessary, resist in judicial proceedings any efforts to obtain access to private or confidential records and shall assume full responsibility and liability for any damages, attorney fees, and court costs resulting from violation of information safeguarding requirements by its employees.

## **5. PUBLICITY**

- A. Any publicity given to the program or series provided herein, including, but not limited to notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Contractor, shall identify the Agency as the sponsor and shall not be released prior to approval by the Agency.
- B. The Contractor shall immediately, upon receipt of requests for public information, including but not limited to information concerning this Contract, concerning a Debtor, statistical, demographic or other information, direct the inquiry or request to the Agency. The Contractor shall not release any public information concerning this Contract or a debtor without the express consent of the Agency. Additionally, during the term of this Contract or any extension thereof, the Contractor shall not issue or cause to have issued, directly or indirectly, any press releases regarding the Agency, nor shall the Contractor, directly or indirectly, conduct interviews with members of the press concerning the affected Agency or the collection of receivables subject to this Contract without the prior knowledge of the Agency.

## **6. DEFAULT - REMEDIES OF STATE**

- A. Should an Agency obtain a money judgment against the Contractor as a result of a breach of this Contract, the Contractor consents to such judgment being offset against monies owed the Contractor by the Agency under this Contract.
- B. Amounts due to an Agency as liquidated damages or any other damages may be deducted by the Agency without a judgment or any court action from any money payable to the Contractor pursuant to this Contract. The Agency shall notify the Contractor in writing of any claim for liquidated damages or any other damages on or before the date the Agency deducts such sums from money payable to the Contractor.
- C. If an Agency terminates this Contract for a breach of the Contract, the Contractor shall not be entitled to retention of pay files as outlined in Section 7 below.

## **7. RETENTION OF PAY FILES**

Except as otherwise provided herein, in the event that the Contract between the Contractor and an Agency expires, all receivables placed with the Contractor shall be returned to the Agency for enforcement. However, while a receivable remains in payment status (payments are made within thirty days of the date due), the Agency shall continue to pay the Contractor for collections received on the receivable for a period of 6 consecutive months following expiration of the Contract or until the receivable is paid in full whichever is earlier. In the event that a debtor breaches the payment Contract, the receivable will no longer be considered in payment status, and payment to the Contractor shall cease.

## **8. JUDGMENTS**

The Agency shall satisfy all judgments that have been fully discharged by Debtors. The Contractor shall not induce a Debtor to pay a receivable upon a false promise or assurance that a judgment will be satisfied, nor is the Agency bound by assertions made by a Contractor to a Debtor that judgment will be satisfied. The Contractor shall not file any documents with any court or other entity that purports to satisfy a judgment on behalf of the Agency.

**9. BANKRUPTCY**

The filing of any bankruptcy procedure may be considered a breach of contract.

**10. OBLIGATIONS BEYOND CONTRACT TERM**

All obligations of an Agency and the Contractor incurred or existing under this Contract as of the date of expiration, termination or cancellation will survive the expiration, termination or cancellation of this Contract.

**11. NON-EXCLUSIVE**

The Offeror acknowledges that the Agencies may have current contracts with other Private Sector Collectors for the provision of services similar to those requested under the RFP. Additionally, the Offeror acknowledges that Montana law permits the Judiciary certain collection remedies including the right of the various county and State attorneys to collect fines and judgments. It shall not be considered a default by the State or a termination of this Contract for the State to place certain receivables for collection under the terms of the contracts with other Offerors, or for any State Agency to pursue other collection remedies against Debtors.

**12. CONSIDERATION/PAYMENT**

**12.1 Payment Schedule.** In consideration for the debt collection services to be provided, the State shall pay according to the following schedule: 30 days after receipt of a properly executed invoice.

**12.2 Withholding of Payment.** The State may withhold payments to the Contractor if the Contractor has not performed in accordance with this contract. Such withholding cannot be greater than the additional costs to the State caused by the lack of performance.

**13. ACCESS AND RETENTION OF RECORDS**

**13.1 Access to Records.** The Contractor agrees to provide the State, Legislative Auditor or their authorized agents access to any records necessary to determine contract compliance. (Section 18-1-118, MCA)

**13.2 Retention Period.** The Contractor agrees to create and retain records supporting the debt collection services for a period of three years after either the completion date of this contract or the conclusion of any claim, litigation, or exception relating to this contract taken by the State of Montana or a third party.

**14. ASSIGNMENT, TRANSFER, AND SUBCONTRACTING**

The Contractor shall not assign, transfer, or subcontract any portion of this contract without the express written consent of the State. (Section 18-4-141, MCA) The Contractor shall be responsible to the State for the acts and omissions of all subcontractors or agents and of persons directly or indirectly employed by such subcontractors, and for the acts and omissions of persons employed directly by the Contractor. No contractual relationships exist between any subcontractor and the State.

**15. HOLD HARMLESS/INDEMNIFICATION**

The Contractor agrees to protect, defend, and save the State, its elected and appointed officials, agents, and employees, while acting within the scope of their duties as such, harmless from and against all claims, demands, causes of action of any kind or character, including the cost of defense thereof, arising in favor of the Contractor's employees or third parties on account of bodily or personal injuries, death, or damage to property arising out of services performed or omissions of services or in any way resulting from the acts or omissions of the Contractor and/or its agents, employees, representatives, assigns, subcontractors, except the sole negligence of the State, under this agreement.

## **16. REQUIRED INSURANCE**

**16.1 General Requirements.** The Contractor shall maintain for the duration of the contract, at its cost and expense, insurance against claims for injuries to persons or damages to property, including contractual liability, which may arise from or in connection with the performance of the work by the Contractor, agents, employees, representatives, assigns, or subcontractors. This insurance shall cover such claims as may be caused by any negligent act or omission.

**16.2 Primary Insurance.** The Contractor's insurance coverage shall be primary insurance with respect to the State, its officers, officials, employees, and volunteers and shall apply separately to each project or location. Any insurance or self-insurance maintained by the State, its officers, officials, employees or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

**16.3 Specific Requirements for Commercial General Liability.** The Contractor shall purchase and maintain occurrence coverage with combined single limits for bodily injury, personal injury, and property damage of \$1,000,000 per occurrence and \$2,000,000 aggregate per year to cover such claims as may be caused by any act, omission, or negligence of the Contractor or its officers, agents, representatives, assigns, or subcontractors.

The State, its officers, officials, employees, and volunteers are to be covered and listed as additional insureds; for liability arising out of activities performed by or on behalf of the Contractor, including the insured's general supervision of the Contractor; products, and completed operations; premises owned, leased, occupied, or used.

**16.4 Specific Requirements for Professional Liability.** The Contractor shall purchase and maintain occurrence coverage with combined single limits for each wrongful act of \$1,000,000 per occurrence and \$5,000,000 aggregate per year to cover such claims as may be caused by any act, omission, negligence of the Contractor or its officers, agents, representatives, assigns, or subcontractors. Note: if "occurrence" coverage is unavailable or cost prohibitive, the Contractor may provide "claims made" coverage provided the following conditions are met: (1) the commencement date of the contract must not fall outside the effective date of insurance coverage and it will be the retroactive date for insurance coverage in future years; and (2) the claims made policy must have a three-year tail for claims that are made (filed) after the cancellation or expiration date of the policy.

**16.5 Deductibles and Self-Insured Retentions.** Any deductible or self-insured retention must be declared to and approved by the state agency. At the request of the agency either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the State, its officers, officials, employees, or volunteers; or (2) at the expense of the Contractor, the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claims administration, and defense expenses.

**16.6 Certificate of Insurance/Endorsements.** A certificate of insurance from an insurer with a Best's rating of no less than A- indicating compliance with the required coverages, has been received by the State Procurement Bureau, P.O. Box 200135, Helena, MT 59620-0135. The Contractor must notify the State immediately, of any material change in insurance coverage, such as changes in limits, coverages, change in status of policy, etc. The State reserves the right to require complete copies of insurance policies at all times.

## **17. COMPLIANCE WITH WORKERS' COMPENSATION ACT**

Contractors are required to comply with the provisions of the Montana Workers' Compensation Act while performing work for the State of Montana in accordance with sections 39-71-401, 39-71-405, and 39-71-417, MCA. Proof of compliance must be in the form of workers' compensation insurance, an independent contractor's exemption, or documentation of corporate officer status. Neither the contractor nor its employees are employees of the State. This insurance/exemption must be valid for the entire term of the contract. A renewal document must be sent to the State Procurement Bureau, P.O. Box 200135, Helena, MT 59620-0135,

upon expiration.

## **18. COMPLIANCE WITH LAWS**

The Contractor must, in performance of work under this contract, fully comply with all applicable federal, state, or local laws, rules, and regulations, including the Montana Human Rights Act, the Civil Rights Act of 1964, the Age Discrimination Act of 1975, the Americans with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973. Any subletting or subcontracting by the Contractor subjects subcontractors to the same provision. In accordance with section 49-3-207, MCA, the Contractor agrees that the hiring of persons to perform the contract will be made on the basis of merit and qualifications and there will be no discrimination based upon race, color, religion, creed, political ideas, sex, age, marital status, physical or mental disability, or national origin by the persons performing the contract.

## **19. CONTRACT TERMINATION**

**19.1 Termination for Convenience.** The State may, by written notice to the Contractor, terminate this contract without cause. The State must give notice of termination to the Contractor at least 30 days prior to the effective date of termination.

**19.2 Reduction of Funding.** The State, at its sole discretion, may terminate or reduce the scope of this contract if available funding is reduced for any reason. (See section 18-4-313(4), MCA.)

## **20. LIAISON AND SERVICE OF NOTICES**

All project management and coordination on behalf of the State shall be through a single point of contact designated as the State's liaison. Contractor shall designate a liaison that will provide the single point of contact for management and coordination of Contractor's work. All work performed pursuant to this contract shall be coordinated between the State's liaison and the Contractor's liaison.

**Rick Dorvall will be the liaison for the State.  
125 N Roberts, 165 Mitchell Building  
Helena, MT 59620  
Telephone: (406) 444-3366  
Fax: (406) 444-2529  
E-mail: rickdorvall@mt.gov**

**Jeff Koch will be the liaison for the Contractor.  
212 Spruce Street  
PO Box 7339  
Missoula, MT 59807  
Telephone: (406) 721-4454  
Fax: (406) 829-1930  
E-mail: jeffk@collectionbureau.biz**

The State's liaison and Contractor's liaison may be changed by written notice to the other party. Written notices, requests, or complaints will first be directed to the liaison.

## **21. MEETINGS**

The Contractor is required to meet with the State's personnel, or designated representatives, to resolve technical or contractual problems that may occur during the term of the contract or to discuss the progress made by Contractor and the State in the performance of their respective obligations, at no additional cost to the State. Meetings will occur as problems arise and will be coordinated by the State. The Contractor will be given a minimum of three full working days notice of meeting date, time, and location. Face-to-face meetings are desired. However, at the Contractor's option and expense, a conference call meeting may be substituted.

Consistent failure to participate in problem resolution meetings two consecutive missed or rescheduled meetings, or to make a good faith effort to resolve problems, may result in termination of the contract.

## **22. CONTRACTOR PERFORMANCE ASSESSMENTS**

The State may do assessments of the Contractor's performance. This contract may be terminated for one or more poor performance assessments. Contractors will have the opportunity to respond to poor performance assessments. The State will make any final decision to terminate this contract based on the assessment and any related information, the Contractor's response and the severity of any negative performance assessment. The Contractor will be notified with a justification of contract termination. Performance assessments may be considered in future solicitations.

## **23. TRANSITION ASSISTANCE**

If this contract is not renewed at the end of this term, or is terminated prior to the completion of a project, or if the work on a project is terminated, for any reason, the Contractor must provide for a reasonable period of time after the expiration or termination of this project or contract, all reasonable transition assistance requested by the State, to allow for the expired or terminated portion of the services to continue without interruption or adverse effect, and to facilitate the orderly transfer of such services to the State or its designees. Such transition assistance will be deemed by the parties to be governed by the terms and conditions of this contract, except for those terms or conditions that do not reasonably apply to such transition assistance. The State shall pay the Contractor for any resources utilized in performing such transition assistance at the most current rates provided by the contract. If there are no established contract rates, then the rate shall be mutually agreed upon. If the State terminates a project or this contract for cause, then the State will be entitled to offset the cost of paying the Contractor for the additional resources the Contractor utilized in providing transition assistance with any damages the State may have otherwise accrued as a result of said termination.

## **24. CHOICE OF LAW AND VENUE**

This contract is governed by the laws of Montana. The parties agree that any litigation concerning this bid, proposal or subsequent contract must be brought in the First Judicial District in and for the County of Lewis and Clark, State of Montana and each party shall pay its own costs and attorney fees. (See section 18-1-401, MCA.)

## **25. COOPERATIVE PURCHASING**

Under Montana law, public procurement units, as defined in section 18-4-401, MCA, have the option of cooperatively purchasing with the State of Montana. Public procurement units are defined as local or state public procurement units of this or any other state, including an agency of the United States, or a tribal procurement unit. Unless the bidder/offeror objects, in writing, to the State Procurement Bureau prior to the award of this contract, the prices, terms, and conditions of this contract will be offered to these public procurement units. However, the State Procurement Bureau makes no guarantee of any public procurement unit participation in this contract.

## **26. SCOPE, AMENDMENT, AND INTERPRETATION**

**26.1 Contract.** This contract consists of 39 numbered pages, any Attachments as required, SPB08-1486D, as amended and the Contractor's RFP response as amended. In the case of dispute or ambiguity about the minimum levels of performance by the Contractor the order of precedence of document interpretation is in the same order.

**26.2 Entire Agreement.** These documents contain the entire agreement of the parties. Any enlargement, alteration or modification requires a written amendment signed by both parties.

**CONTRACT AMENDMENT NO. 2  
CONTRACT FOR DEBT COLLECTION SERVICES  
CONTRACT # SPB08-1486D**

This CONTRACT AMENDMENT is to amend the above-referenced contract between the State of Montana, Department of Administration (STATE), located at 125 N Roberts 165 Mitchell Building, Helena, MT 59620, and Collection Bureau Services Inc. (CONTRACTOR), located at 212 Spruce Street, P.O. Box 7339, Missoula, MT 59807, telephone number (406) 721-4454. This Contract is amended for the following purpose(s):

- 1) In accordance with the section entitled Effective Date, Duration, and Renewal, both parties mutually agree to extend this Contract for the period January 1, 2012, through December 31, 2012, per the terms, conditions, and prices agreed upon. This is the second renewal, fifth year of the Contract.
- 2) Term Contractors shall furnish annual reports of term contract usage. The Contractor shall provide the State Procurement with reports by July 31 of each year, for the prior State Fiscal Year, July 31 through June 30. Reports shall include:

1. Name of State agency requesting collection;
2. Number and dollar amount of receivables referred;
3. Number and dollar amount of receivables returned by category;
4. Number of referred receivables not yet returned to the State; and
5. Total fees collected and charged by Contractor.

Reported usage and dollar totals may be checked by the State Procurement Bureau against state records for verification. Failure to provide timely or accurate reports is justification for cancellation of the contract and/or justification for removal from consideration for award of contracts by the State.

Except as modified above, all other terms and conditions of Contract SPB08-1486D remain unchanged.

STATE OF MONTANA  
DEPARTMENT OF ADMINISTRATION  
125 North Roberts, 165 Mitchell Building  
Helena, MT 59620

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DATE: 10/4/11

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