



## COUNTY OF PRINCE WILLIAM

1 County Complex Court, (MC 460) Prince William, Virginia 22192-9201  
(703) 792-6770 Metro 631-1703, Ext. 6770 Fax: (703) 792-4611

FINANCE DEPARTMENT  
Purchasing

CONTRACT: 9067NA4

SUBJECT: Collection of Delinquent Tax Accounts

Between:

PRINCE WILLIAM COUNTY  
1 COUNTY COMPLEX COURT (MC460)  
PRINCE WILLIAM, VA 22192-9201

(703) 792-6770 METRO 631-1703 EXT 6770

And the Contract:

Nationwide Credit Corporation  
5503 Cherokee Avenue  
Alexandria, Virginia 22312  
telephone: 703-813-1453  
fax: 703-941-8073

This Contract is entered into this 26th day of February, 2008, by and between the board of County Supervisors of Prince William County, Virginia, or its authorized agents, and the Contractor identified above for services identified herein, on the following terms and conditions. This Contract is prepared in accordance with the Purchasing Regulations of Prince William County, which are incorporated herein by reference.

An Equal Opportunity Employer

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**SECTION I**  
**SPECIAL PROVISIONS**

**I.1 Definitions**

"County" shall mean the Board of County Supervisors of Prince William County, Virginia, or the using department identified below and authorized by the Purchasing Regulations or other law to enter into Contracts.

"Using Department" for the purpose of this Contract shall mean Finance , Tax Collection .

"Contract Administrator" assigned to administer this Contract for the County is Steve Ferlotti, Assistant Finance Director.

"Contractor" shall mean:

Nationwide Credit Corporation  
5503 Cherokee Avenue  
Alexandria, Virginia 22312  
telephone: 703-813-1453  
fax: 703-941-8073

whose authorized representative is Georgia Hewitt, Vice President, Sales, who is responsible for the performance obligation of the Contractor under this Contract.

**I.2 Contract Period**

The term for this Contract shall be for one (1) year from date of execution. The County shall have the option to extend the Contract for three (3) additional one (1) year periods, contingent upon availability of funds for the purpose. The option to renew shall be exercised at the sole discretion of the County.

The County shall give the Contractor reasonable written notice of intent to renew prior to the expiration date of the current contract. In the absence of any notification to renew, the contract shall automatically terminate on the expiration date specified in the contract. Agreement to extend the contract term shall not be final until the Contractor provides written acknowledgement of the extension.

**I.3 Incorporation of Documents**

The following documents are hereby incorporated by reference into this Contract:

1. Contractor's Proposal entitled Collection of Delinquent Tax Accounts and dated October 16, 2008.
2. County's Solicitation number RFP090009 entitled Collection of Delinquent Tax Accounts and dated September 24, 2008.

In the event of an inconsistency between the above referenced documents the inconsistency shall be resolved by giving precedence to the following: RFP090009. This Contract shall take precedence over all the documents referenced above.

**I.4 Provision of Services**

The Contractor hereby agrees to provide the Collection of Delinquent Tax Accounts services to the County as described herein and further outlined in Attachment A, Scope of Work. This Scope of Work shall take precedence over the documents set forth in provision, Incorporation of Documents, in the event of inconsistency.

**I.5 Contract Amount**

In return for the services identified above, and subject to the "Non-Appropriation of Funds" clause herein, the County certifies that sufficient funds are budgeted and appropriated and shall compensate the Contractor in accordance with such formula for payments as set forth in Attachment B.

**I.6 Method of Payment**

The Contractor shall submit invoices listing the services performed and completed as outlined in Attachment A. The invoice should cite the Purchase Order Number, Contract Number and date of services or delivery of an end product.

The County will make payment to the Contractor, net 30 days or in accordance with discount terms, if offered, after receipt of an acceptable invoice and satisfactory completion of each of the requested services as set forth in the payment schedule in Attachment B.

**I.7 Time of the Essence and Completion**

Time shall be of the essence to this Contract, except where it is herein specifically provided to the contrary.

**I.8 Inspection and Acceptance**

All tasks and reports shall be conducted and completed in accordance with recognized and customarily accepted industry practices, and shall be considered complete when the deliverables are approved as acceptable by the Contract Administrator in writing. In the event of rejection of any report or deliverable, the Contractor shall be notified in writing and shall have ten (10) working days from date of issuance of notification to correct the deficiencies and resubmit the report/deliverable. Failure to submit acceptable work within the 10 days shall constitute a breach of the contract for which the Contractor may be held in default.

**I.9 Insurance**

The Contractor shall maintain insurance, in an amount and a form set forth in RFP090009 .

**I.10 Hold Harmless**

The Contractor hereby agrees to indemnify and hold harmless Prince William County, Virginia, its officers, agents and all employees and volunteers, from any and all claims for property damage, bodily injuries and personal injuries to the public, including cost of investigation, all reasonable attorneys fees, and the cost of appeals arising out of any such claims or suits, because of any and all acts of omission or commission of the Contractor, including its agents, Subcontractors, employees and volunteers, in connection with Work under this Contract.

It is understood and agreed that the Contractor is at all times herein acting as an independent Contractor.

## SECTION II

### GENERAL PROVISIONS

#### II.1 Assignability of Contract

Neither this Contract, nor any part hereof, may be assigned by the Contractor to any other party without the express written permission of the County.

#### II.2 Modifications or Changes to the Contract

All modifications and changes to the Contract shall be in writing.

The Head of the Using Department of this Contract, with the concurrence of the Purchasing Manager (except as otherwise provided by the Purchasing Regulations), shall, without notice to any sureties, have the authority to order changes in this Contract which affect the cost or time of performance. Such changes shall be ordered in writing specifically designated to be a "Change Order." Such orders shall be limited to reasonable changes in the services to be performed or the time of performance; provided that the Contractor shall not be excused from performance under the changed Contract by failure to agree to such changes, and it is the express purpose of this provision to permit unilateral changes in the Contract subject to the conditions and limitations herein.

The Contractor need not perform any work described in any change order unless it has received a certification from the County that there are funds budgeted and appropriated sufficient to cover the cost of such changes.

The Contractor shall make a demand for payment for completed changed work within 30 days of receipt of a change order, unless such time period is extended in writing, or unless the Purchasing Manager requires submission of a cost proposal prior to the initiation of any changed work or supplies. Later notification shall not bar the honoring of such claim or demand unless the County is prejudiced by such delay.

No claim for changes ordered hereunder shall be considered if made after final payment in accordance with the Contract.

#### II.3 Employment Discrimination for Contracts Over \$10,000

1. During the performance of this Contract, the Contractor agrees as follows:

a. The Contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the Contractor. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

b. The Contractor, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, will state that such Contractor is an equal opportunity employer.

c. Notices, advertisements, and solicitations placed in accordance with Federal law, rule, or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.

2. The Contractor will include the provisions of the foregoing paragraphs a, b, and c in every Subcontract or purchase order over \$10,000.00, so that the provisions will be binding upon each Subcontractor or Contractor.

#### **II.4 Drug-free Workplace to be Maintained by Contractor for Contracts over \$10,000.00**

During the performance of this Contract, the Contractor agrees to (i) provide a drug-free workplace for the Contractor's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the Contractor that the Contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every Subcontract or purchase order over \$10,000.00, so that the provisions will be binding upon each Subcontractor or Contractor.

For the purpose of this section, "drug-free workplace" means a site for the performance of work done in connection with a specific Contract awarded to a Contractor in accordance with this chapter, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession, or use of any controlled substance or marijuana during the performance of this Contract.

#### **II.5 Claims/Disputes**

In accordance with Section 2.2-4363, VA Code Ann., this provision shall be followed for consideration and handling of all claims by the Contractor under this contract. Section 2.2-4365, VA Code Ann., is not applicable to this Contract, and under no circumstances is this paragraph to be construed as an administrative appeals procedure governed by Section 2.2-4365, VA Code Ann.

Notice of the intent to submit a claim setting forth the basis for any claim shall be submitted in writing within ten (10) days after the occurrence of the event giving rise to the claim, or within ten (10) days of discovering the condition giving rise to the claim, whichever is later. In no event, shall any claim arising out of this Contract be filed after the submission of the request for Final Payment by the Contractor.

Claims by the Contractor with respect to this Contract shall be submitted in writing in the first instance for consideration by the Contract Administrator. The decision of the Contract Administrator shall be rendered in writing within forty-five (45) days from the receipt of the claim from the Contractor. If the Contractor is not satisfied with the decision or resolution of the Contract Administrator, the Contractor may file a formal dispute with regards to the claim with the Prince William County Director of Finance, which claim shall be received within thirty (30) days of the date of decision of the Contract Administrator. The Director of Finance shall reduce his or her decision to writing and shall mail or otherwise furnish a copy of this decision to the Contractor within forty-five (45) days of the receipt of the claim from the Contractor. The decision of the Director of Finance shall be final on behalf of Prince William County unless the Contractor submits the claim to the County Executive within thirty (30) days of the Director of Finance's decision. The Contractor may submit the claim to the County Executive by mailing or otherwise furnishing the Purchasing Manager a copy of the claim and a request for the County Executive's determination.

The County Executive's decision on the claim shall be rendered in writing to the Contractor within forty-five (45) days of the Purchasing Manager's receipt of the request from the Contractor, and shall be final and binding on behalf of Prince William County, unless the Contractor submits the claim for determination by the Board of County Supervisors by mailing or otherwise furnishing the Purchasing Manager a copy of the claim, along with a request for determination by the Board within thirty (30) days of the County Executive's decision. The Board shall

consider the claim and render a decision within forty-five (45) days of the date on which the Board hears the claim in open meeting. The Board's procedure in considering claims under this Contract shall be the same as that for other decisions of the Board on claims made under Section 15.2-1245 et seq., VA Code Ann. The decision of the Board shall be final.

Should any decision-maker designated under this procedure fail to make a decision within the time period specified, then the claim is deemed to have been denied by the decision-maker.

Pending a final determination of a claim, the Contractor shall proceed diligently with the performance of the Work under the Contract.

In accordance with the provisions of Section 2.2-4363, VA Code Ann., full compliance with this procedure set forth in the provision shall be a precondition to the filing of any lawsuit by the Contractor against the Board of County Supervisors of Prince William County arising out of this Contract.

## **II.6 Termination for Convenience of the County**

The parties agree that the County may terminate this Contract, or any work or delivery required hereunder, from time to time either in whole or in part, whenever the County Executive of Prince William County shall determine that such termination is in the best interests of the County.

Termination, in whole or in part, shall be effected by delivery of a Notice of Termination signed by the County Executive or his designee, mailed or delivered to the Contractor, and specifically setting forth the effective date of termination.

Upon receipt of such Notice, the Contractor shall:

1. Cease any further deliveries or work due under this Contract, on the date, and to the extent, which may be specified in the Notice;
2. Place no further orders with any subcontractors except as may be necessary to perform that portion of this Contract not subject to the Notice;
3. Terminate all subcontracts except those made with respect to Contract performance not subject to the Notice;
4. Settle all outstanding liabilities and claims which may arise out of such termination, with the ratification of the Purchasing Manager of Prince William County; and
5. Use its best efforts to mitigate any damages which may be sustained by it as a consequence of termination under this clause.

After complying with the foregoing provisions, the Contractor shall submit a termination claim, in no event later than six (6) months after the effective date of its termination, unless an extension is granted by the Purchasing Manager.

The Purchasing Manager, with the approval of the County's signatory to this Contract, shall pay from the using department's budget reasonable costs of termination, including a reasonable amount for profit on supplies or services delivered or completed. In no event shall this amount be greater than the original Contract price, reduced by any payments made prior to Notice of Termination and further reduced by the price of the supplies not delivered, or the services not provided. This Contract shall be amended accordingly, and the Contractor shall be paid the agreed amount.

In the event that the parties cannot agree on the whole amount to be paid to the Contractor by reason of termination under this clause, the Purchasing Manager shall pay to the Contractor the amounts determined as follows, without duplicating any amounts which may have already been paid under the preceding paragraph of this clause:

1. With respect to all Contract performance prior to the effective date of Notice of Termination, the total of:
  - a. Cost of work performed or supplies delivered;
  - b. The cost of settling and paying any reasonable claims as provided in subparagraph (4), above;
  - c. A sum as profit on (a) determined by the Purchasing Manager to be fair and reasonable.
2. The total sum to be paid under (a) above shall not exceed the Contract price, as reduced by the amount of payments otherwise made, and as further reduced by the Contract price of work or supplies not provided.

In the event that the Contractor is not satisfied with any payments which the Purchasing Manager shall determine to be due under this clause, the Contractor may appeal any claim to the Board of County Supervisors in accordance with the "Claims/Disputes" clause of this Contract.

The Contractor shall include similar provisions in any subcontract, and shall specifically include a requirement that subcontractors make all reasonable efforts to mitigate damages which may be suffered. Failure to include such provisions shall bar the Contractor from any recovery from the County whatsoever of loss or damage sustained by a subcontractor as a consequence of termination for convenience.

## **II.7 Termination for Default**

Either party may terminate this Contract, without further obligation, for the default of the other party or its agents or employees with respect to any agreement or provision contained herein.

## **II.8 Termination for Non-Appropriation of Funds**

If funds are not appropriated for any succeeding fiscal year subsequent to the one in which this Contract is entered into, for the purposes of this Contract, then the County may terminate this Contract upon thirty (30) days prior written notice to the Contractor. Should termination be accomplished in accordance with this Section, the County shall be liable only for payments due through the date of termination.

## **II.9 Payments to Subcontractors**

In the event that the Contractor utilizes a subcontractor for any portion of the work under this Contract, the Contractor hereby agrees to:

1. The Contractor shall take one (1) of the two (2) following actions within seven (7) days after receipt of amounts paid to the Contractor by the County for work performed by a subcontractor under the Contract.
  - a. Pay a subcontractor for the proportionate share of the total payment received from the County attributable to the work performed by that subcontractor under the Contract; or

- b. Notify the agency and any subcontractors, in writing, of its intention to withhold all or a part of the subcontractor's payment with the reason for nonpayment.
2. The Contractor shall be obligated to pay interest to a subcontractor on all monies owed by the Contractor that remain unpaid after seven (7) days following receipt by the Contractor of payment from the County for work performed by a subcontractor under the Contract, except for amounts withheld under Subsection 1 b. of this section. The Contractor's obligation to pay an interest charge to a subcontractor pursuant to the provisions of this section may not be construed to be an obligation by the County. A contract modification may not be made for the purpose of providing reimbursement for any such interest charge. A cost reimbursement claim may not include any amount for reimbursement for such interest charge.
3. Unless otherwise provided under the terms of this Contract, interest shall accrue at the rate of one percent (1%) per month.
4. The Contractor is hereby required to include in each of its subcontracts a provision requiring each subcontractor to otherwise be subject to the same payment and interest requirements set forth in subsection 2. and 3. of this section with respect to each lower-tier subcontractor.

#### **II.10 Examination of Records**

The Contractor agrees that the County, or any duly authorized representative, shall, until the expiration of three (3) years after final payment hereunder, have access to and the right to examine and copy any directly pertinent books, documents, papers and records of the Contractor involving transactions related to this Contract.

The Contractor further agrees to include in any subcontract for more than \$10,000 entered into as a result of this Contract, a provision to the effect that the subcontractor agrees that the County or any duly authorized representative shall, until the expiration of three (3) years after final payment under the subcontract, have access to and the right to examine and copy any directly pertinent books, documents, papers and records of such Contractor involved in transactions related to such subcontract, or this Contract. The term "subcontract" as used herein shall exclude subcontracts or purchase orders for public utility services at rates established for uniform applicability to the general public. The period of access provided herein for records, books, documents and papers which may relate to any arbitration, litigation, or the settlement of claims arising out of the performance of this Contract or any subcontract shall continue until any appeals, arbitration, litigation or claims shall have been finally disposed of.

#### **II.11 Ethics in Public Contracting**

The Contractor hereby certifies that it has familiarized itself with Article 6 of Title 2.2 of the Virginia Public Procurement Act, Sections 2.2-4367 through 2.2-4377, VA Code Ann., and that all amounts received by it, pursuant to this Procurement, are proper and in accordance therewith.

#### **II.12 Governing Law and Choice of Forum**

This Contract and any disputes hereunder shall be governed by the laws of the Commonwealth of Virginia. It is further agreed that all disputes and matters whatsoever arising under, in connection with or incident to this Contract, shall be litigated, if at all, in and before a state Court located in the County of Prince William in the Commonwealth of Virginia or a federal Court located in the Eastern District of Virginia, and any appropriate appellate Court thereof, to the exclusion of the courts of any other state, territory, country or other jurisdiction.

### **II.13 Immigration Reform and Control Act of 1986**

The Contractor certifies that it does not and will not during the performance of this contract violate the provisions of the Federal Immigration Reform and Control Act of 1986 which prohibits employment of illegal aliens. The Contractor agrees that its employment of any person without legal status may subject it to termination of this contract for default and agrees to include a similar provision in any subcontract.

### **II.14 Integration**

This Contract shall constitute the whole agreement between the parties. There are no promises, terms, conditions, or obligations other than those contained herein, and this Contract shall supersede all previous communications, representations, or agreements, written or verbal, between the parties hereto.

### **II.15 Contract Rider Clause**

Resultant contract(s) may be extended, with the authorization of the Contractor, to other public bodies, public agencies, or institutions of the United States to permit their use of the contract at the same prices and/or discounts and terms and conditions of the contract. The Contractor shall deal directly with public bodies utilizing the contract concerning issuance of purchase orders, contractual disputes, invoicing and payment. Prince William County Government acts only as the "Contracting Agent" for these public bodies.

It is the Contractor's responsibility to notify public bodies of the availability of the contract. Other public bodies desiring to use the contract shall make their own legal determination as to whether the use of the contract is consistent with their laws, regulations, and other policies. Other public bodies if mutually agreed may add terms and conditions required by their statute, ordinances, and regulations, to the extent that they do not conflict with the contract's terms and conditions.

Prince William County shall not be held liable for any costs or damages incurred by other public bodies as a result of any contract extended to other public bodies by the Contractor.

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BOARD OF COUNTY SUPERVISORS OF  
PRINCE WILLIAM COUNTY, VIRGINIA

Nationwide Credit Corporation  
5503 Cherokee Avenue

\_\_\_\_\_

County Representative

\_\_\_\_\_

Contractor Representative

\_\_\_\_\_

Title

\_\_\_\_\_

Title

ATTEST:

\_\_\_\_\_

Purchasing Manager

APPROVED AS TO FORM COUNTY ATTORNEY'S OFFICE

\_\_\_\_\_ Date: \_\_\_\_\_

## **ATTACHMENT A**

### **SCOPE OF WORK**

The County will assign to the Contractor for collection certain accounts, which are to the best of the County's knowledge, true, correct, delinquent more than six months, unpaid, and where no information has been received identifying any of the account debtors as deceased or being in bankruptcy. The amount identified as delinquent and owing will include all past due property taxes, license taxes, fees, penalties, interest, collection, and administrative charges.

The County at its sole discretion will determine which accounts are delinquent and eligible for assignment to the Contractor. The Contractor will accept such assignment as valid without the need to seek or validate the County's decision.

Upon assignment of the accounts to the Contractor, the County agrees to cease communication with the debtor. The County will mark the accounts on its internal computer databases and place a note of the assignment to the Contractor within the system and its written records, if any. The County will provide the Contractor reasonably necessary information for the vendor to perform the service, including debtor's name, record address, available identification numbers, amount owed (including tax, penalty and interest calculated to a specific date), and a general description of the amount owed (e.g. personal property tax, business personal property tax, etc). The County will also provide an 8 digit account number that must be kept for this account by the Contractor on its records.

Should information be presented by the debtor to the County that reduces the amount due, the County will notify the Contractor and the Contractor will adjust its amount due.

The Contractor shall acknowledge referral of accounts by transmitting a statement to the County within three (3) business days of the referral verifying each account so referred, and including the debtor name, County account number, account balance, and the assigned Contractor debtor number.

The Contractor will make available experienced and knowledgeable staff or staff persons with access to real-time debtor information that can be contacted by County staff. The Contractor will provide direct phone, fax and email contact information for these persons that are not part of a phone, fax or email queue.

The Contractor's Contract Manager must manage all day-to-day operations under the Contract on behalf of the Contractor, including, but not limited to, all collection and reporting activity for assigned accounts. In addition, the Contract Manager must be based at the Contractor's collections office and must be available in the event of any problem with the Contract during normal business hours.

The Contractor shall group all bills pertaining to a specific debtor prior to the beginning of collection efforts and combine subsequently referred bills with the matching account previously referred.

The Contractor shall promptly undertake to locate debtors and collect amounts due for assigned accounts through all proper and lawful means, procedures and techniques. The Contractor shall

comply with the Fair Debt Collection Practices Act as amended, and any guidelines or policies established by federal and Virginia agencies that regulate collection firms. The Contractor shall also comply with any additional restrictions as may be imposed by the County and public bodies subsequent to the effective date of this RFP.

At minimum, the Contractor shall agree to implement within thirty (30) calendar days the following collection procedures to achieve recovery on each account:

(1) Notify the debtor in writing that the Contractor is now handling the account and demand immediate payment from the debtor. If the letter is returned due to a bad address, attempt telephone, email or other contact with the debtor to get a good address. If no contact is made or no contact information is found, perform a skip trace to locate debtor and/or utilize a credit reporting service or other database to locate sources.

(2) If the initial letter is not returned for a bad address, initiate at least three actions using a variety of different methods to collect the account referred including but not limited to any of the following actions: (a) send an additional letter or letters demanding payment; (b) attempt telephone, email or other contact with the debtor to demand payment and/or make payment arrangements; (c) perform a skip trace to locate debtor; or (d) utilize a credit reporting service or other database to locate sources for a County administrative lien.

The Contractor shall document its efforts to collect every account. The Contractor must maintain records on each individual account referred for collection. Such records shall document all collection activity made by the Contractor including notices sent, calls attempted, calls made, conversation recaps and other pertinent information. These records shall be the property of the County. The records on each account shall be maintained by the Contractor for the term of the Contract. These records will be turned over to the County in a format specified by the County within thirty (30) days of the termination or expiration date of the Contract.

Any and all information gathered and used by the Contractor to collect taxpayer accounts is the property of the County, and such information shall not be used by the Contractor or its employees for any other purpose, either during or after the Contract term.

If the Contractor discovers that a debtor is deceased, the Contractor will cease collection and return that account with documentation to the County.

The Contractor will not settle any account for less than the full amount owed, unless otherwise directed in writing by the County. In the event that the Contractor receives an offer in compromise from a debtor or his/her representative, the Contractor shall immediately cease collection action on the account and transmit the offer to the County. If the compromise is approved, the Contractor's fee will be based on the amount collected on the compromise rather than the original amount referred.

The Contractor may establish payment plans with individual debtors, subject to agreement by the County.

The Contractor shall report debtors of accounts that remain uncollected to an appropriate credit bureau, unless the County notifies the Contractor to not do credit reporting.

The Contractor shall immediately return accounts, with all locator information discovered by the Contractor upon notice that (a) the taxpayer has filed bankruptcy or is involved in other

insolvency proceedings, (b) a statute of limitations is about to expire, (c) debtor refuses to pay because of a dispute with the validity of the underlying debt, or (d) debtor exercises their rights under the Fair Debt Collections Practices Act and informs the Contractor to stop communications.

Provided the Contractor has implemented the minimum collection procedures set forth above and has been unable to procure any payment for twelve (12) months following assignment, the Contractor shall return the account to the County with all information discovered by the Contractor, accompanied by a complete address for employment, bank or other source of income, if known.

#### Payment Information

The Contractor shall receive a fee for all assigned account payments posted to the County's tax database. Fees shall be paid for collections posted during a reporting period (currently, a calendar month).

The Contractor will be provided a payment address by the County. This address is to be used on all notices issued by the Contractor and during telephone conversations with debtors. Debtors must be directed to make checks payable to "Prince William County". Any non-check payments (ACH or credit card) shall be remitted weekly to the County. Any cash payments received by the Contractor shall be remitted to the County on a weekly remittance. Any payment received by the Contractor and maintained on or credit card) shall be remitted weekly to the County. Any cash payments received by the Contractor shall be remitted to the County on a weekly remittance. Any payment received by the Contractor and maintained on the premises before being mailed to the County shall be stored in a safe securely attached to the premises so as to hinder its removal. The Contractor shall not tender payments in a consolidated manner. Each taxpayer payment must be tendered to the County individually.

The Contractor shall be reimbursed the surcharge for collections for each reporting period. The Contractor will be provided a transaction list of payments received. The Contractor will be apprised of all returned checks in a timely manner and no fee shall be paid for these.

The County may conduct an audit after expiration or termination of the Contract. The County reserves the right to recover fees disallowed to the Contractor as the result of such an audit.

The County may change or amend the payment process at any time.

#### Other Terms and Conditions

The Contractor will grant a fourteen (14) calendar day grace period for payments made directly to the County on any assigned account since these payments are considered the result of the County's last collection efforts and not attributed to the collection efforts on the part of the Contractor. The Contractor will not be paid for payments by the debtor directly to the County received during this grace period.

The Contractor shall suspend action either temporarily or permanently on any account upon receipt of notification from the County. The County retains the right to request the return of an account at any time. The Contractor will receive no fee on payments received after an account is recalled by the County.

The County shall have the right to review and modify the content of any collection notice, form letter, form email, telephone protocol, etc. prior to the Contractor's use in performance of the contract.

The Contractor shall not initiate legal action nor refer accounts to an attorney outside its own firm, or to another collector or collection firm.

On the first business day of each calendar month, the Contractor will transmit an electronic file to the County identifying individually each account number and account balance which the Contractor has designated as active, as of that particular date, for purposes of reconciling the County's records to the Contractor's records for assigned accounts and balances. The Contractor will promptly make an adjustment to any account that does not reconcile to the County's records.

The Contractor shall maintain accurate and comprehensive records of all activity conducted on each assigned account. The Contractor shall retain all books, records, and other documents relative to this contract for five (5) years after final payment. The County, its authorized agents, and/or auditors shall have full access to and the right to examine any Contractor materials during this period. The County may confirm the accuracy of all payment information furnished by the Contractor by contacting the debtor directly.

Contractor agrees that any information about identifiable persons which Contractor receives from the County shall be used and disclosed solely as lawful and either necessary or appropriate to enforce the rights of the County in collecting debt on assigned accounts.

The Contractor must establish to the satisfaction of the County that it has in place all appropriate safeguards for nonpublic personal information. The County, its authorized agents, and/or auditors shall have full access to and the right to examine any Contractor systems, records, policies and/or materials during this period to ensure Contractor's systems and procedures adequately safeguard personal information of debtors from unintentional disclosure and from identity theft.

The County expects the Contractor and its employees to meet the highest professional and ethical standards. Both the Contractor and its employees must bear in mind that their conduct reflects upon the County. Contractor's employees must inform the debtor contacted that they are employees of the Contractor to which their account is assigned and not employees of the County.

The Contractor may not state or imply that they have the authority to settle tax liabilities or to waive or abate any portion of the tax, penalty or interest due.

The Contractor must take steps to ensure they discuss an account only with the taxpayer. The Contractor may not discuss individual tax accounts with the spouse or other family members of the taxpayer unless the debt is jointly owed with the spouse or other family member.

The Contractor shall notify the County's contract manager immediately of any complaint lodged against it or its employees which relates, directly or indirectly, to its performance under the Contract and shall work with the County to resolve these complaints. The County may terminate the Contract for cause based on the number or seriousness of the complaints against the Contractor or its employees or its unwillingness or inability to resolve them. The Contractor shall immediately notify the County's Contract Manager, by e-mail and telephone, of any indication by a taxpayer of his intent to discuss his complaint with the media or to bring an action against the Contractor or any of its employees, or against the County or any County employee or official.

#### Confidentiality

Confidentiality of taxpayer information is crucial to the County, therefore, the Contractor must sign a

Confidentiality Agreement at the time it executes the Contract, and the Contractor hereby agrees to comply with all the provisions of such Agreement.

The Contractor shall immediately notify the County's Contract Manager both orally and in writing if any information as defined in the Confidentiality Agreement, in the Contractor's possession is subpoenaed, improperly used, copied or removed by anyone except an authorized representative of the County or is requested by any federal or state agency or instrumentality other than the County.

Each employee must sign a Contractor Employee Confidentiality Agreement before an employee is offered employment or allowed access information on County assigned accounts. No employee may work on the Contract until he has read and signed this Agreement. The originals of the Agreements must be maintained by the Contractor with the other Contract records, and the Contractor must forward copies of these Agreements to the County's Contract Manager as they are signed.

Authorized County employees shall be given free and full access at all reasonable times to all data maintained on its accounts by the Contractor.

Failure of the Contractor to comply with the requirements of this section shall be grounds for immediately terminating the Contract for cause.

#### Security

The Contractor agrees to take reasonable steps to ensure the physical security of the information under its control, including, but not limited to fire protection, protection against smoke and water damage, systems and devices reasonably expected to prevent loss or unauthorized removal of manually held data, limits to public access, and passwords and logs or other methods reasonably expected to prevent loss or unauthorized access to electronically held data.

Access to areas containing County account information in any form during the normal business day must be limited by creating restricted areas, security rooms, or locked rooms or files. Additionally, County account information must be protected during non-business hours by securing or locking the premises and secured areas.

The Contractor must implement procedures to ensure that its employees do not leave computers or paper containing County account information unprotected at any time.

Information obtained in connection with the Contract must be segregated from all other records and must never be commingled with other Contractor information. All information obtained in connection with the Contract shall be delivered to the County within thirty (30) calendar days after termination or expiration of the Contract or as otherwise directed by the County.

Information obtained in connection with the Contract may not, under any circumstance, be taken from the Contractor's collection office. The Contractor shall maintain a crosscut-type shredder and shall destroy, on a daily basis, unneeded hard copy data.

Information obtained in connection with the Contract must never be transmitted or used on e-mail systems or sent via the Internet. The Contractor will continuously monitor the use of information maintained on its computer system to ensure that access to this system is limited to employees with authorization as required under the terms of this Contract and who have a business need for the information.

The Contractor's server system must be a dedicated system on an isolated network segment with current antivirus and firewall programs running at all times and must be housed in a physically secure room with limited authorized personnel access controls in place. Information may never be maintained on a mobile or portable device. This prohibition applies to laptop computers, blackberries, USB flash drives, CDs, DVDs, floppy disks or the equivalent of any of these devices. The Contractor must perform regular backups and have a disaster recovery plan. Backups may be stored on hard disks or tapes only if the Contractor has security access control for the location or locations where backups are stored.

The Contractor is not allowed to transfer information to any third party, including subcontractors, without the prior written approval of the County.

The Contractor may maintain the information obtained in connection with the Contract on its system only for as long as it is relevant or useful to the Contractor for performing services under this Contract. The Contractor is required to follow best practices regarding the destruction of electronic media.

Failure of the Contractor to comply with the requirements of this section shall be grounds for immediately terminating the Contract for cause. Furthermore, because the Contractor will have access to confidential tax information, as defined under Virginia law, failure to comply with the requirements under this Contract also may result in criminal sanctions.

**ATTACHMENT B**  
**PAYMENT SCHEDULE**

The percentage of recovery to be compensable to Nationwide Credit Corporation is 20%.