

LRB - FISCAL REVIEW SECTION ANALYSIS

FEBRUARY 25, 2002

ITEM 3, FILE 011488

JUDICIARY & LEGISLATION COMMITTEE

EMMA J. STAMPS

File #011488 is a substitute resolution authorizing and approving a contract for collection services for overdue municipal court judgments with Professional Placement Services, L.L.C..

Background and Discussion

1. Since 1996, Professional Account Management, Inc. (a/k/a Professional Placement Services, L.L.C.) has serviced overdue municipal court judgments on behalf of the City of Milwaukee. The 5-year contract was scheduled to expire December 31, 2001.
2. On July 2, 2001, the Common Council passed Resolution 010212, authorizing the City Attorney to request proposals for the contract for the collection services of overdue municipal court judgments.
3. The City Attorney advertised for RFPs in the Daily Reporter, the Business Journal, and the Milwaukee Journal Sentinel during October and November 2001.
4. On December 27, 2001, the Common Council passed Resolution 011095 authorizing a 3-month contract extension to Professional Placement Services through March 31, 2002.
5. The City Attorney conducted interviews with RFP respondents on January 31, 2002, later determining that Professional Placement Services, L.L.C. met all requirements.
6. This resolution approves a 5-year contract for collection services of overdue municipal court judgment with Professional Placement Services, L.L.C., commencing April 1, 2002.
7. Contract terms allow for a retention of 24% of collections, however, the firm remits gross receipts. The City Attorney's office estimate 2002 billable services are \$400,000.
8. Payments to Professional Placement Services, L.L.C. and Kohn Law Firm are paid from the Collection Contract special projects accounts, administered by the City Attorney's office. The 2002 budget provides \$1 million funding for the account.

Fiscal Impact

This resolution authorizes the expenditure of \$400,000 from the Collection Contract special projects account for the purpose of contracting collection services of overdue municipal court judgments with Professional Placement Services, L.L.C.

cc: Marianne Walsh
Attorney Grant Langley
Assistant City Attorney Beverly Temple
W. Martin Morics
Laura Engan

Prepared by: Emma J. Stamps x 8666
LRB-Fiscal Review Section
February 21, 2002