# DEBT COLLECTION SERVICES
### FOR THE
# ARIZONA DEPARTMENT OF REVENUE

**Presented by:**

GC Services Limited Partnership

6330 Gulfton
Houston, Texas 77081

**Contact:**

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Managing Vice President
GC Services Limited Partnership
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Houston, TX 77081
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**GC Services**

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# 1. Experience and Reliability of the Firm:

   a. Experience and reliability of the Offeror's organization is considered in the evaluation process. Provide the name and location of the parent company and all subsidiaries and/or affiliated companies.

GC Services Limited Partnership is a privately-held Delaware limited partnership formed October 1957, and comprised of the following:

| | | |
|---|---|---|
| *GC Financial Corp.* | *Managing General Partner* | *5%* |
| *DLS Enterprises Inc.* | *General Partner* | *1%* |
| *DLS Enterprises Holdings, Limited Liability Corporation* | *Limited Partner* | *94%* |

Jerold B. Katz (Chairman of the Board) is the sole owner of both GC Financial Corp and DLS Enterprises, Inc. The purpose of these corporations is to hold Jerold B. Katz' interest in the partnership.

Our company headquarters are located at:

GC Services
6330 Gulfton
Houston, TX 77081
Phone: 713-777-4441
Fax: 713-776-6535

   b. Provide number of years collection agency been in business.

GC Services has been performing collection services since our founding in 1957. We offer our clients unequaled corporate stability; our corporate philosophy is to build on our 53-year growth solely through unparalleled performance. To this end, GC Services has never taken part in any business mergers or acquisitions. Unlike other companies which may have divided interests, GC Services has one culture, one vision, and one focus–the mutual success of our clients and GC.

c. Provide an organization chart of the business unit(s) that will perform work for AZDOR showing the staffing and lines of authority for the key personnel to be used in the project. The relationship of the project leader to management and to support personnel should be clearly illustrated.

## GC SERVICES
## Oklahoma City AZDOR Org Chart

```
Scott Curtis
Project Director
28 years tenure
        |
Monica Mitchell
Collection Manager
28 years tenure
        |
Mercy Waweru
Unit Manager
5 years tenure
        |
Account
Representatives
XTBD
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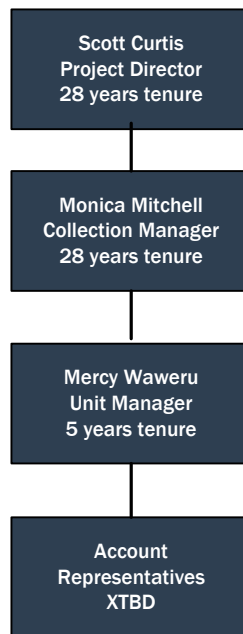
d. List all professional collection agency associations to which your company belongs.

GC Services is active in the following industry organizations:

- American Collectors Association (ACA)
- American Financial Services Association (AFSA)
- American Society for Training & Development
- American Teleservices Association (ATA)
- California Association of Collectors, Inc.
- CODA International

- Consumer Bankers Association
- Council on State Taxations
- Eastern Regional Interstate Child Support Association (ERICSA)
- Government Collectors Association of Texas (GCAT)
- International Association of Commercial Collectors (IACC)
- International Customer Service Association
- Midwestern States Association of Tax Administrators (MSATA)
- National Association of Court Managers
- National Child Support Enforcement Association
- National Council of Higher Education Loan Programs (NCHELP)
- National Government Collectors Association (NGCA)
- North Eastern States Tax Officials Association (NESTOA)
- Society for Human Resources Management (SHRM)
- Society of Consumer Affairs Professionals in Business (SOCAP)
- Society of Workforce Planning Professionals
- Southeastern Association of Tax Administrators (SEATA)
- Telecommunications Risk Management Association, Inc. (TRMA)
- Texas Collectors Association
- Western Interstate Child Support Enforcement Council (WICSEC)
- Western States Association of Tax Administrators (WSATA)

e. List any current collection agency certifications that your company has earned.

GC Services has received Federal Information Security Management Act (FISMA) Certification from the Department of Education. Starting in 2009 third party collection agencies performing student loan collections for Federal Student Aid (FSA) were required to complete the rigorous FISMA process.

FISMA defines a framework for managing information security that must be followed for all information systems used or operated by a U.S. federal government agency or by a contractor or other organization on behalf of a federal agency. This framework is further defined by an extensive set of standards and guidelines developed by National Institute of National Standards and Technology (NIST).

To achieve FISMA certification compliance with the following requirements must be documented and verified through an internal and external audit process.

- An information systems inventory must be performed and approved.
- Information and information systems must be categorized by necessary security level and risk level. This risk assessment validates the security control set and determines if any additional controls are needed to protect operations, assets, individuals, other organizations, or the Nation.
- Information systems must meet the minimum security requirements as defined in the FISMA security standard.(FIPS 200 and NIST Special Publication 800-53).
- A system security planning process based on NIST SP-800-18 (System Security Plan). System security plans are living documents that require periodic review, modification, and plans of action and milestones for implementing security controls.
- The resulting system controls must be reviewed and certified to be functioning appropriately. Based on the results of the review, the information system is accredited per NIST SP 800-37 (Guide for the Security Certification and Accreditation of Federal Information Systems).
- Security accreditation is the official management decision given by a senior agency official to authorize operation of an information system and to explicitly accept the risk to agency operations, agency assets, or individuals based on the implementation of an agreed-upon set of security controls.
- All accredited systems are required to monitor a selected set of security controls and the system documentation must be updated to reflect changes and modifications to the system.
- Continuous monitoring activities include configuration management and control of information system components, security impact analyses of changes to the system, ongoing assessment of security controls, and status reporting.

GC Services' Director of Corporate Security is available to discuss details of the FISMA process and can describe how our certification applies to non-FSA projects.

f. Provide your license number with the Arizona Department of Financial Institutions and state the number of years you have been licensed in Arizona.

Our license number with the Arizona Department of Financial Institutions is CA 8027. We have been licensed with the State since 1989.

g. Provide audited copies of your income statements and balance sheets for the last five years.

Please see our audited financial statements accompanying this proposal.

h. Provide your company's credit rating from Dunn and Bradstreet, InfoUSA, Equifax, Experian and/or any other appropriate agency.

GC Services' Dun and Bradstreet number is 180529323. Our rating is 1R3.

i. List all locations from which your company may perform AZDOR collections work and the number of employees at each location.

For Arizona DOR's collection program, we are pleased to propose our Oklahoma Government Service Center (GSC). GC Services' placement and collection procedures at our Oklahoma City GSC offer a highly sophisticated program of systems and controls designed to provide the highest possible net return to our clients using procedures that comply with the guidelines of all federal, state and local laws. These systems and procedures include:

- Salaried Account Representatives (collectors) and management with a bonus structure based on consistent recovery performance (this office currently has 164 employees total with 140 being Account Representatives dedicated to our clients' programs)

- Incentive programs, contests and special awards as motivation and reward for accomplishments

- Standard Operating Procedures covering every phase of our operation

- Use of an industrial management psychologist to screen employees

- An extensive training program that all Account Representatives are required to go through before making any telephone calls

- Additional specialized training for government receivables

- Continued on-the-job training throughout an individual's career with the company

- Promotion from within (e.g., all managers are fully familiar with all Standard Operating Procedures and systems prior to assuming a management position)

- Limited number of accounts worked by any one Account Representative

- Specialization of accounts assigned to collectors by client and client type; Account Representatives learn how each client wants their accounts to be handled

- Monitoring systems in use daily

- Extensive management training programs and reviews

- Proven collection systems and techniques

- Complete control of accounts from day placed until collected or returned to the client

Our experience on similar projects has taught us to centralize operations into a location where we have decades of tax collection experience, dedicated solutions and a proven track record. We believe this situation is superior to multiple locations for ease of management.

j. List all subcontractors your company may use to perform AZDOR collections work and the functions they perform. Submit any information which documents successful and reliable experience in past performances, especially those performances related to the requirements of this RFP.

GC Services proposes to manage this project without the use of subcontractors. Every aspect of our programs is customizable, and since we perform all functions in house, we are able to offer flexibility and responsiveness not achievable by our competition. Furthermore, we believe that the proposed operational team has incomparable experience and is the best the industry has to offer. We would not be able to obtain this level of expertise with the use of a subcontractor.

k. Provide information on your company's related experience in similar programs. This should include specific information on the type of services provided.
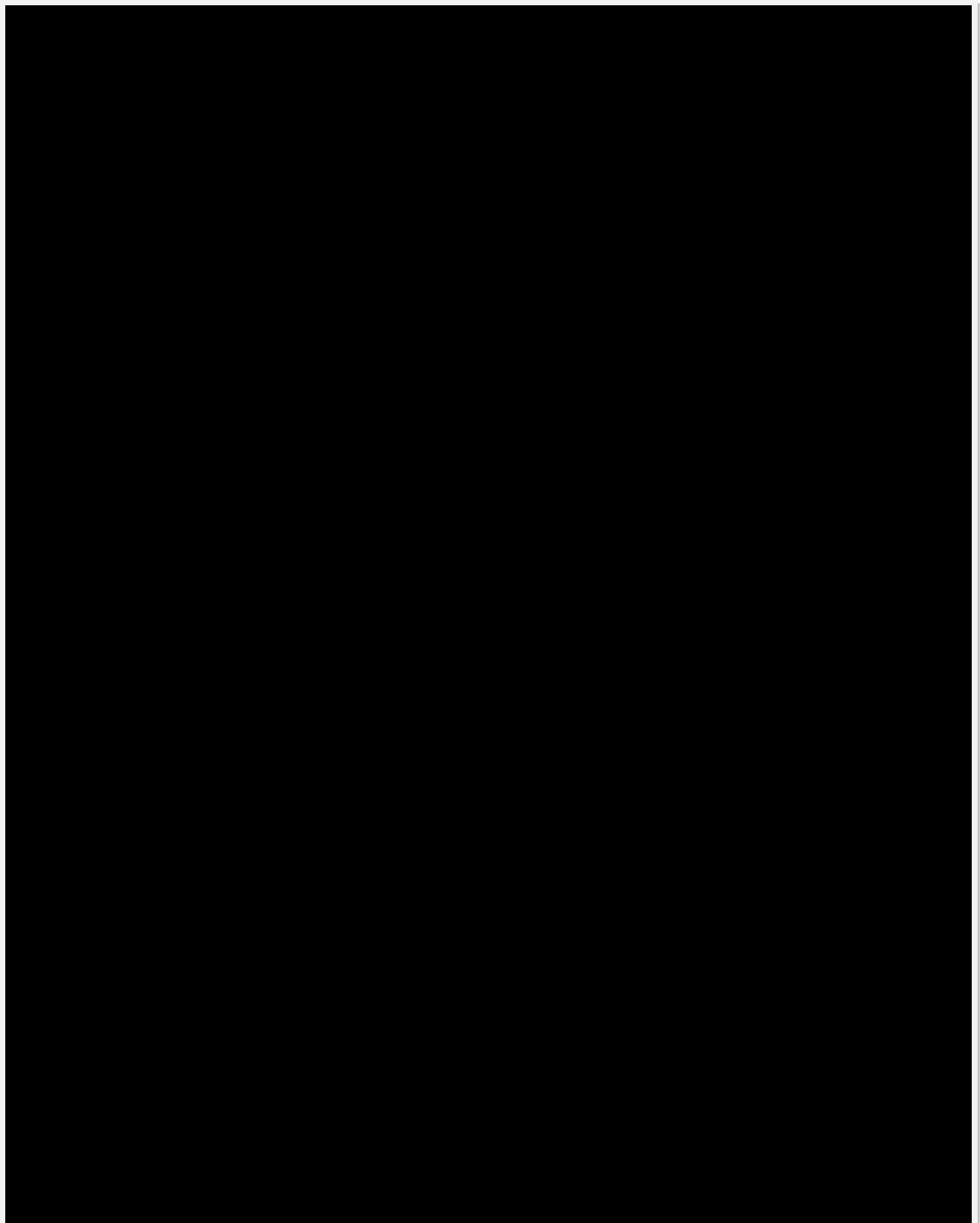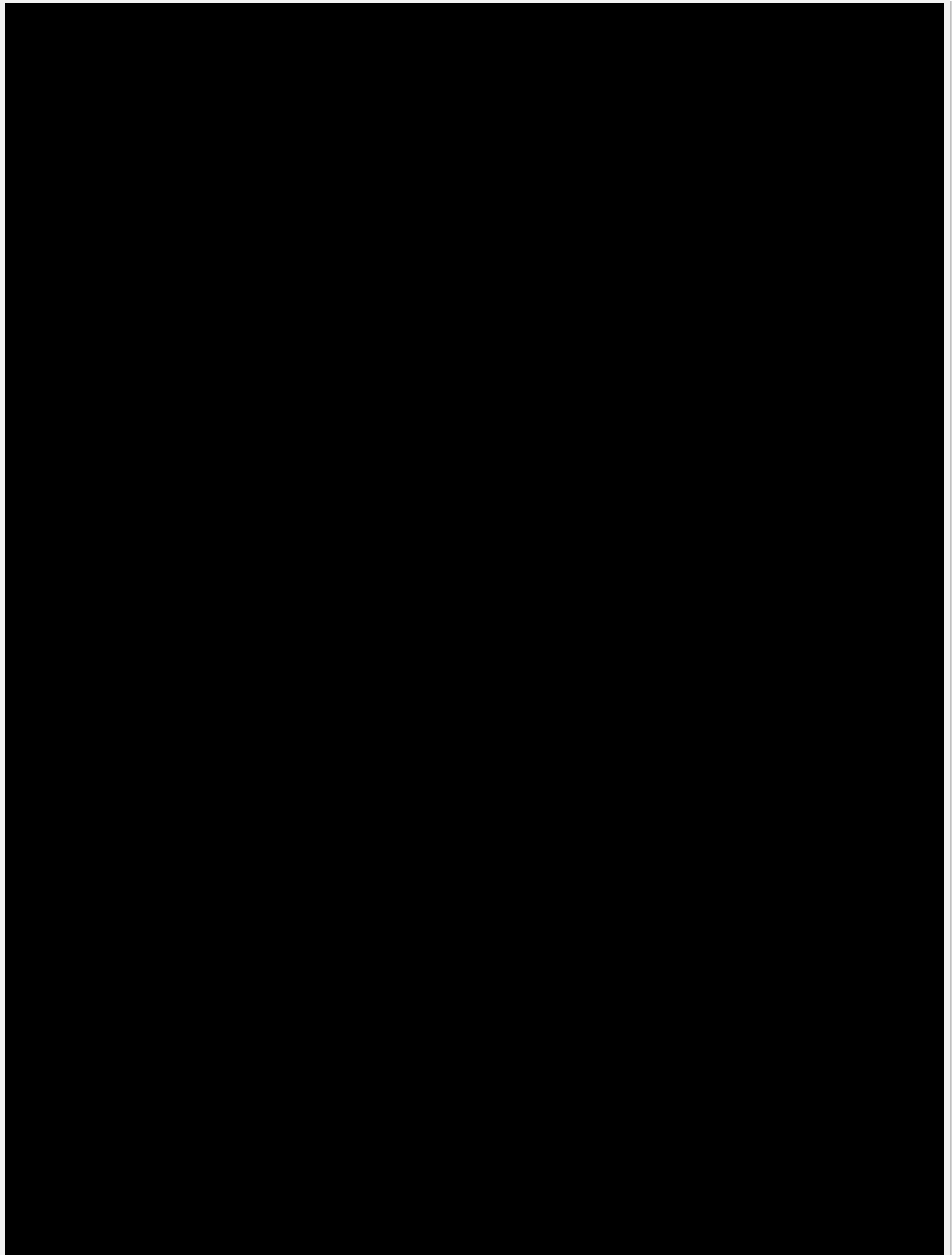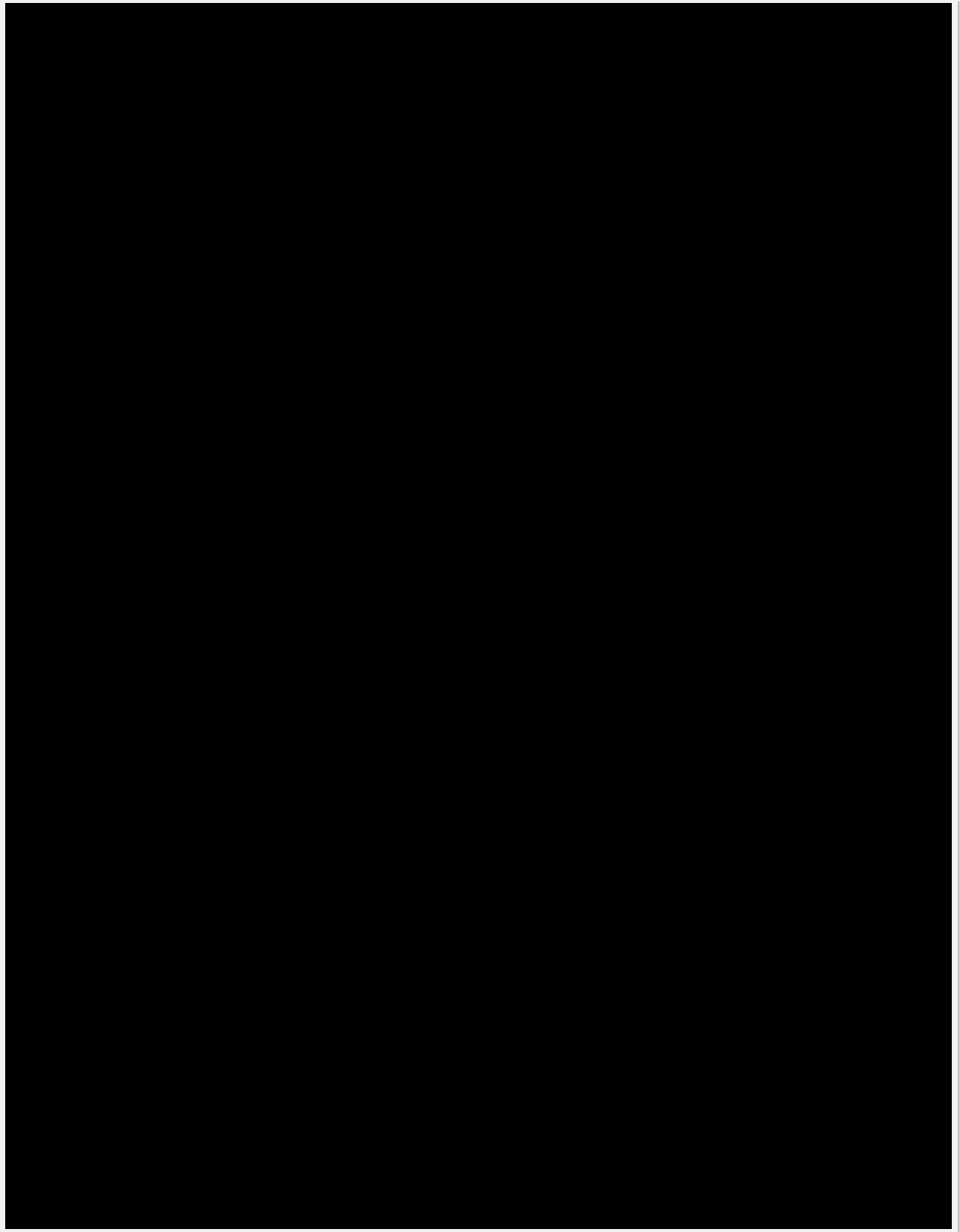
## Extent and Nature of Experience in Collecting Various Types of Debt

GC Services' government programs cover an array of services, including tax collections, defaulted student loan collections, child support enforcement, court debt, and customer service call centers.  Some of the highlights of GC Services' collection offerings include:

- Nearly 9,000 business process experts managing accounts receivable and an array of customer service and related programs
- $30 billion in client receivables managed every year
- 390 million inbound and outbound phone contacts every year
- 30 national service centers – in some instances, we have several offices within the same city
- An entire division of GC Services Account Representatives and management dedicated to public sector programs

An approved and qualified collection agency under the General Services Administration Federal Supply Schedule, GC Services has extensive experience in providing collection services to federal, state and local governments.  We understand and can effectively operate within this public sector culture.

GC Services holds our client relationships, as well as our good reputation, as our most valued assets.  We believe that our client-centric management philosophy allows us to operate much more efficiently in the long-term.  We engage the brightest minds in the business when we develop operational strategies and invest in tailor-made facilities to accommodate our clients' needs and the projects we develop.  We execute our operational plans with some of the most seasoned professionals in the business, which guarantees immediate and continued success.  Our Quality First culture is just one reason our clients find continued value in doing business with us by creating long-term relationships.  We hope that the State will consider these factors, along with our extensive government and tax collection experience, when considering an agency for the proposed opportunity.

## Debt Collection Experience – Premier Government Provider

GC Services' core business has always been debt collections.

- In-State and Out-of-State Taxes
  - Individual
  - Business
  - Withholding
  - Sales
  - Other
- Child Support Enforcement
- Student Loans
- Employment Security Taxes
- Courts
  - Unadjudicated traffic cases
  - Adjudicated traffic, misdemeanor, felony, victim restitution, indigent defense, and jury fines,
  - Family law cases
  - Delinquent parking cases
- Toll Highway Violations
- Miscellaneous Fines and Fees

When GC Services first opened its doors for business in October 1957, we were just one of a few small firms helping companies manage their accounts receivable needs. In the more than five decades since then, our continued commitment to providing the highest quality service to our clients and their customers has led to tremendous growth. Today, GC Services is one of the largest collections providers in the United States, with nearly 9,000 employees and 30 call centers. GC Services has achieved this phenomenal growth through organic means—by both adding to our client base and then growing with our clients once we have formed a partnership—rather than through mergers and acquisitions.

## Collecting Debt for All Government Types

**GC Services manages over $30 billion in client receivables each year,** with over 390 million inbound and outbound phone contacts on an annual basis. GC Services has more than 53 years of providing collection services to our clients, and has extensive experience in the collection of taxes, student loans, court fines, and child support obligations. We will use the full force of this experience to recover amounts owed to the State of Arizona.



Governmental Collection Integration Model

The overall collection strategies are not specific to people, processes or technology, but are more far reaching in their impact. These fundamental strategies affect all collection activities and are instrumental to achieving success:

- Treat all consumers fairly, whether they owe taxes, student loans or other debts,
- Communicate succinctly, clearly, sincerely, and in a timely manner — with all consumers,

- Achieve the financial goals of the State,
- Maintain strict confidentiality of all data,
- Support flexibility and enhancements for the future, and
- Commitment to workforce management and quality performance.

l. Describe your company's IT organization and capabilities.

GC Services has a team of more than 230 IT professionals dedicated to our IT operations including specialists in the telecommunications management, hardware, software, and services related disciplines. Essential personnel from all IT-related areas are also on call after business hours and on weekends.

- GC Services' proposed STAR (System to Automate Recovery) host system is maintained by our IT Application Group. At a minimum, each client's program has an IT team assigned to the engagement that consists of the following specific resources: technical services manager, network engineer, data communication specialist, system programmer, database administrator, database analyst, system administrator, telecomm analyst, and support specialist. The team is very experienced in providing ordering, maintenance, installation, de-installation, adds, moves, changes and support and is responsible for configuring and producing routine, custom, and ad hoc management reports.

- GC Services' Client Management Group (CMG) provides each client's access to information about our Information Technology Group. This is accomplished through direct communications with clients and/or through the coordination of efforts by all departments across GC Services. All of our clients have individual expectations for what they consider "best-in-class" service. Therefore, GC Services must adapt to those expectations. For example, some clients want to communicate with the person that "sold" them our services. In this case, the CMG would support the efforts of the Business Development staff.

- Technical support will be provided using a combination of on-site technical specialists, our Technical Support Group (network Support, Desktop Support, and Help Desk) and ultimately our entire information technology group.

- Of particular interest is GC Services' internal technical support organization, which includes 17 individuals divided between Network Support, Desktop Support, and the Help Desk. All customer HEAT tickets are processed immediately, but resolution depends on the severity of the issue. For instance,

tickets filed via the Customer Web arrive at the attention of a Help Desk staff through Alert Monitor, an integral part of the HEAT System. The Help Desk will analyze the problem and assign or escalate accordingly based on the problem description of the ticket. At that point, based on severity, the first action is to restore system operations. Then before a HEAT ticket is closed the root cause of the problem is defined and resolved to prevent repeat problems. The HEAT ticket is updated with the cause and fix and is then closed.

- GC Services has a well-established, dedicated information security and disaster recovery team in place. GC Services addresses data integrity as part of a comprehensive business continuity and security methodology. Our Information Systems Security Program establishes a basis for safeguarding the electronic and data environment and it emphasizes the dual responsibility that Information Technology and Business Operations share for data integrity.

GC Services has made significant investments in technology and we will continue these investments as we evolve the enterprise to a highly scalable, open platform that will enable us to quickly and economically deliver applications for our clients.

New technologies are thoroughly researched and implemented on a pilot basis, then delivered to production based on client needs. For instance, GC Services has invested in Avaya Call Center technology and we are in the process of planning the expansion of that technology across our Enterprise. That same methodology has proved out in recently completed VOIP and MPLS implementations, and will continue as the network carriers and equipment vendors evolve.

This has resulted in our adopting and implementing the following new technology and services over the last five years:

- Consolidation of various adjuncts used to support our clients
- Ongoing process to convert to VOIP, SIP, and MPLS architecture
- ACD/PBX architecture including a decision to expand the use of Avaya Call Center technology in addition to our other technologies
- HEAT Help Desk database and tracking platform
- Implementation of Microsoft SharePoint (MOSS) web portal to deliver management reports to clients
- Conversion to PeopleSoft platform for selected mission critical back office processes like payroll, benefits, and access control

- Increased use of hosted automated dialing and announcing (ADAD) interactions, including state of the art hosted dialer, ACD, and contact center management solutions
- Inbound and outbound eMail and chat interactions with customers during our customer service engagements

m. A list of references: References should be verifiable and should be able to comment on the Offeror's related experience. The Offeror should submit three (3) similar-type professional service references, but not by using the Arizona Department of Revenue. These references must be able to comment about skills. Reference information should include at least the following:

    i. Name of Client, to include name of contact person familiar with the finished product.

    ii. Date(s) of service.

    iii. Detailed description of services provided, to include a brief description of reports produced
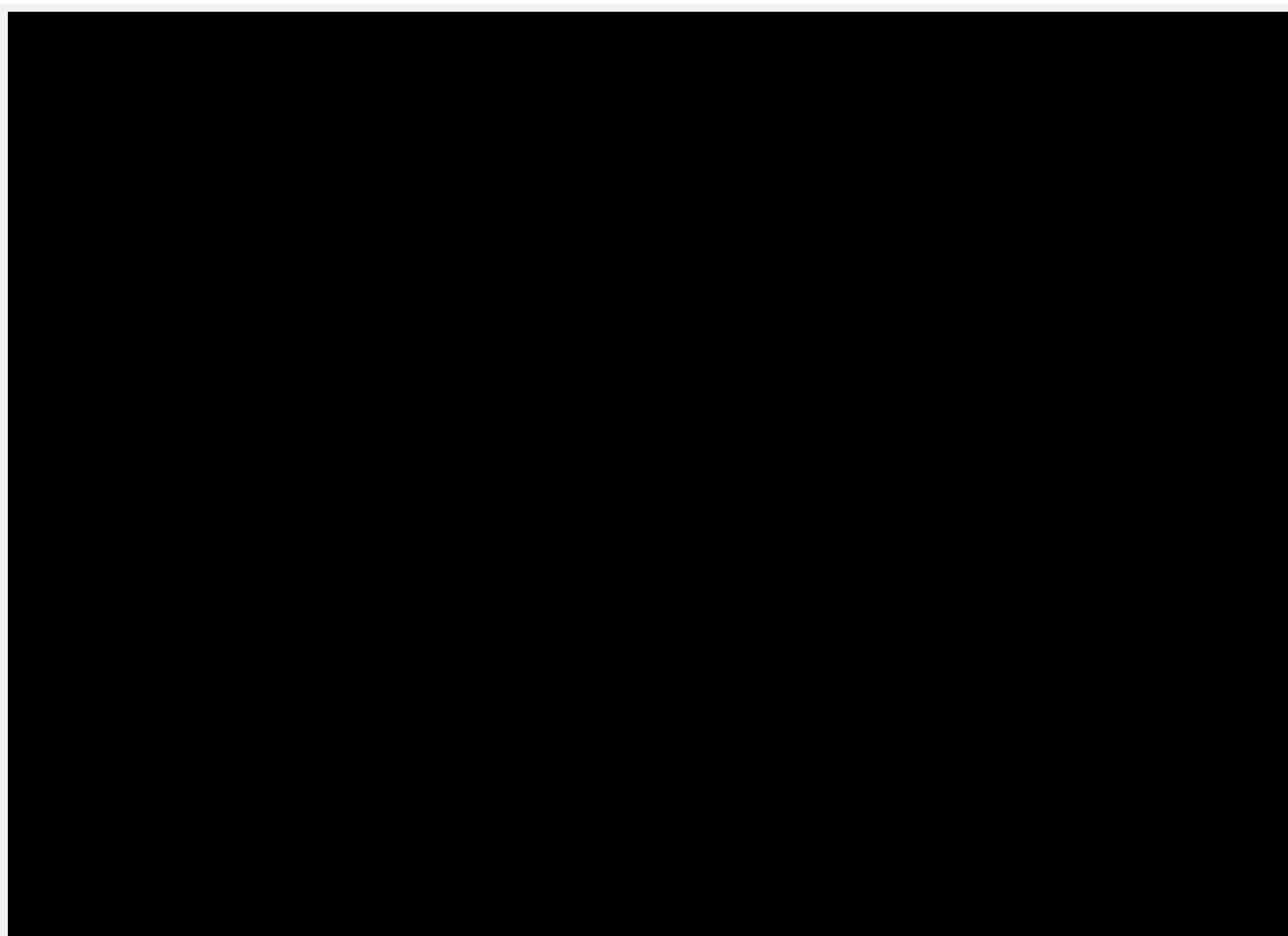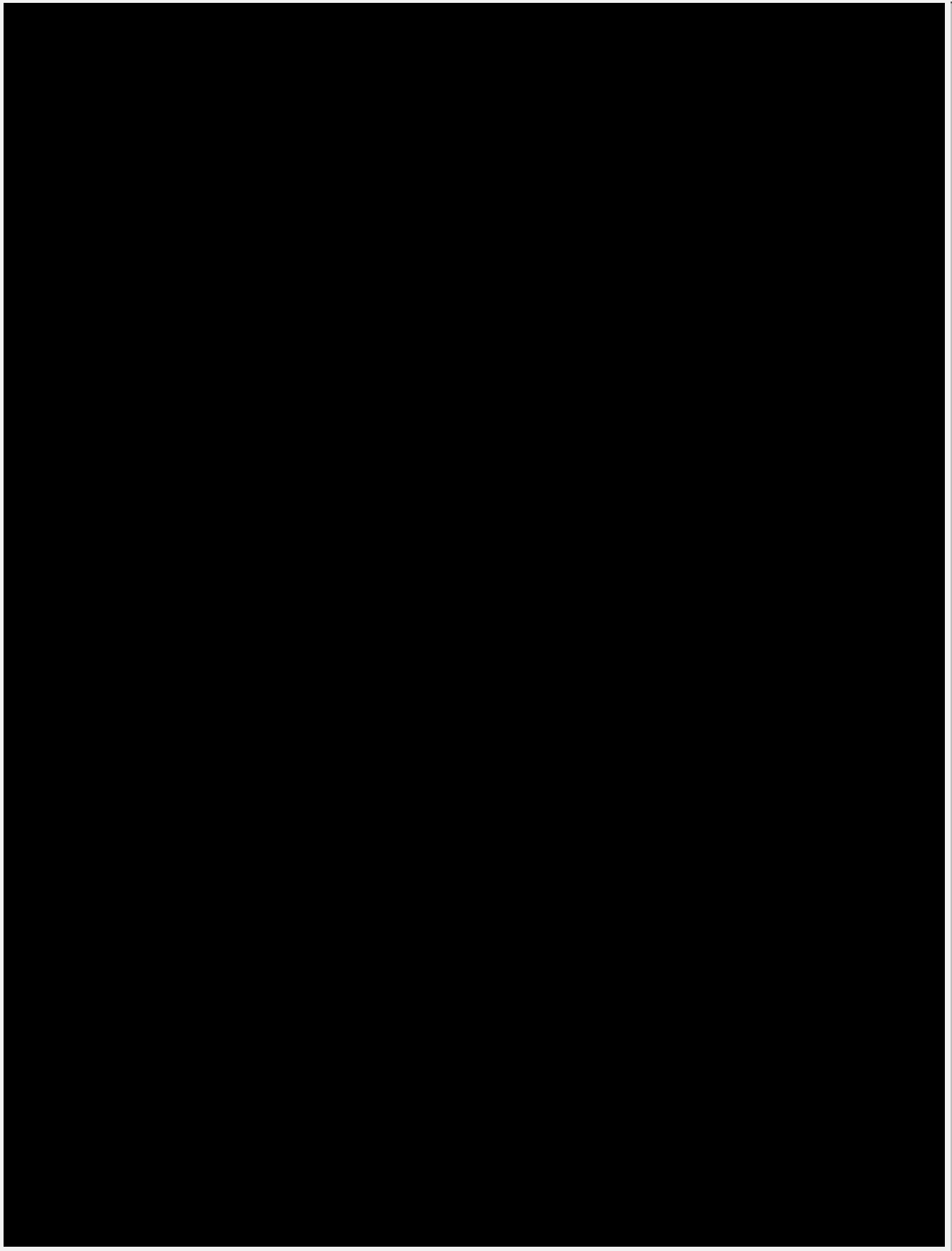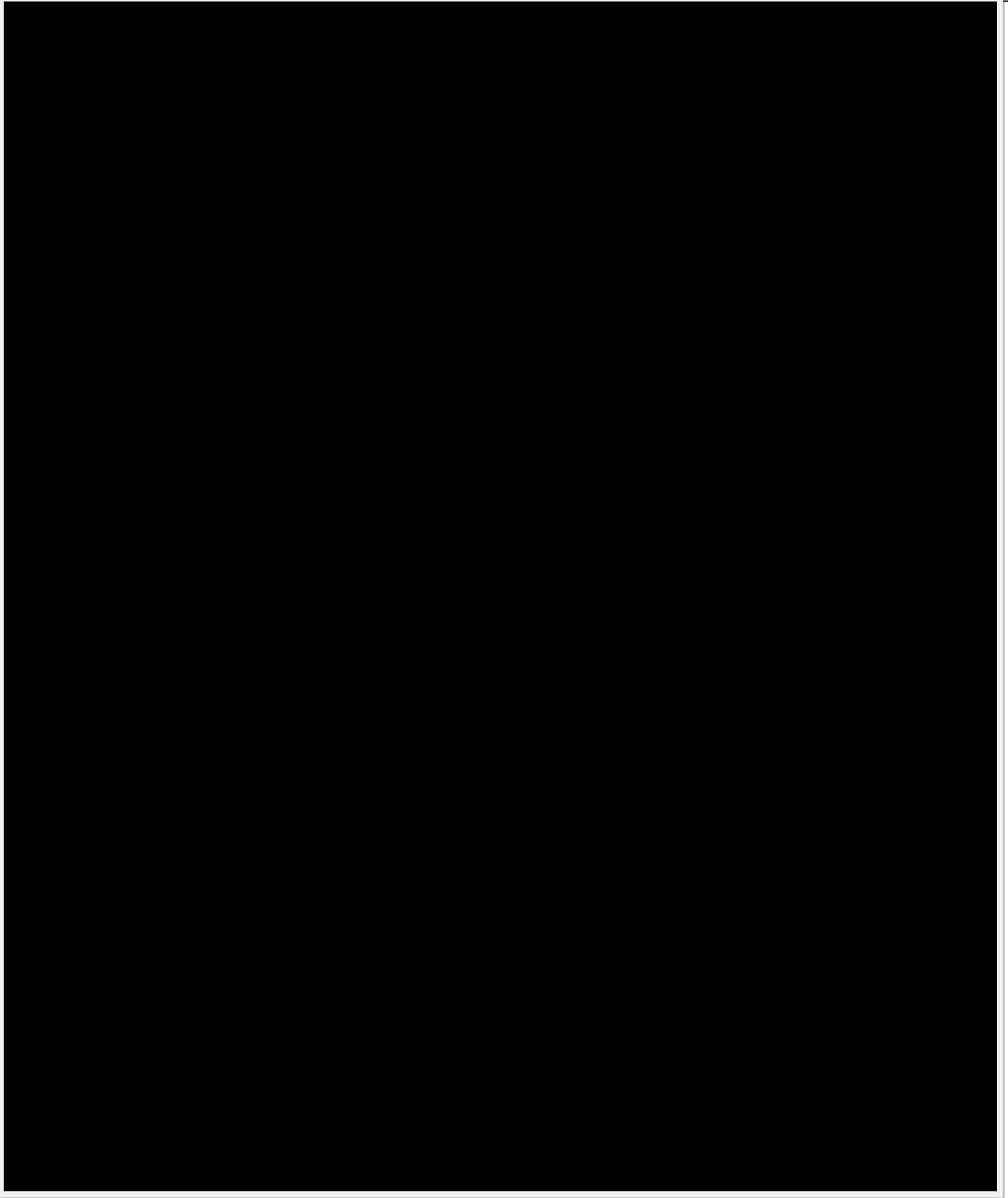
n. It is the discretion of the Evaluation Committee to either contact references or rely strictly on this information.

o. Based on the Auditor General's Office and/or the DOR Internal Auditor's Office requirements for security inspection and controls a site visit may be required to determine safety and security of vendor location(s). Include the following in your proposal:
   i. How much lead time do you require?
   ii. Who is the contact?
   iii. What is their contact information?

GC Services welcomes AZDOR in its Oklahoma Government Service Center at any time to audit the AZDOR program. To schedule a visit, the DOR would contact Scott Curtis one week in advance. Scott's contact information is:

<div align="center">

Scott Curtis, Vice President of Operations
8121 N.W. Expressway
Oklahoma City, OK 73162
405-621-6414
Scott.curtis@gcserv.com

</div>

# 2. Method of Approach:

a. The Offeror should present a proposed method of satisfying the requirements of the Scope of Work as specified herein.

GC Services has read the Scope of Work in its entirety and can fully comply with all requirements stated therin.

## Company Information

GC Services Limited Partnership first opened its doors for business in October 1957 in Houston, Texas.  In the over 53 years since, our commitment to providing the highest level of quality service has led to tremendous growth.  Today, GC Services is one of the most respected collection service providers in the United States.  GC Services has achieved this phenomenal growth through organic means—by both adding to our client base and then growing with our clients once we have formed a partnership—rather than through mergers and acquisitions.

GC Services is a national firm with nearly 9,000 professionals located in over 30 offices. Our proven financial stability augments the efforts of our tenured management team to provide a unique combination of stability and nearly unlimited growth capacity.

Our best-in-class approach provides the dedicated resources, proven performance, decades of experience, financial stability, and company longevity needed to provide our clients with the best-performing and most cost-effective services.  GC Services has three dedicated operating divisions: Bad Debt Management (third party collections); Live Receivables Management (first party programs); and Teleservices (customer service programs).

GC Services is one of the leading collections companies in the United States, providing accounts receivable management solutions to public and private-sector organizations throughout the country.  We provide every aspect of collection management—from the recruitment of top-quality personnel to designing systems and implementing complex accounts receivable management solutions.

GC Services provides debt management services to many of the largest governmental programs in the United States, including our many state accounts receivable management programs.  Our commitment to providing the highest-quality service to our governmental clients is a large part of what makes us the premier accounts receivable management firm in the nation.

GC Services ensures that each client receives individualized attention and a program tailored to that client's needs. Each project incorporates a quality control process that is unrivaled in the collections industry. As an integral part of each quality control plan, GC Services employs specialists who maintain the caliber of the service each representative provides. Moreover, each of our clients, along with GC Services quality control professionals, plays an active role in determining their own program standards. GC Services regularly refines these standards as our clients' needs change or as new technologies become available.

GC Services has extensive experience with public sector receivables and collects on accounts for many counties, municipalities, states, and the federal government. In our 53-year corporate history, GC Services has become well-versed at handling account receivables for the public sector. Over the past 28+ years, we have become experts at handling government-related debt through our partnerships with various federal, state, and local governments, including the states of Illinois, Ohio, Michigan, California, Texas, New Mexico, Colorado, Utah, the District of Columbia, to name a few. Additionally, GC Services pioneered the California court collection program nearly 21 years ago that currently operates in more 95% of the counties across the state. To date, California counties have entrusted GC Services with over $8 billion in accounts receivable. We are focused on collection processes, customer and client satisfaction, and are dedicated to providing the most comprehensive solution available.

## Our Approach

GC Services Limited Partnership understands that the public sectors is duty-bound to trust only the most qualified and financially sound debt collection firm to assist in the collection of delinquent receivables. In order to accomplish its objectives, a governmental entity must select an experienced collection firm with proven qualifications that can demonstrate their ability to perform the necessary functions. These include:

- Performing duties in coordination with the State;
- Establishing an administration and collection staff dedicated exclusively to the collection and resolution of State accounts;
- Making all arrangements necessary to establish and maintain computer hardware and software that accepts and accommodates data on all governmental accounts;
- Establishing and administering both initial and follow-up training to all employees encompassing all areas of collection activities and as well as all laws and regulations governing such activities;

- Providing assurances that GC Services is operating within the laws and regulations governing collector activity, which includes obtaining mandatory licenses for office operation and appropriate personnel;
- Performing all actions necessary for collection of the accounts placed with us for collection;
- Locating delinquent individuals and businesses and requesting repayment of their financial obligations in a professional and business-like manner, either by immediate repayment in full or by repayment schedules satisfactory to the State;
- Locating individual and corporate assets; and
- Pursuing the collection of recalcitrant accounts through involuntary means of collection, when authorized by our client, through wage garnishment, bank levies, and real/personal property attachments.

*By implementing the collection services offered by GC Services*, our public sector clients can expect to achieve the following goals:
- Decrease the number of accounts not being collected.
- Reduce the amount of money and manpower spent trying to recover these accounts, allowing employees to perform other vital functions.
- Realize substantial increases in revenue generated from these accounts.
- All accounts will be worked regardless of balance.

Today, many governmental entities are experiencing significant increases in receivable volumes. These increases have put severe staffing and financial strains on their administrative offices as they must handle a large volume of accounts. GC Services understands that this, coupled with budget and staffing cuts occurring throughout the Government sector today, has made it very difficult for public sector entities to devote the time, money and manpower to adequately handle the increasing volumes.

Through our contract performance and resulting longevity with other governmental entities, GC Services has demonstrated that it is qualified to meet these objectives. Moreover, we are committed to providing the most professional, cost-effective and efficient program to our clients. Throughout our history, GC Services has developed innovative programs that fulfill the needs and requirements of our diverse clientele. Our primary business is receivables management and systems development using advanced, automated technology and human resources in the most effective manner.

For this reason, GC Services is confident that we can focus directly on the primary objective—a professional and business-like approach to the handling of receivables.

**Targeted Tax Collection Approach**

GC Services operates in accordance with our comprehensive collection methodology, as well as within the high moral and ethical boundaries set forth by federal and state laws and our executive management. GC Services maintains strict control to ensure that all accounts are followed up on a timely basis and in accordance with approved methods. Our internal controls ensure that all accounts are being worked intelligently, thoroughly, and within the parameters of our Fundamental Collection Principles.

Attempts to contact the tax payer by telephone begin the day the accounts are received in the collection center. If there is no telephone number listed for the tax payer on the placement information, SKIPNET or directory assistance is used. If these procedures do not result in determining a telephone number, more extensive skiptracing procedures begin. Our skiptracing expertise surpasses that of other agencies and firms.

GC Services recognizes the importance of continued telephone efforts to contact tax payers. In the event telephone contact cannot be made, a series of collection letters will be sent. If the tax payer does not have a telephone, contact will be attempted by calling "nearbys" who may be willing to relay a return telephone number to the taxpayer. In each instance, the confidential nature of the call will be maintained.

Once contact with the taxpayer has been made, GC Services will ask for immediate repayment of the full amount of the outstanding debt. Arrangements will be made in accordance with GC's Collection Policy that states:

> *"[we will] require taxpayers to pay in a manner consistent with their ability to repay their debt. We will always keep in mind the human rights and dignity of the taxpayer and we will allow no unreasonable demands to be made or implied."*

The Account Representative will determine the taxpayer's current situation and circumstances. This fact gathering will include, but will not be confined to, the taxpayer's:

- Current Address

- Current Place of Employment

- Current Income

- Paydays

- Dependents

- Outstanding Indebtedness

- Bank and Other References

- Assets

This information will be recorded on the account record for future reference by authorized personnel. Repayment schedules will be considered only in those situations where GC Services has determined through its fact gathering that payment-in-full is not immediately available. Repayment terms will then be negotiated for the best possible arrangement, both in regards to the monthly payment amount and the duration. The terms that are agreed upon will be included in the account record, together with a "hold date" for follow-up. This "hold date" ensures that the taxpayer keeps payment arrangements.

All taxpayers are instructed that they have an obligation to pay their delinquent debt as expeditiously as possible. Each taxpayer contact is thoroughly documented by our automated system with the specific activity that has taken place on the account. These collector notes cannot be deleted or changed.

GC Services realizes that often, the taxpayer does not have the ability to pay an account in full; however, experience has shown that some do and will when properly motivated. Our objective is to motivate those who have the ability to pay using a firm, yet fair approach. If a taxpayer states that he does not have the funds, we will ask him questions regarding his financial circumstances. If he cooperates we will attempt to point out sources where funds can be obtained. If it is obvious to us that there is the ability to pay all or a large portion of the balance, we will press the individual to pursue that source. If it is determined that the taxpayer cannot pay the past due balance in full, a payment plan is established to pay the full balance as soon as possible.

GC Services' Account Representatives appeal to emotions such as honesty and integrity while they point out the legal consequences of the taxpayer not meeting his/her obligation. When a taxpayer refuses to provide us with information about his financial circumstances, we again push for payment in full. At the same time, we check for assets that could later be used to recover these monies in the case of recalcitrant taxpayers.

**<u>Tax Collection Letter Verbiage</u>**

Collection letters are an important part of the collection effort. In the event telephone contact cannot be made, a series of collection letters will be sent; however, telephone collection attempts will continue.

GC Services has an extensive catalogue of collection letters it currently uses for our clients. Each collection letter is noted as part of the permanent account record in STAR (GC Services' proprietary System To Automate Recovery). State and federal authorities have reviewed all of our letters and where required have approved the content.

All accounts receive an initial demand letter upon receipt. Complementing telephone collection activity, subsequent letters are sent as scheduled by the letter system and as deemed necessary by the collector.

GC Services has the ability to specialize our letters for different clients when required. GC Services also has the capability to provide letters in a different language, such as Spanish, to delinquent taxpayers who do not speak or read English.

As with other program aspects, our letter component is highly customizable and will be tailored to meet the specific needs of the State. GC Services will work with the State to create an aggressive, customized campaign that will augment the collection process most effectively.

b. Provide a narrative description not to exceed one page in length, describing your company's collections process from the time a case is referred until it is closed, including payment processing.
c. The language of the narrative should be straightforward and limited to facts, solutions to problems, and plans of proposed action. The usage of technical language should be minimized and used only to describe a technical process.

GC Services aligns its goals with the client's expectations and collection strategy to accomplish all project goals. We train our collectors on effective talk-off techniques, effective urgency payment (credit card, check by phone) programs, as well as second talk-off and account verification processes to secure a high kept rate on promises taken. Please see our one-page narrative describing our collections process on the following page.
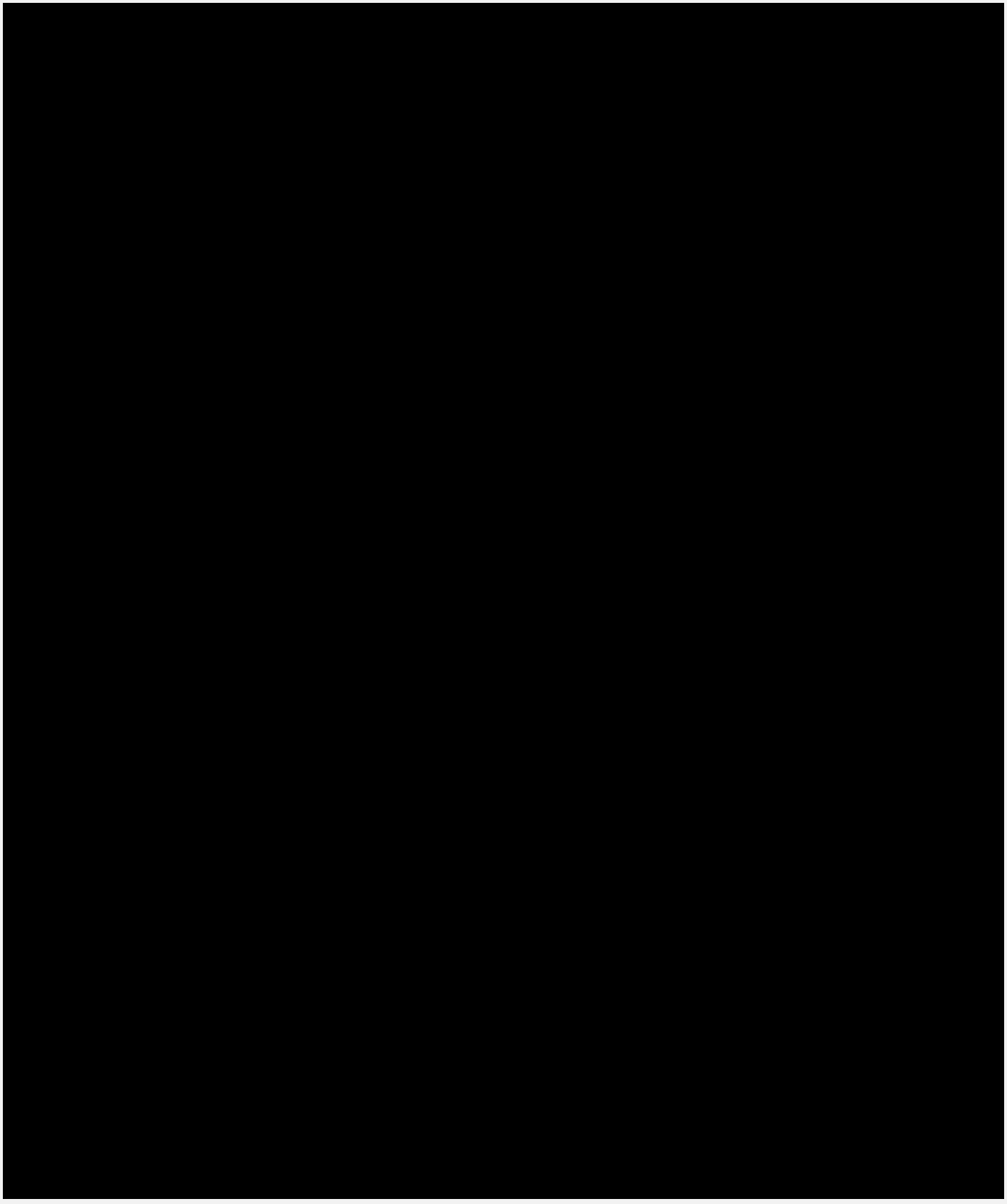
d.  Flow charts and other graphics may be included on additional pages.
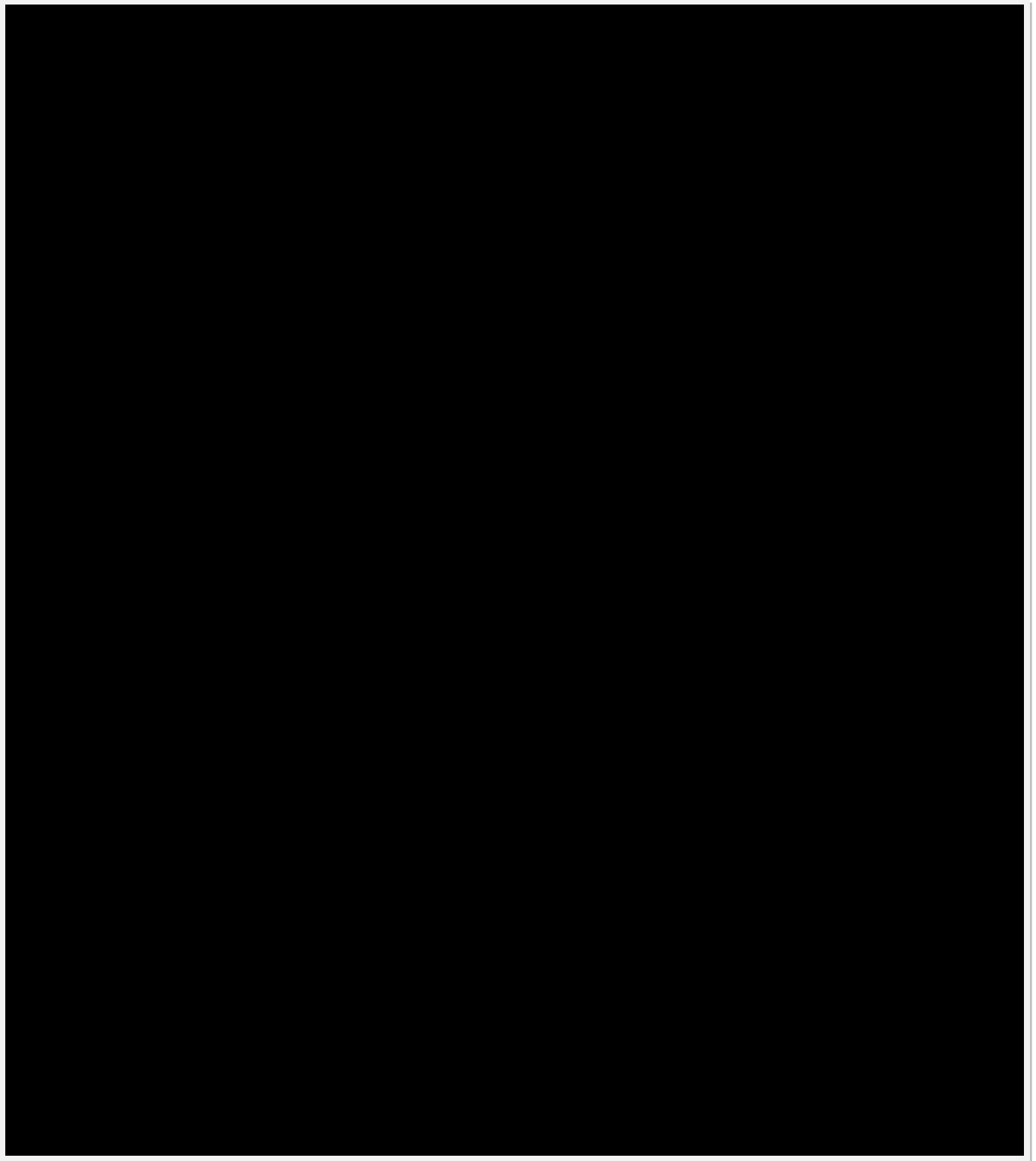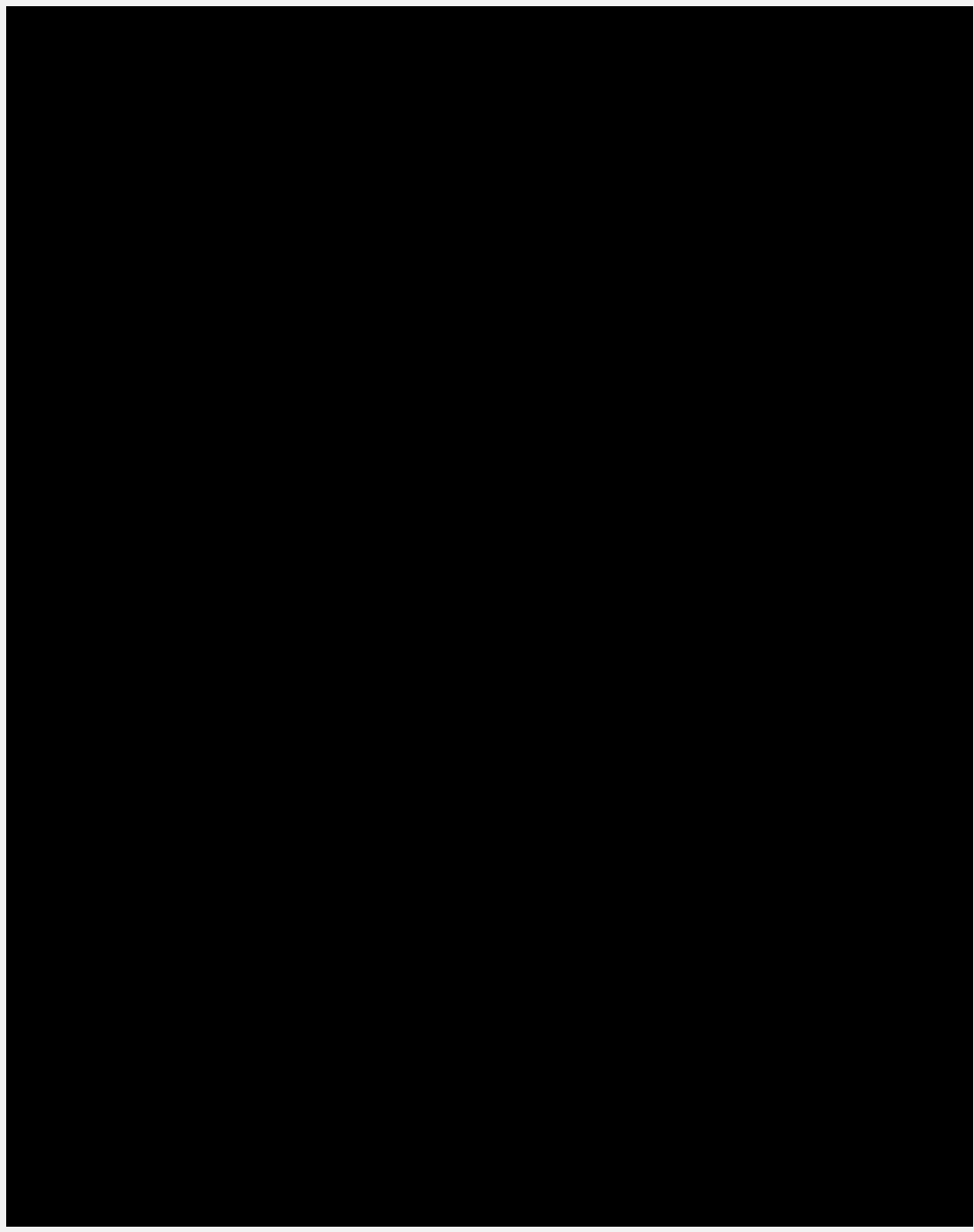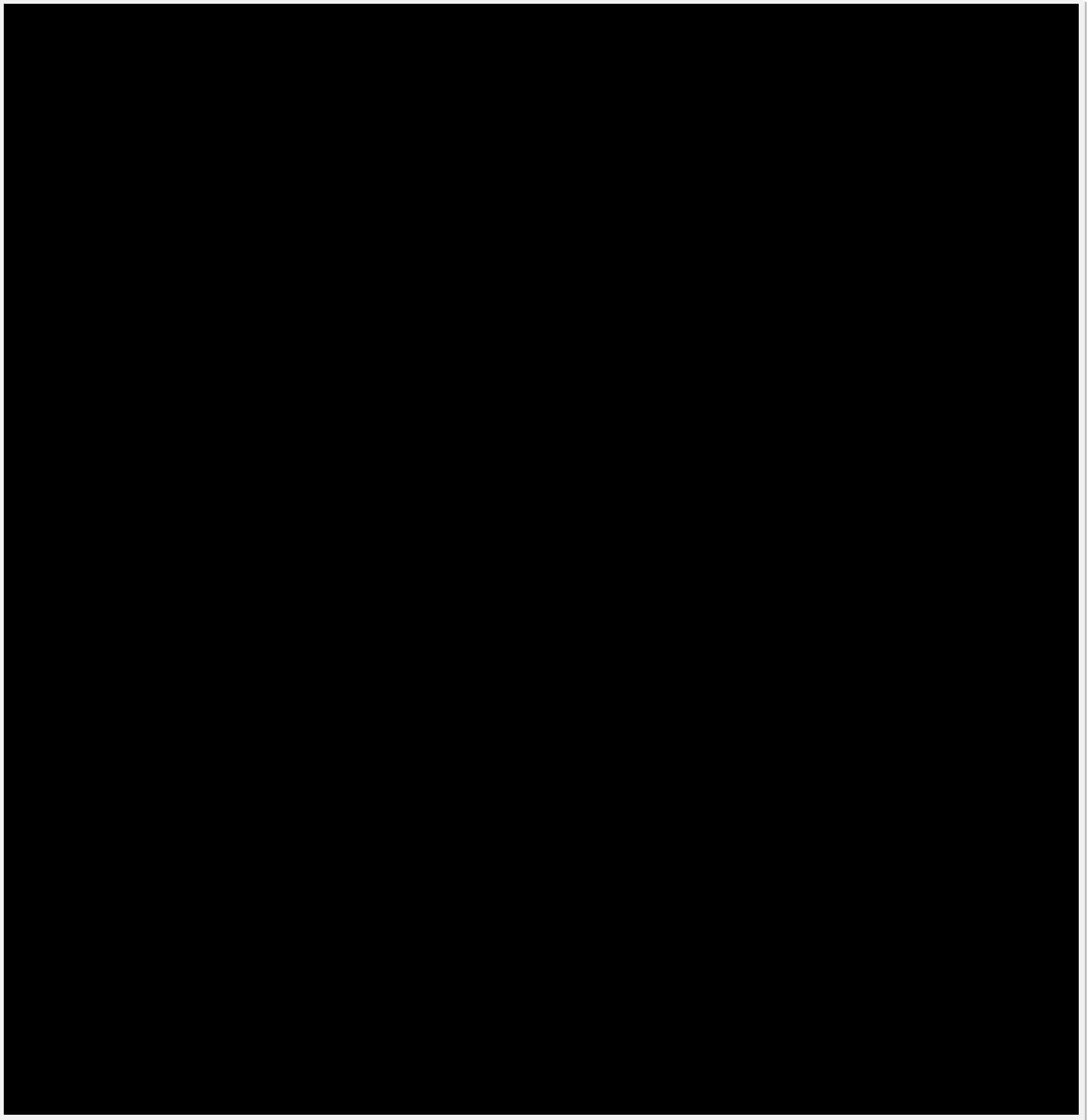
e. Provide a description of any automation supporting the collection effort including any automated case management system, autodial system, or other automated systems.

GC Services will use our System To Automate Recovery (STAR) computer system for the proposed AZDOR engagement case management system. STAR is a UNIX-based on-line real-time solution and was designed in house by GC Services' IT Department. It is routinely tailored to meet each client's file format and reporting requirements. All upgrades are via a structured change management process that includes Change Control Board review.

STAR presents account information to Account Representatives through a series of screen overlays to facilitate speed in accessing and updating relevant account information and in scheduling account follow-up. STAR also provides tools to allow management review and control of collections activities. Collections activities on STAR include the following:

- Prioritizing and scheduling account follow-up
- Recording, tracking and automated handling of promise-to-pay arrangements
- Check-by-Phone collections and check processing
- Standard collection letters: initiated automatically or manually
- On-line access to national skiptracing databases and credit bureau reports
- On-line tracking of efforts to locate the taxpayer
- Entry and storage of permanent notes, detailing the history of actions and discussions
- Entry and posting of payments received locally
- On-line, real-time display and update of account data
- Access to client/industry-specific data screens
- Integration with hosted predictive dialers and call management dashboards
- Integration with an on-line management report portal

**STAR Account Scheduling** - The system schedules the daily workload for each account representative through an on-line batch process, which is run at the close of each business day. This automated process selects accounts with follow-up dates less than or equal to the next business day, and builds them into daily work-lists for all account representatives. Management establishes priorities and work orders for each account representative. The key features associated with this process include the following:
- Using the "feeder system," accounts can be fed to account representatives based upon the age and balance of the accounts and the volume of work already in the account representatives' work-lists.

- Account Representatives assign account statuses to aid in organizing the work based on the next step, or type of follow-up required. Certain system functions also can cause a status change in order to flag an account to an account representative's attention, or remove an account from an active work-list.
- Each account representative's work-list is sorted by account status, then ordered first by oldest hold date and second, largest balance.
- An account can be scheduled for follow-up at a specific time of day.
- Hold dates can be set by the account representative or automatically by the system.
- Account representatives can enter standard-text notes by means of note codes. These note codes can be configured automatically to change the status and reschedule the account.

**STAR Promise-to-Pay Arrangements** - The account representative records and reviews payment arrangements secured for an account. A STAR promise screen stores the terms of the arrangement and assigns a category in order to aid in follow-up. Installment arrangements may be automated once the taxpayer has established a pattern of making on-time payments. In such cases, monthly reminder letters are sent to the taxpayer automatically, with the system presenting the account to the Account Representative if the taxpayer does not comply with the agreement.

**STAR Check-by-Phone Collections and Check Processing** - GC Services has an integrated interface with the AutoScribe Check writing system. When the Account Representative makes an AutoPay payment agreement with a taxpayer, they record the terms of the agreement and the check information in STAR. Once entered, any change requires password approval by a supervisor. All information is then transmitted to the AutoScribe application running under MS Windows on a PC, which generates taxpayer checks for deposit.

**STAR Collection Letters** - The Account Representative can request standardized collection letters, or the system can generate specific letters at predefined intervals automatically. Installment agreements, postdated check agreements, and AutoPay agreements also generate automated letters a set number of days before each due date. When letters are requested from any source, STAR transmits the request along with the relevant account data to a letter processing application. This application merges the account data with the appropriate text, and prints the letters on high-speed laser printers using the designated letter stock. A history of letter requests is retained in the account notes.

**STAR On-line Skiptracing** - GC Services has developed on-line skiptracing tools to aid the Account Representative in locating the taxpayer. All accounts will be sent through the National Change of Address file to find forwarding addresses at placement. We will use SkipNet, our proprietary telephone directory search engine based on monthly updated Acxiom data to find phone numbers at the placement address, Nearbys, Multiples and Alternate Address leads. Additionally, we have licenses with both Accurint and InsightCollect (both are credit header and public record compilers). We also have access to credit bureau information (all three bureaus) in both summary and long form. We utilize miscellaneous free internet sites, including Superpages for employment lookup, and County Assessor websites to determine property ownership and create landlord leads. STAR integrates credit summary data into our skiptracing process. It displays phone numbers, current and former addresses, place of employment information, relatives, and aliases. STAR allows a result code to be entered for each skiptracing call and then forwards those results and any free form text into the STAR notes.

**STAR Account History and Auditing** - STAR keeps an audit history of all activities on each account. The Account Representative enters memo notes, indicating collections activities and the results of taxpayer conversations. The Account Representative uses standard note codes to generate standard-text memos. These note codes also schedule future account follow-ups. All memo notes are permanent auditable accounts records that can't be deleted or altered. Other activities that create audit notes include payment and bookkeeping-related activities, letter generation, promise, compromise, or repayment agreements, skiptracing queries, status changes, desk assignment changes, and client interface activities. This functionality ensures that all collection activity occurring on an account is immediately documented on STAR.

**STAR Payment Handling** - STAR's bookkeeping functions happen by means of secure processes that allow access only by designated personnel. Locally posted payments and postdates only can be entered using specific logins and are password protected. Payments are then transmitted to the mainframe accounting system, which tracks them for the purposes of performance reporting, remittance processing, and invoicing. Any payments received directly by the client can be interfaced to the accounting system in Houston. It will then transmit and post the payments and client adjustments to the taxpayer accounts on STAR.

**Momentum File Transfer Module** - GC Services can accept electronically transferred accounts from our clients via our Momentum file transfer module. Momentum generates and archives an auditable record of all files sent and received. GC Services will test Momentum module and its STAR interface functionality prior to actual account

transfer. GC Services can accommodate virtually any communications protocol. FTP (encrypted, e-mail or custom), private frame-relay, tape-to-tape, IBM 3480 cartridge, and hardcopy interfaces are all routinely used.

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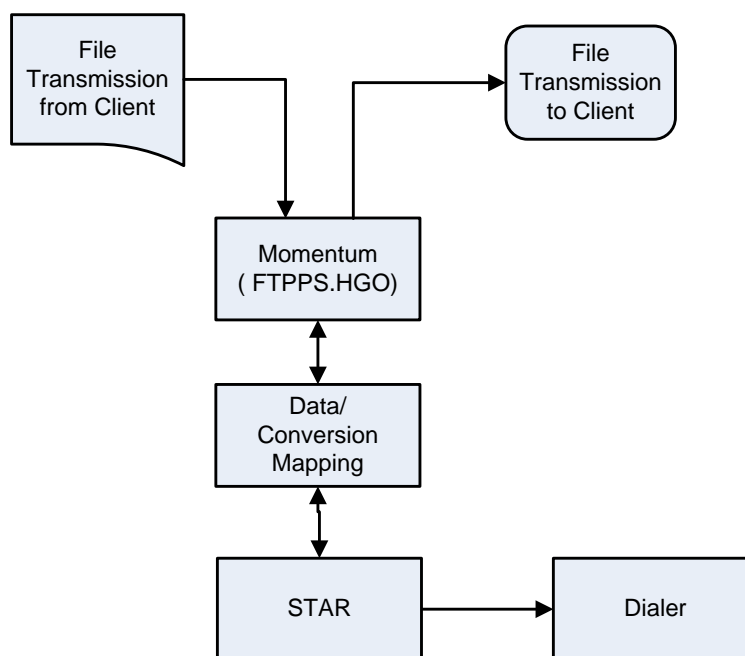
**Automatic Call Distributor and Dialer** - GC Services proposes supporting inbound and outbound calling and outbound IVR through an automatic call distributor and dialer solution that provides skill-based routing and full call recording and monitoring. Functionality includes the following:

- Utilize comprehensive dialing features and includes an ACD that powers an Account Representative desktop feature. The Account Representative desktop provides call pacing and routing tools that are superior to limited broadcast products.
- Track promise to pay/ROI through analytics that allow for real-time campaign adjustments.
- Utilize integrated payment lines, thus allowing us to get the most out of each Account Representative.
- Record and monitor calls through a built-in call recording/monitoring feature, without ever having to pay extra for features, upgrades or add-ons.
- See an immediate screen pop of consumer information and call transfers with no latency, virtually eliminating abandoned calls.
- Take advantage of complex campaign management features that allow full control by managers and supervisors.

- View business intelligence and key analytics in real time.
- View business intelligence and key analytics, such as Account Representative talk time, wait and wrap up time, abandoned call rates, and productivity stats, in real time.
- Record and monitor inbound and outbound calls through a built-in call recording and monitoring feature.
- Integrates a full Account Representative monitoring suite that includes call recording, real-time call monitoring, Account Representative coaching and call transfer/barging.
- The system provides program and Account Representative -level reporting, and the call monitoring features can be used within a blended-Account Representative environment.

**Management Report Web Portal** - GC Services proposes offering a web portal-based user interface to provide easy access to "strategic" management reports. Upon clearance through GC Services' security team, approved users will be given access to this customized web portal. This remote access is provided by a secure VPN tunnel using two-factor authentication. A secure token with random number controls makes up part of each user's password. These users must establish a PIN, which is used in addition to random numbers on the token to make up the password. If a token is lost it cannot be used without also knowing the associated PIN. A user manual (including a list of abbreviations), a training manual, and training classes are provided. Initial training on our system takes approximately four hours, and we continue to make the trainer available thereafter to ensure complete understanding by client personnel. Additional training and associated media will be provided when system changes are necessary.

Once an approved user logs into the reporting web portal and has entered their password, a custom "splash page" will be displayed.  The splash page lists both standard periodic reports available and also reports that users can run on an ad hoc basis.  By selecting a report, results are displayed in a report selection criteria screen for the user.  The user can further define his or her selection criteria, based on the desired results.

We have developed great flexibility and have a number of reporting systems available. In addition, our previously described automated collection systems have the ability of "tailor-making" a system to fit the specific needs of our clients.  With this in mind, standard GC Services management reports include but are not limited to the following:
- Acknowledgement Report - This report is generated upon receipt of accounts and furnishes specific information about each taxpayer on a computer print-out or as an individual document. This report indicates basic data such as the

placement date, account number, name and contact fields, placement amount, presence of returned mail, etc.

- Statistical Performance Analysis - This aged trial balance format was first used in the collection industry by GC Services. This report offers the ideal method to review collection progress on accounts by the date of placement. Review of this report facilitates analysis of liquidation trends. It also provides a status check on the entire collection portfolio.

- Client Cancellation Notice - This report will serve as the hard copy alphabetical listing to accompany returned accounts. This report shows the individual account number, the taxpayer's name and address, indicates the date the closed account was originally placed with GC Services, the dollar amount of placement, the balance of the account at the time of close and return, the date of cancellation and the GC Services internal number, along with the reason for close and return of the account. Additional pertinent information such as specific bankruptcy data is also noted by each account being closed and returned.

- Status Report (Account Listing) - This report can be produced monthly or as requested by the client. It can be produced in sequence format by alphabet, account number, placement date or declining balance. It may include all accounts, only active accounts, only cancelled accounts, only paid accounts, or only accounts above or below a cut-off figure.

- Itemized Invoice - Information contained on the invoice consists of the date of payment, taxpayer name, account number, payment amount, and remaining balance due. All payments processed during the invoicing period, by individual account, are listed on this report. GC Services has complete flexibility in remitting funds. Payments that are directed to GC Services can be remitted to the client at any one of five invoicing periods monthly. These funds can be handled as net items with GC retaining its commission or they can be forwarded to the client on a gross basis with a statement for our portion of the collection fee.

f. Provide samples of letters and other correspondence sent to taxpayers and a description of any automation used to generate such correspondence.

Please see our sample collection letters accompanying this proposal. Additionally, please refer to our response in Sections 2.a) and 2.e) for a description of our automated letter series.

g.  Describe your skip tracing capability, method and sources. Indicate if different procedures are used based upon the dollar value of the account.

Accounts placed with missing or incomplete information that precludes contacting the customer immediately upon placement are sent to skiptracing.  The goal of skiptracing is to develop sufficient information so that a collector can make contact and affect a resolution to the account.  If an account has a good address but no phone number, GC Services uses our SKIPNET program to determine if a number exists at the address under a different name, and to contact people at nearby addresses who may assist us in locating the account holder.  We also employ a number of other sources to help us locate the account holder.  Some possible resources are Lexis-Nexis, CBC Innovis, Insight, other various internet resources, the local tax assessor, utilities, banks, multiples (same last name), Secretary of State; same SIC businesses; and professional licensing resources.  When a contact is made the account is then handled for resolution.  If no contact is made but a verified address can be established, GC Services initiates a letter campaign.

Successful skiptracing is crucial to the overall success of any collection program. Recognizing this fact, GC Services continually refines and enhances its skiptracing procedures.  For the purpose of this proposal, a skip is defined as an individual that cannot readily be telephoned to discuss an outstanding obligation.  Skips are not necessarily individuals who are seeking to avoid paying their debts.  In fact, we find that most customers are honest people.  Some of the reasons an account is classified as a skip and thus requires complex location activities include:

- The taxpayer  does not have a home telephone

- The individual is deemed financially responsible in whole or part, and is either unaware of receivable or forgotten receivable and relocated to another address

- The telephone number is unlisted

- The telephone is under someone else's name

- The taxpayer  changed names

- The taxpayer  moved out of the area

Generally, skips fall into one of two different categories:

**Unintentional Skips** – This skip category consists of individuals who are not necessarily trying to avoid paying their debts but often become skips through

carelessness. For example, an individual may neglect to notify creditors when moving. And, while these skips may have moved, the majority of the time they remain in contact with family, friends, and former employers, thus making this category relative easy to locate.

**Intentional Skips** – Conversely, this skip category consists of individuals who are deliberately avoiding payment. Those seeking to deliberately avoid paying their debts do so either because of an overwhelming life change (e.g., divorce, job loss, or major illness) or because they are what we call credit criminals. The credit criminal is, of course, the most difficult individual to locate. They intentionally conceal their whereabouts by frequently changing their home address and place of employment, living with friends, or living in temporary dwellings (e.g., motels, etc.). These individuals may even change driver's license and re-register titled property and assets to avoid discovery.

Skiptracing procedures can be quite time-consuming and may involve contacting several sources in order to discover the customer's telephone contact information—regardless of the existence of a "good" address. Simply put, skiptracing is like putting together a puzzle using pieces that are scattered and possibly hidden. Moreover, skiptracing is an art that must be developed, practiced and constantly improved. When recruiting, hiring and training skiptracers, we look for four qualities vital to skiptracing success:

**Technical Expertise** – A successful skiptracer is an expert in a multitude of databases, internet resources, references, credit bureaus, and other direct and indirect resources necessary for customer location.

**Naturally Perceptive** – In addition to being a technical expert, a successful skiptracer must be perceptive. For example, when speaking with someone other than the customer, a skiptracer must be extremely sensitive to the third party's comments so that h/she asks the right follow-up questions. The answer to a perceptive skiptracer's probing question can reveal additional information. Perceptiveness, then, is a combination of three factors:

- The ability to ask the right questions
- The ability to listen and hear clues offered by contacts
- The ability or insight to interpret these clues

**Persistent** – As we note earlier, skiptracing can be very time-consuming and frustrating. Successful skiptracers are persistent; h/she enjoys the challenges inherent in locating difficult skip accounts and won't just work the easy accounts.

**Manages Time Well** – A successful skiptracer must be able to manage the time and effort h/she expends attempting to locate an individual. Our skiptracing training reinforces this concept, allowing our clients to benefit from a maximized skiptracing approach.

GC Services has a comprehensive skiptracing training program. All GC Services skiptracers are required to comply with the Fair Debt Collection Practices Act and any other applicable laws, rules, or regulations. In addition, we train our staff to:

- Initiate skiptracing as soon as the absence of a telephone number is confirmed
- Contact all logical sources that could provide customer location information (e.g., neighbors, relatives, co-workers, landlords, friends, and ex-spouses)
- Ask open-ended questions; be warm, friendly and pleasant; ask for assistance, request information; in most cases, the first call to a lead will be the only contact we have with that lead; therefore, the first call must be productive
- Follow up new leads quickly; often a seemingly unimportant fact will lead to customer contact
- Document all information completely and accurately

Once candidates complete the skiptracing training modules, they are required to successfully complete a final examination. This final examination ensures that our skiptracers, prior to assuming their job responsibilities, comprehend our skiptracing procedures and approaches. Some sample examination questions include:

- T or F   The first two digits of a zip code are unique to a single U.S. state?
- How many McDonald's Restaurants are located on Page Avenue in St. Louis, MO?
- Who lives at 400 Landfair in Dunlo, Pennsylvania?
- Find the best lead for Donal Schmal, General Delivery, Junction City, OR 97448.

After the initial training program, we provide refresher training and workshops so that skiptrace personnel can exchange ideas, explore varying strategies, and share best practices.

At the heart of the GC Services skiptrace program is our proprietary database SKIPNET. SKIPNET was designed to increase the efficiency and lower the cost of our skiptracing efforts on behalf of our clients.

SKIPNET allows our collectors to access, from their workstations, nationwide telephone directory information sorted by name, address or standard industry code (for business listings).  A brief description of the various functionalities is shown below.

**Search by Name** – Collectors can search for individuals using full or partial names, addresses, cities, states, or zip codes.  Within seconds the collector receives the first 15 listings that fit their search criteria.  At that point they are able to make the decision to widen or narrow the geographic area searched in order to find the most probable leads. Since we receive monthly updates to the file of adds, changes and deletes, our ability to expand the searched geography to a nationwide level makes this tool superior to directory assistance.

**Search by Address** – Going beyond the limitations of directory assistance and published telephone directories, SKIPNET allows our collectors to find a listing using only an address.  This is particularly helpful in those cases where the phone is listed to a name other than the account holder's that we are skiptracing.  Common examples include roommates, women's married names, and stepparents.  In all of these examples the phone is listed under a name other than the person owing our client money.  By searching by address we are able to locate such people.  Another utility involves nearbys—that is, people who reside near the party we seek.  Nearbys often are able to provide contact information for the person whom we seek.  In the event that the nearby does not know the account holder sought, he or she can still be helpful by leaving a request for call back message on the person's door.

**Search by Standard Industry Code** – This functionality locates a type of business in a defined geographic area when we don't know the name of the business.  When collecting consumer debt, many times we learn during our skiptracing efforts that our party works at "some candy factory in Pennsauken."  With this feature of SKIPNET, we are able to locate the exact name, address, and phone number for all candy factories in Pennsauken.  Another use for this feature is our ability to find possible places of employment for account holders when we have prior knowledge of their occupation or trade.  When collecting debts owed by businesses, the search by SIC code can be invaluable in obtaining information from either businesses similar to the one we seek or from businesses that would naturally have dealings with the one we seek.

In addition to SKIPNET, GC Services uses credit data and other tools as sources of information. For those individuals with a credit file we are able to obtain new and recent address information, current and previous employment information, and credit and bank references. GC Services also can contact credit and bank references for additional account information. Additionally, cross-referenceable credit header data allows us to locate people who share or shared an address with our skiptracing subject. These relatives, roommates, and friends often have information about how to contact our skip at home or work.

The additional resources (in addition to SKIPNET and Credit Bureau data) include:

- National Real Property – Asset information compiled from County Assessor's property tax files and County Recorder's deed transfer files. We can search by owner name, seller name or property address.

- National Judgment, Tax Liens and Bankruptcies – This file is updated weekly and contains names, addresses, social security numbers, attorney name, and assets.

- National Fictitious Business Names – This contains newly formed businesses and has records dating back to 1989. Information is obtained from Secretaries of State and other licensing offices. Each record contains names, addresses, and SIC codes.

- Various internet resources such as usps.gov and superpages.com.

## Account Analysis and Segmenting

GC Services will analyze the assigned ticket population to target the frequency and message of collection tools and determine the appropriate application of a predetermined set of collection techniques to each target group.

### Customized Inventory Management

When GC Services manages the collection inventory; we focus on tasks, rather than making our collectors "jacks of all trades." For example, for those employees that are identified as the most skilled skiptracers, we have them perform skiptracing tasks. For those employees that show a special aptitude for taking inbound calls, we assign them to take calls. For those employees that are talented at managing outbound efforts, we enlist those individuals to manage outbound calls and/or dialing campaigns. The City can be confident that if we have the opportunity to work your accounts, we will offer a *focused, dedicated, and unique* approach for your program. Specialization of tasks has proven to yield recovery rates between 30-40%, supporting the strategy

*Utilize Socioeconomic Measures*

Our collection process is to locate as many delinquent individuals as possible. Our collection efforts include skiptracing and an account scoring system to increase netback to the City. This automated system scores individual collection accounts to help predict a debtor's ability to pay. Our scoring system is based on a methodology that produces a socio-economic measure (SEM) that describes neighborhoods based on their relative prosperity. The SEM is determined using a minimum of five socio-economic dimensions: income, education, occupation, housing values, and neighborhood demographics. SEMs range in value from zero - 100, with the highest scores identifying areas most likely to pay. In addition to SEMs, GC Services uses various credit bureau products to score accounts to facilitate calling campaigns and skiptracing procedures. GC Services currently uses SEMs to augment and strengthen our over collection strategy.

*Target Resources to Find Debtors and Facilitate Payment*

As required, GC Services will do National Change of Address searches, phone overlays, score the accounts, and target all our resources accordingly. For example, for those accounts with higher average balance and SEM rating, and where our probability of obtaining information from credit bureau inquiry is higher, we will utilize our resources first to find that debtor instead of one with a lower balance and lower SEM. Our focus is to target our resources unique to the account on data sources that will actually result in additional information. For example, in low SEM rated zip codes, historical data supports the fact that we have a less than 1% chance of obtaining traditional credit bureau data as the demographic is largely transient and has a propensity to be largely a cash and carry community.

**Portfolio Analysis and Reverse Engineering**

GC Services' portfolio analysis adds a powerful knowledge management tool for the City's use. With it, we will be able to share key elements of the debt portfolio with the City. The information we accumulate through our proprietary scoring models will help the City to gain a better understanding of the debtor composition and portfolio assigned. GC Services believes that maximum liquidation occurs by having the right people calling the right accounts at the right time with the priority in that order. By combining our recruiting and hiring processes with our proven training and development, we produce the best collectors in the industry.

Our over 53 years of experience combined with early data points on a program allow us to "reverse engineer" an account segmentation program that puts the right accounts into the right hands. This is not an individual account scoring system; this is segmentation that allows us to adjust strategy and personnel to "get it right," based on account characteristics. Right time refers to our overall calling strategy. We understand

the importance of prime time calls and varied calling time. We do not just push our collection staff to make more calls; we train them to make smart calls and to develop secondary points of contact to increase our contacts, not just our number of calls.

**Data Mining to Support Portfolio Analysis**

GC Services' data mining techniques support effective collection strategies customized to each portfolio. However, portfolio analysis is only the first step. Developing a successful strategy based on the analysis and the implementation of that strategy both are critical. The task simply stated is, "find the accounts that will collect at the highest level and prioritize work efforts accordingly." The crucial data elements that we use to predict collection success may come directly from the client, from a credit information vendor, from our proprietary SkipWEB©, or from some combination of factors.

h. Describe your asset location capability and method.

GC Services' asset location capability is second to none. Using data resources available through Lexis-Nexis, Insight, TALX, VeriFacts, Teletrack and Merlin Information Services combined with highly trained personnel, we are able to push accounts requiring asset location through a waterfall of data providers to maximize the location of assets. This process was developed specifically for governmental accounts that lie outside the permissible purpose arena for obtaining credit reports.

i. Describe your method of documenting collection attempts and other taxpayer contacts.

GC Services documents collection attempts using our previously-described STAR (System to Automate Recovery). STAR keeps an audit history of all activities on each account. The Account Representative enters memo notes, indicating collections activities and the results of taxpayer conversations. The Account Representative uses standard note codes to generate standard-text memos. These note codes also schedule future account follow-ups. All memo notes are permanent auditable accounts records that can't be deleted or altered. Other activities that create audit notes include payment and bookkeeping-related activities, letter generation, promise, compromise, or repayment agreements, skiptracing queries, status changes, desk assignment changes, and client interface activities. This functionality ensures that all collection activity occurring on an account is immediately documented on STAR.

j. If certified, the Offeror should provide documented SAS 70 certification.

GC Services completes an annual SAS 70 Type II Assessment of Controls. Additionally, GC Services' security program is in compliance with the Payment Card Industry (or PCI) Data Security Standard, which stands alongside the ISO 17799 and ISO 27001 security certifications in depth of review and required program monitoring/controls.

Our Director of Corporate Security is certified with the Information Systems Audit and Control Association as a Certified Information Security Manager, CISM. GC Services is also in compliance with the VISA Cardholder Information Security Program (CISP). GC Services has completed an Accudata Systems Network Vulnerability Assessment.

Finally, GC Services has received Federal Information Security Management Act (FISMA) Certification from the Department of Education. Starting in 2009 third party collection agencies performing student loan collections for Federal Student Aid (FSA) were required to complete the rigorous FISMA process. FISMA defines a framework for managing information security that must be followed for all information systems used or operated by a U.S. federal government agency or by a contractor or other organization on behalf of a federal agency. This framework is further defined by an extensive set of standards and guidelines developed by National Institute of National Standards and Technology (NIST). These standards will be in place for the AZDOR program. Please see our certification letter attached to this proposal.

## 3. Experience of Key Personnel:

a. Provide a description of the professional background and collections experience of the company leadership.

Many of GC Services' top executives began their careers at GC on the collections floor. We have a strong promote-from-within culture, which is evidenced in the tenure of our top-level executives and management staff.

- Jerold B. Katz, Owner – founded the company in 1957 and has, through constant innovation and foresight, led the company to its present day stature as one of the premiere collection agencies in the country. Mr. Katz is still an active member of the Board of Directors.
- Frank Taylor, President – started with GC Services in 1978 on the collections floor.

- Dan Cook, Senior Vice President of Operations – started with GC Services in 1984 on the collections floor.
- Scott Curtis, Vice President – started with GC Services in 1986 on the collections floor.
- Scott Cole – Managing Vice President, Business Development – started with GC Services in 1987 on the collections floor.

As you can see above, all of the executives who will have oversight on Arizona DOR's program have literally worked their way up from the bottom, giving them intrinsic knowledge of every aspect that is important to the DOR.
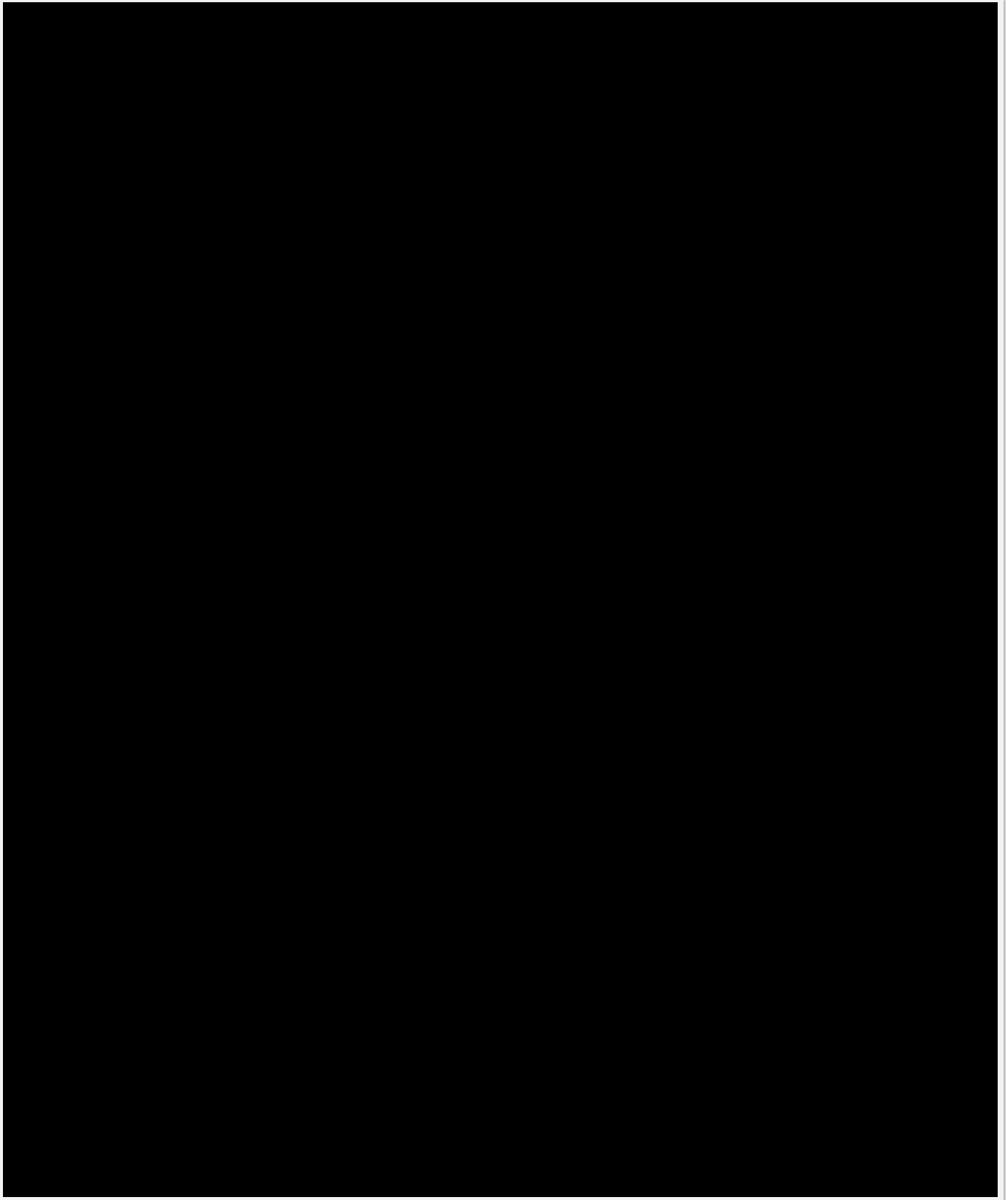
b. Provide a description of the professional background and collections experience for each of the key personnel to be assigned to the AZDOR project.

Please see the resumes of our key personnel for this project on the following pages.

c. Provide the professional background of the company's IT staff to be assigned to the AZDOR project.

GC Services maintains an Information Technology Group with more than 200 full time employees, some assigned to specific call centers and most at our headquarters and data center in Houston Texas.

After a contract is signed, GC Services forms a multi-disciplinary implementation team that consists of managers and specialists. Our response to question 1.l discusses the different types of  IT personnel.  Ultimate responsibility for the personnel involved in the proposed AZDOR engagement largely rests with the following three specific individuals:
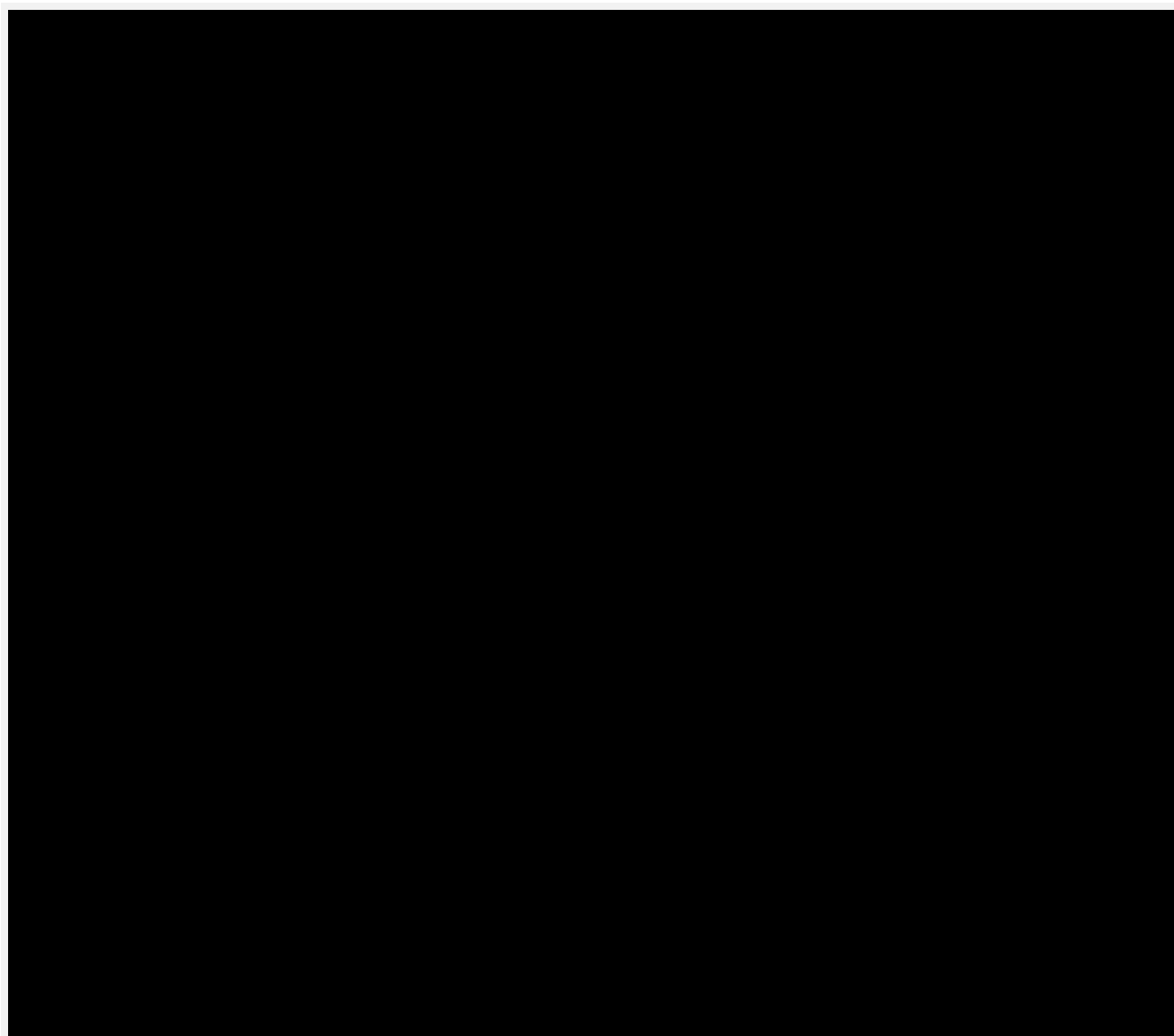
## 4. Cost:

The pricing offered shall be submitted within the solicitation document in ProcureAZ. Other information may be included within an attachment if/as needed.

## 5. Additional Information

The offer may include any additional information that reflects on the Offeror's ability to perform the required services.

GC Services' value-added proposition for the Arizona Department of Revenue includes our experience, customization, financial stability, and Quality First culture.

**A Wealth of Full-service Experience**
When evaluating potential outsourcers, it is important to consider their level of experience. The longevity of our company speaks well of our experience and business approach. GC Services has been in business for 53 consecutive years and has grown from one employee, our chairman, to nearly 9,000 employees. We are different from

most of our competitors because our company growth has been through successful project performance rather than through mergers and acquisitions. We prefer to grow through organic means—by adding to our client base and then growing with our clients once we've formed a partnership.

Call center staffing and management is GC Services' only business. We provide end-to-end contact center solutions, including facility and site selection, build-out, furnishings, ramp-up, recruiting/hiring, training, program management, quality assurance, scheduling, staffing, workforce management, ongoing training, performance reporting (standard and customized), telephony, call routing, CTI, and technical support. We staff our clients' programs with highly skilled managers and have an abundance of employees—especially in management—that have been with GC Services for 15, 20, 25, and even 30+ years. Our extensive experience and continuity of ownership promotes stable relationships with our clients and consistent best-in-class performance.

**Customized Solutions**

Many of our competitors believe it is sufficient to provide predefined, "packaged" solutions for their clients. Unfortunately, these one-size-fits-all solutions often fail to fully meet their clients' needs. GC Services is different; we are a full-service, **build-to-suit** outsourcer. We do not believe in using a "cookie cutter" approach to program management. We review each opportunity as a stand-alone program and won't move forward unless the partnership will be beneficial to both GC Services and our client. Our seasoned professionals have the expertise necessary to design and implement customized programs for almost any client requirement, scaling our human, technological, and financial resources to meet specific outsourcing needs.

One example of our ability to customize solutions would be our comment line. GC Services recognized the importance of gaining feedback from and providing information to our clients and therefore established procedures to track and monitor our telephone and written communications. One such enhancement, developed outside the scope of requirements for our current collection contracts, is the development of our customer comment line. Over the past year, our customer comment line logged nearly _**5,694**_ compliments with only five complaints. These five complaints were deemed to be minor and were resolved with minimal re-training. This proactive approach towards managing debt demonstrates our commitment to providing superior collection results with minimal impact on court operations.

**Financial Stability**

An outsourcer's financial stability is also an important consideration. GC Services is privately owned and has been profitable every year since inception. We are not

burdened with the debt load that many outsourcers are faced with as a result of numerous corporate mergers and acquisitions. What does this mean for the Arizona DOR? It means that we are better able to focus on your needs and the success of your program rather than on the capricious needs of Wall Street and shareholders. It means we are better prepared for change because we can make strategic decisions more quickly. We handle tens of millions of calls each month for a wide range of clients, from single-owner businesses to multi-national corporations and complex federal and state agencies. Our low debt-to-equity ratio puts us in a unique financial position to implement and manage outsourcing programs of varying scope, as well as expand our facilities and services to accommodate future growth — without seeking private or public investment. Our sound fiscal policies ensure that we will always be there to meet the City's customer service needs, providing quality service for the duration of the program.

**Quality First Performance**

To be truly effective, an outsourcer's quality assurance program must do more than simply ensure that calls are processed correctly. It must be a total commitment to quality that encompasses all aspects of the business, including recruitment and hiring, call processing, workforce management, performance reporting, and administrative support. To ensure that we consistently provide world-class service and remain responsive to changing client needs, our executives developed and implemented a comprehensive quality assurance initiative in 1997 called **Quality First**. Quality First is much more than a process; it is our culture.

Drawing on the extensive experience we have gained through 53 years of call center management, we continually refine our Quality First program so that it is second to none. Our motto, "Every day, in everything we do, Quality First," sets the expectation for how we approach our work, our customers, and our fellow employees. The core values of the Quality First program spell the quality acronym:

- **Q**uality: Quality is achieved when we accept personal accountability for achieving outstanding results.

- **U**nderstanding: We conscientiously and consistently apply our knowledge and skills as we serve our customer's needs.

- **A**ttitude: We exhibit positive and confident "can-do" attitudes, and we strive to influence others positively.

- **L**eadership: Our motto is "Leaders Lead." We recognize fellow employees when they offer assistance, lead by example, learn new skills, and live the Quality First Philosophy.

- **I**nitiative:  We set high goals for performance and achievement at the individual, team, and project levels.  We are self-motivated to identify and develop plans to address business challenges.

- **T**eamwork:  We regularly demonstrate our willingness to participate in a team environment.  We work through differences of opinion in a respectful manner.  We are ready to assist others and keep open minds toward others' opinions and suggestions.

- **Y**ou:  Refers to each employee's personal choice to adopt the Quality First Philosophy.

The guiding principle of Quality First is that it is imperative to meet and exceed client, customer, and employee expectations for quality.  Our first and foremost measure of quality is performance feedback from our client's customers, with the objective of identifying and understanding the needs of customers better today than we did yesterday.