

## THIRD AMENDATORY AGREEMENT

This **THIRD AMENDATORY AGREEMENT** is made between the **CITY AND COUNTY OF DENVER**, a municipal corporation of the State of Colorado (the “City”) and **INTEGRAL RECOVERIES, INC.**, a Colorado corporation whose address is 333 West Hampden Avenue, Suite 650, Englewood, Colorado 80110 (the “Contractor”), jointly (“the Parties”).

### WITNESSETH:

**A.** The Parties entered into an Agreement dated December 7, 2016, a First Amendatory Agreement dated August 9, 2020, and a Second Amendatory Agreement dated October 8, 2020 (collectively, the “Agreement”) to provide professional services to assist with the collection of delinquent fines.

**B.** The Parties wish to amend the Agreement to revise the Scope of Work, extend the term and to make such other amendments as are herein set forth.

**NOW THEREFORE**, in consideration of the premises and the Parties’ mutual covenants and obligations, the Parties agree as follows:

1. All references to “...Exhibit A, and A-1...” in the Agreement shall be amended to read: “...Exhibit A, A-1, and A-2...” as applicable. The scope of work marked as **Exhibit A-2** attached to this Third Amendatory Agreement is hereby incorporated by reference.

2. Section 17 of the Agreement entitled **TERM** is amended to read as follows:

**“17. TERM:**

The term of the Agreement is from February 1, 2017 through February 1, 2024.”

3. Section 37 of the Agreement entitled **NO DISCRIMINATION IN EMPLOYMENT** is amended to read as follows:

**“37. NO DISCRIMINATION IN EMPLOYMENT:**

In connection with the performance of work under the Agreement, the Consultant may not refuse to hire, discharge, promote, demote, or discriminate in matters of compensation against any person otherwise qualified, solely because of race, color, religion, national origin, ethnicity, citizenship, immigration status, gender, age, sexual orientation, gender identity, gender expression, marital status, source of income, military status, protective hairstyle, or disability. The Consultant shall insert the foregoing provision in all subcontracts. .”

4. As herein amended, the Agreement is affirmed and ratified in each and every particular.

5. This Third Amendatory Agreement will not be effective or binding on the City until it has been fully executed by all required signatories of the City and County of Denver, and if required by Charter, approved by the City Council.

**[THE BALANCE OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]**

**Contract Control Number:** COURT-202261912-03  
**Contractor Name:** INTEGRAL RECOVERIES, Inc.

IN WITNESS WHEREOF, the parties have set their hands and affixed their seals at Denver, Colorado as of:

**SEAL**

**CITY AND COUNTY OF DENVER:**

**ATTEST:**

By:

\_\_\_\_\_

\_\_\_\_\_

**APPROVED AS TO FORM:**

**REGISTERED AND COUNTERSIGNED:**

Attorney for the City and County of Denver

By:

By:

\_\_\_\_\_

\_\_\_\_\_

By:

\_\_\_\_\_

**Contract Control Number:**  
**Contractor Name:**

COURT-202261912-03  
INTEGRAL RECOVERIES, Inc.

By: DocuSigned by:  
*Terry Boe*  
9F2745863C4948E...

Name: Terry Boe  
(please print)

Title: President  
(please print)

ATTEST: [if required]

By: \_\_\_\_\_

Name: \_\_\_\_\_  
(please print)

Title: \_\_\_\_\_  
(please print)

**EXHIBIT A-2**  
**SCOPE OF WORK**

**Fee Structure:**

Fees pursuant to this Agreement shall be earned by CONTRACTOR as defined below:

A Collection Fee shall be added to all referred cases in accordance with Revised Municipal Code City and County of Denver, Sec. 53-403. In addition, Integral Recoveries Inc. and the City and County of Denver will split the collection fees in accordance to Table 1.

**Table 1**

<b>Refer Min</b>	<b>Refer Max</b>	<b>Integral Fee</b>	<b>Denver Fee</b>	<b>Combined Fee Total</b>
\$0.01	\$50.00	\$17.00	\$3.00	\$20.00
\$50.01	\$100.00	\$25.50	\$4.50	\$30.00
\$100.01	\$150.00	\$34.00	\$6.00	\$40.00
\$150.01	\$200.00	\$51.00	\$9.00	\$60.00
\$200.01	\$300.00	\$68.00	\$12.00	\$80.00
\$300.01	+	25% of referred amount	5% of referred amount	30% of referred amount

For referred cases less than \$300.01, Integral Recoveries Inc. shall retain 85% of the Collection Fee authorized by Denver Revised Municipal Code City, Sec. 53-403. The remaining 15% of the Collection Fee shall be remitted to the City and County of Denver's general fund. Finally, all cases in which the referred amount is greater than \$300, a 30% fee shall be imposed on the case. Of the imposed fee, Integral Recoveries Inc. shall retain 25% of the referred amount and 5% of the referred amount shall be remitted to the City and County of Denver's general fund.

**Billing Procedure/Allowable Fees:**

CONTRACTOR will retain its Contingency Fee prior to remitting collected funds to the Court.

No other payments will be made to CONTRACTOR hereunder unless agreed to in writing and executed by both parties and no fees other than Contingency Fees shall be collected by CONTRACTOR from the Debtor pursuant to this Agreement without written authorization from the Denver County Court.

## **Remittance of Collected Amounts by CONTRACTOR**

Remittance to the Court shall be made by a single check or electronic funds transfer as mutually agreed by CONTRACTOR and the Court, and CONTRACTOR shall include with its payment an itemized list identifying each account for which payments were received in the payment period by, at minimum: date of transaction, debtor name, court case number, amount paid CONTRACTOR, principal amount remitted to the Court, Principal Balance remaining, and Contingency Fees retained.

### **Duties of Integral Recoveries, Inc., (referred to herein as “CONTRACTOR”)**

#### **1. ACCOUNT REFERRALS.**

1. a. Receive account referrals from the Court for collection of fines, costs, surcharges, or restitution in paper format or other format (i.e., electronic) mutually agreeable to CONTRACTOR and the Court.
1. b. If case file information is needed to pursue a collection, conduct file review at the courthouse with the Court’s authorization and during normal business hours with minimal disruption of court activities.
1. c. Provide the Court with a report acknowledging receipt of new referrals on a monthly basis or more frequently, as requested by the Court.

#### **2. COLLECTION SERVICES.**

2. a. Send letters and notices to debtors for collection purposes. The methodology respecting frequency, wording, and formats of the letters and notices shall be mutually agreed to by the Court and CONTRACTOR, with the Court having final approval of all letter and notice formats and procedures.
2. b. Place telephone calls to debtors for collection purposes. The methodology respecting frequency and standard dialogue of the telephone calls shall be mutually agreed to by the Court and CONTRACTOR, with the Court having final approval of telephone call procedures.
2. c. Provide non-English language versions of letters and notices to debtors and implement additional measures to ensure effective communication between CONTRACTOR and non-English speaking debtors, including services to debtors for both incoming and outgoing telephone communications.
2. d. Standard Services provided by CONTRACTOR at no cost to the Court shall include, at a minimum:
  - i. Multi-level and multi-source skip-tracing (debtor location) efforts, meaning that more difficult accounts receive progressively higher levels of efforts and that numerous local and national data sources are used on all accounts where good contact information is lacking;

ii. Employment and income verification;

iii. Asset location and verification; and

iv. Other Services authorized under the state or federal Fair Debt Collection Practices Acts and any other applicable laws or regulations.

2. e. Obtain written approval from the Court prior to initiating any garnishments, liens, or any kinds of attachments on assigned accounts.

2. f. Upon request by the Court, provide copies of procedures and policies that CONTRACTOR has instituted with respect to the services being provided under this Agreement.

### **3. COURT APPEARANCES.**

CONTRACTOR agrees to send an informed employee for appearance in court at CONTRACTOR'S expense and upon request by the Court.

### **4. RECEIPT OF PAYMENTS.**

4. a. Receive payments on behalf of the Court on assigned accounts and immediately credit them to the appropriate debtor accounts in CONTRACTOR's records.

4. b. Accept payment from debtors by mail and on a walk-in basis. (Walk-in payment acceptance shall be that which can reasonably be provided by Contractor without necessitating the creation of special offices solely for this purpose.) Additional payment methods acceptable to CONTRACTOR should include, at minimum, pay-by-phone, pay-via-Internet, credit and debit card, automatic account withdrawal, electronic funds transfer and wire payment.

4.c. CONTRACTOR shall remit amounts collected, less the Contingency Fees on, at minimum, a semi-monthly basis (i.e., 1st and 15th of month). Collected funds must be held no more than ten (10) business days after collection by CONTRACTOR. This process shall also include "cash-type" and immediate "goods" funds, including but not limited to cash, money order, cashier's check or other negotiable instruments; recognizing that these types of payments constitute a very small portion of payments made to the CONTRACTOR. Funds may only be held in excess of ten (10) business days in circumstances where it may be occasionally needed to reach the next semi-monthly remittance date following receipt of said funds.

4. d. CONTRACTOR warrants that any funds remitted to the Court are good and sufficient and are non-refundable nor subject to offset by CONTRACTOR; and further, CONTRACTOR shall be solely responsible for collection on funds and/or checks that are not honored by the debtor's financial institution (e.g., not sufficient funds, account closed; etc.).

### **5. ADJUSTMENTS AND CANCELLATIONS.**

5. a. Adjust its account records upon notification by the Court of:

i. Payments received by the court for cases that have been referred to the CONTRACTOR, where the court has unintentionally failed to forward such payment to the CONTRACTOR for appropriate processing. These payments shall not include, and are separate from, the usual and customary remittances made by the CONTRACTOR as part of their duties under this Agreement. Nothing in this part 5.a.i. shall prohibit CONTRACTOR from pursuing their Contingency Fee, except as provided in part 5.e.

ii. Account cancellations; and

iii. Other balance adjustments.

5. b. Immediately cease collection activity on any account upon notification to do so by the Court or Judicial Department.

5. c. Close and remove from CONTRACTOR's records any account at the request of the Court or Judicial Department.

5. d. No fees shall be collected by CONTRACTOR on:

i. Account balances the Court recalls;

ii. Account balance reductions due to Court's waiver of amounts or accounting adjustment;

iii. Account balances CONTRACTOR determines to return to Court;

iv. Account collections made via intercepts conducted by the State of Colorado on behalf of the Court for state income tax refunds, lottery winnings, unclaimed property, or other such intercept programs; and

v. Other payments not precipitated by CONTRACTOR's efforts.

5. e. In the event a debtor makes a payment directly to the court on a referred account, CONTRACTOR may, at its discretion, continue pursuit of its Contingency Fee UNLESS the Court determines, at its sole discretion, that such payment was not precipitated by CONTRACTOR's efforts or activities, in which case CONTRACTOR will be notified by the Court of an adjustment to the account's Principal Balance.

## **6. NOTIFICATION CONCERNING THEFT, FRAUD, OR DISCREPANCIES**

CONTRACTOR shall immediately notify the Court in writing and by telephone of:

6. a. Any actual or potential theft or fraud that involves or may involve matters related to this Agreement;



6. b. Discrepancies in account balances;

6. c. Debtor disputes of balances (in which the debtor claims the court referred an incorrect balance);

6. d. Violations or alleged violations of any rules or regulations, including but not limited to the state and federal Fair Debt Collection Practices Acts, by CONTRACTOR personnel that involve or may involve matters related to this Agreement;

6. e. Unauthorized access to or misuse of confidential information.

## **7. UNCOLLECTIBLE ACCOUNTS.**

CONTRACTOR shall return to the Court those accounts in which Court or CONTRACTOR has identified as uncollectible, or in circumstances where the CONTRACTOR has exhausted its collection efforts and determined the balances to be uncollectible.

## **8. REPORTS.**

8. a. In addition to other reports required under this Agreement, provide the Court with quarterly statistical reports that show, at minimum, by court or probation department served: Gross quantity of placements by month for the thirteen months just completed, and for each of those specific months' placements also provide: 1) Total gross principal dollars placed; 2) Percent of the principal dollars placed that has been collected DUE TO CONTRACTOR'S INTERNAL EFFORTS to-date; 3) Quantity of placements and related principal dollar amount that has been cancelled/recalled back to the court or probation department; 4) Quantity of placements, representing what percent of gross placements, now have the principal amount paid-in-full. Reports shall be provided within 45 days of the end of each quarter (i.e., by May 15, August 15, November 15, and February 15) in a format as required by the Court. Contractor shall not take credit for collections precipitated by state tax refund intercepts or similar state offset/intercept programs, nor other collections prompted by the referring office.

8. b. Provide the Court with customized reports or account listings, when requested. The Court and CONTRACTOR will collaborate in the format of such reports.

8. c. Furnish copies of the reports under this Section 8 to those persons identified by the Court (e.g., Presiding Judge, Court Administrator, Chief Probation Officer, Clerk of Court, Collections Investigators, etc.)

## **Duties of THE DENVER COUNTY COURT, (referred to herein as "the Court")**

### **1. ACCOUNT REFERRALS.**

1. a. Provide referrals of past due felony, misdemeanor, traffic offense/infraction, or juvenile delinquency assessments owed by defendants or persons adjudicated as a juvenile delinquent in a format mutually agreeable to CONTRACTOR and the Court. A certain volume is not required nor guaranteed to CONTRACTOR.

1. b. Notate the court's THEMIS database (or successive case management system) when a case has been referred to CONTRACTOR.

1. c. This Agreement shall not require the Court to add CONTRACTOR's fees to the court accounts receivable system. Such fees shall be added on the CONTRACTOR side only, unless the Court approves alternate procedures.

1. d. Reconcile the confirmation report received from CONTRACTOR with the Court's records for accuracy and completeness and resolve any discrepancies between the report and records with the CONTRACTOR.

## **2. RECEIPT OF PAYMENTS.**

2. a. Post payments related to this Agreement timely and maintain current account records in the THEMIS database (or successive case management system).

2. b. Advise debtors to make payments directly to CONTRACTOR on referred accounts. If the Court receives a payment on a referred account directly from the debtor, the Court shall promptly notify CONTRACTOR so that CONTRACTOR can adjust its records accordingly and shall direct the debtor to remit future payments to CONTRACTOR.

## **3. CANCELLATIONS AND ADJUSTMENTS.**

Promptly notify CONTRACTOR upon the determination that an account should be cancelled, or a balance adjusted. Notification to CONTRACTOR shall be for account changes including, but not limited to, intercepts conducted by the State of Colorado on behalf of the Court for state income tax refunds, lottery or gambling winnings, unclaimed property or other such intercept programs.

## **4. ACCESS TO COURT RECORDS.**

4. a. Provide access to CONTRACTOR to view court paper files on-site at the courthouse. The access granted will be that which is deemed necessary and sufficient as mutually agreed by the Court and CONTRACTOR to enable CONTRACTOR to perform its functions under this Agreement. Under no circumstances, except by court order, shall access to sealed information be authorized.

4. b. Provide access to CONTRACTOR to view court automated records on-site at the courthouse. At the Court's option, and in coordination with the Court's Information Technology Division, the Court may work with CONTRACTOR to establish a procedure for CONTRACTOR staff to view court automated records on-line from CONTRACTOR's offices.

The access granted will be that which is deemed necessary and sufficient as mutually agreed by the Court and CONTRACTOR to enable CONTRACTOR to perform its functions under this Agreement. Under no circumstances, except by court order, shall access to sealed information be granted.

4. c. The Court may designate certain information or records as “confidential”. In such instances access by CONTRACTOR shall not be authorized.