REQUEST FOR BID

UNIVERSITY CONTRACT FOR COLLECTION SERVICES

RFB AA14-GD-4881

SUBMITTED BY THE PROCUREMENT DEPARTMENT, GOODELL BUILDING

FOR USE BY ALL DEPARTMENTS AT THE AMHERST CAMPUS
SECTION 1 – GENERAL INFORMATION

1.1 INVITATION

Bids are requested from qualified vendors to establish a University Contract for Debt Collection Services for its National Defense/Direct, Perkins, Federal Perkins and Nurse Faculty Loan Programs and Student Accounts Receivable. Services shall be provided on an as needed, as called for basis, at the option of the University. The University seeks a qualified vendor that is able to furnish services for the University’s Amherst and Boston campuses in accordance with the terms and conditions listed in this RFB. The bid may be awarded to a maximum of four vendors who can provide a full range of professional debt collection services to the University for its campus based Federal Loan Programs and Student Accounts Receivable.

1.2 DURATION OF CONTRACT

The contract will in effect for the period of January 1, 2014 to December 31, 2016, with an option to renew for (2) one-year terms, based solely upon the option of the University at least 30 days prior to the end of the respective contract period. The successful bidder will be required to sign a University Contract for Services (CFS). Prices, terms and conditions shall remain firm throughout the term of the contract.

1.3 BID EVALUATION AND INVITATION TO PRESENT

A Selection Committee representing the University will review the bid offers and select the bid whose product, pricing, services, availability and references have the most appeal to the University. The selected bidder may be invited to come to the Amherst campus to make a formal presentation to the Selection Committee. It is projected that if a presentation is desired the invitation will be extended within one week after the bid closing date. The presentation shall be made by the bidder(s) at the University within ten (10) thereafter. The bidder’s failure to make such a timely presentation may be grounds for rejection of the bid, at the option of the University.

The award will be made to the bidder who, in the opinion of the Selection Committee, offers the best overall package. The evaluation will include, but will not necessarily be limited to, the following (in rank order of importance to the University):

- Record of demonstrated ability to successfully execute the services as described in bid specifications
- Staff and resource commitment and capabilities, including resources committed to staff assistance and problem-solving
- Cost to the University and students/families
- Conformance with bid specifications herein
- Responsiveness to the RFB and quality of the bid offer

The bid will be evaluated based on a point system. The criteria and their assigned points will be placed in a sealed envelope in the bid file prior to the bid opening date and time, for use by the Selection Committee during the award process.
1.4 ACCEPTANCE / REJECTION OF BIDS

Only bids that are received by the bid opening date and time will be considered. The University reserves the right to reject any or all bids, wholly or in part and to make an award in a manner deemed by the Director of Procurement at the Amherst campus to be in the University’s best interest. The University reserves the right to make a partial award for the services requested, or to make an award to more than one vendor.

1.5 QUESTIONS / CONTACT PERSON

All questions from prospective bidders concerning this RFB must be submitted in writing by 5 p.m. on November 22, 2013 to the following,

Gary S. Duggan  
Assistant Director of Procurement  
University of Massachusetts  
Amherst, MA  01003  
Fax: (413) 545-1643  
Email: gsduggan@admin.umass.edu

Reference AA14-GD-4881

No telephone calls will be entertained. Inquiries received after the specified date and time will not be accepted.

The University will mail its response to written questions to all bidders of record by formal addendum by 5 p.m. on November 27, 2013.

The University will extend the due date by written addendum if such information significantly amends this RFB or makes compliance with the original proposed due date impractical.

1.6 BID OPENING DATE / TIME

Bidders shall deliver one (1) original and three (3) copies of their bid to the following address by 2:00 p.m. on December 6, 2013 at which times the bids will be opened and publicly read.

University of Massachusetts  
Procurement Department  
407 Goodell Bld. – 140 Hicks Way  
Amherst, MA  01003  
Attention: RFB AA14-GD-4881

It is the sole responsibility of the bidder to insure that its bid is delivered to the Procurement Department in its entirety by the due date and time. Late bids will not be considered, and will be placed, unopened, in the bid file.

1.7 PUBLIC INFORMATION

All bids and related documents submitted in response to this RFB are subject to the Massachusetts Freedom of Information Law, M.G.L. Chapter 66, Section 10 and to M.G.L. Chapter 4, Section 7, Subsection 26, regarding public access to such documents. Statements in the bid response that are inconsistent with those statutes will be disregarded.
1.8 COST TO SUBMIT / PRESENT BID

The University is not responsible for any expenses that may be incurred by any bidder to prepare, submit or present bids.

1.9 COMPENSATION

Invoices submitted to the University by the successful bidder for work done under the contract will be itemized and priced out by the successful bidder in accordance with the figures contained in the bidder’s response to this RFB, Part 3, The Bid Response. Therefore, bids must be all inclusive. All payments shall be made in arrears, after services have been rendered to the satisfaction of the University.

1.10 ALTERATIONS TO BID

The bidder may not materially alter its bid response after the bids have been opened. Only the Director of Procurement may deem what constitutes a material alteration to a bid.

SECTION 2 – SPECIFICATIONS

2.1 BACKGROUND

It is the University’s desire to minimize the time and effort spent by the Office of Student Loans and Campus Receivables in the collection of specific accounts listed in this RFB. This contract will allow a streamlined method for the department to quickly obtain a high level of service at a reasonable cost.

2.2 BIDDER’S EXCEPTION TO CONTRACT TERMS & CONDITIONS

If the bidder takes exception to any of the contract terms & conditions contained herein, it must be noted in the bid. Such an exception may be grounds for rejection of the bid, at the option of the University.

2.3 ORGANIZATIONAL STRUCTURE

Please include as part of your bid response the following information. Label as “ATTACHMENT A” and number as listed below:

1. Organizational chart identifying all of the bidder’s personnel that would be assigned responsibilities under this contract. Include responsibilities of all key personnel and an estimate of the percentage of their time each person would devote to the services provided in this contract.

2. Name, title, telephone, fax and email address of the designated contract manager; location of the office(s) where the collection services under this contract will be performed.

3. Clear information that demonstrates your organization has a minimum of five (5) years’ experience in providing collection services on campus based Federal Education Loans and Student Accounts Receivable.
4. Detailed policies regarding the overall capacity for accepting assignments, recovery percentage for the three (3) most recent fiscal years, and the maximum number of accounts assigned to individual collectors.

5. Identify previous experience in the provision of legal services and litigation of defaulted campus based Federal education loans and Student Accounts Receivable. Include a listing of attorneys whose services are currently used in this effort and indicate whether these attorneys have SAAG approval from the state of Massachusetts.

6. Describe training programs concerning the Federal and State regulations related to campus based Federal education loans and Student Accounts Receivable that are provided to the bidder’s staff, including regulation updates or changes.

2.4 TECHNICAL CAPABILITIES

Please include as part of your bid response the following information. Label as “ATTACHMENT B” and number as listed below:

1. A description of the bidder’s overall EDP sophistication and capacity including descriptions of security systems and procedures, availability of competent technical staff, tracking, aging systems capable of calculating interest, penalties and fines on a variety of timetables and the availability and ease of access to on-line vendor files by the appropriate University staff.

2. A description of systems in place to allow automated placement, remittance and return of accounts between the bidder and the University’s loan service provider (currently Xerox) and the University’s Student Accounts Receivable System (PeopleSoft), including secure data transmission, ‘upload’ and ‘download’ capabilities.

3. A description of the bidder’s procedures for ensuring accurate collection, monitoring and reporting of activity under this contract. Please include examples of accounting and control forms, and reports used with an explanation of each, including frequency and method of distribution. Please comment on the ability to request data outside of delivered reports, including process for request, delivery time and method.

4. Include a detailed description of all services available to the University to assist in the management of its Federal loan portfolio and Student Accounts Receivable, including any cohort default rate reduction initiatives.

5. A detailed description of when and to what extent mailing, telephone, skip tracing and other collection efforts will be used in terms of age and amount of assigned balances. Include a description of the use of any technologies, social medias, or other avenues used to collect information about or attempt to communicate with a debtor.

6. A description of the procedures for referral of loans and Student Accounts Receivable for litigation and the criteria used in determining the appropriateness of litigation. Include a description of the flow of this process from the point of determining the appropriateness of this action through monitoring the attorney(s) involved.

7. Include examples of all demand notices, letters, forms and telephone scripts and procedures relevant to the performance of this contract. If possible, include ‘screen shots’ to illustrate the experience from a debtor perspective.
8. Describe any and all payment methods available to payers including any fees associated
   with those methods. Describe in detail the funds transfer process between the bidder
   and the University, including the timeliness of the fund transfers. Can the University
   request more frequent fund transfers as necessary, as an example for year-end
   processing?

9. The State of Massachusetts requires gross remittance of funds collected. Please
   describe your experience with such a requirement, and procedures in place to ensure
   compliance.

10. Include a detailed description of the bidder's process(es) in place to ensure compliance
    with the following regulations:
    a. “Red Flag” rules pursuant to the Fair and Accurate Credit Transactions Act
    b. Reg Z Truth in Lending Act (TILA
    c. Equal Credit Opportunity Act (ECOA)
    d. Electronic Fund Transfer Act
    e. Fair Debt Collection Practices Act
    f. PCI Compliance regulations

2.5 RATES / FEES

Please include as part of your bid response the following information. Label as
“ATTACHMENT C” and number as listed below:

1. List a detailed fee structure for collection of first placement balances, including fees
   assessed to the debtor separate from fees assessed to the University.

2. List a detailed fee structure for collection of second placement balances, including fees
   assessed to the debtor separate from fees assessed to the University.

3. List a detailed fee structure for collection of balances to be litigated including fees
   assessed to the debtor separate from fees assessed to the University.

4. List a detailed fee structure for all support services or special programs offered by the
   bidder, including fees assessed to the debtor separate from fees assessed to the
   University.

   The University will not be responsible for charges that are not specifically defined in the bid
   response and pre-approved by the user department.

2.6 REQUIRED FORMS

Please include as part of your bid response the following information. Label as
“ATTACHMENT D” and number as listed below:

1. Copies of all notices, form letters, forms and other written correspondence to be used to
   communicate with debtors under this contract.

2. Copies of any statements or remittance advice to be used between the successful bidder
   and the University under this contract.

3. Copies of all transaction documents and authorization forms to be used between the
   successful bidder and the University under this contract.
2.7 DOCUMENTATION OF COMPLAINTS

Please include full documentation of all substantiated complaints filed with the Industry regulators including, but not limited to, the office of the Attorney General and the Massachusetts Banking Commission.

SECTION 3 – BID RESPONSE

3.1 REFERENCES

List three current customers with similar requirements as those of the University whom the University may contact for reference purposes, including the company name, contact person, telephone number and years of service with the organization. By submitting this information, the bidder authorizes the University to contact these clients for purposes consistent with the review of this bid.

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<tr>
<th>Company Name</th>
<th>Contact Person</th>
<th>Years of Service</th>
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3.2 CONTRACT EXTENSION

a. The contract will be subject to two (2) additional one-year extensions, at the option of the University, commencing January 1, 2017. Should the University elect to so extend, the Contractor would be so notified by the Director of Procurement at least 30 days prior to the expiration of each respective term. Would your company be willing to extend with all terms, conditions, fees/discounts, etc., to remain the same?

☐ Yes  ☐ No  (please check the appropriate box)

b. Would your company be willing to extend this contract, with all the same terms and conditions, to the other campuses of the University System located in Boston, Dartmouth, Lowell, Worcester, and the President’s Office?

☐ Yes  ☐ No  (please check the appropriate box)
c. If you answered "Yes" to item 3.2b above would the University receive an additional discount from prices specified in Section 2.5?
   ☐ Yes  ☐ No (please check the appropriate box)

**d. If "Yes" please give details on a separate sheet marked as Attachment G.**

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<td>'800' telephone number to place orders: __________________________</td>
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