STEPHEN F. AUSTIN STATE UNIVERSITY
PROCUREMENT AND PROPERTY SERVICES
P. O. Box 13030
NACOGDOCHES, TX  75962

REQUEST FOR PROPOSAL

RFP NUMBER
FIN-AID-BILLING

ADDENDUM NO. 3

PROPOSAL MUST BE RECEIVED BEFORE:
5:00PM, TUESDAY, NOVEMBER 18, 2008

MAIL PROPOSAL TO:
Hand Deliver And/OR
Express Mail To:

Stephen F. Austin State University
Procurement Services
P. O. Box 13030
Nacogdoches, TX  75962-3030

Show RFP Number, Due Date and Time on Return Envelope

NOTE: PROPOSAL must be time stamped at Stephen F. Austin State University Purchasing Services before the hour and date specified for receipt of proposal.

REFER INQUIRIES TO:

Diana Boubel
Stephen F. Austin State University
Procurement Services
936-468-4037
email: dboubel@sfasu.edu
QUESTIONS AND ANSWERS

Q. Would you be able to get clarification on the first three items within Addendum #2, which are all related. It's hard to understand exactly what the numbers are since some of these answers conflict with each other. Here are the category counts needed:

A. Per our last monthly report:
   a. In-school = 426
   b. In grace = 244
   c. In Repayment (monthly) = 92
   d. In Repayment (quarterly) = 430
   The In Repayments do not include any account in collections, past due and temp plans
REQUEST FOR PROPOSAL

RFP NUMBER
FIN-AID-BILLING

ADDENDUM NO. 2

PROPOSAL MUST BE RECEIVED BEFORE:
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MAIL PROPOSAL TO:
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Procurement Services
P. O. Box 13030
Nacogdoches, TX  75962-3030

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Stephen F. Austin State University
Procurement Services
2124 Wilson Drive
Nacogdoches, TX  75962

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REFER INQUIRIES TO:

Diana Boubel
Stephen F. Austin State University
Procurement Services
936-468-4037
e-mail: dboubel@sfasu.edu
QUESTIONS AND ANSWERS

Q. Could you provide loan volumes for your Perkins loan program: In school, In grace/repayment, Monthly, Quarterly, Annually, Paid-in-full/Closed

A. Per our last monthly report:
   a. In-school = 450 students
   b. PIF/closed = 6300 student accounts
   c. In grace = 300 students current
   d. Yearly = $1,000,000 and student wise 250-275

Q. Does the total student in grace include borrowers who are also in repayment (current, in collections, and in department)? If not, could the University provide a breakdown of borrowers in repayment (in the current, in collections, and deferment categories)? We also wanted to find out if the University billed on a quarterly or monthly basis.

A. The amount of students in grace as of 10/31/08 was 244
   a. Current = 522
   b. In collections = 357
   c. In deferment processed this month = 92

   We bill on a quarterly basis, however, when students request monthly we do switch them.

Q. How many students are billed monthly and how many quarterly?

A. Approx. 530 students are billed monthly; approx. 4270 students are billed quarterly. This includes all groups: deferments, currents, in grace, past due, collections, paid, overpriors, etc.

Q. RFP Page 13, Question 6 – This item references ‘clients’ and not ‘borrowers’. Is the University asking about the monthly invoices we would send the University for our servicing fees, or is this referring to statements sent to borrowers?

A. This is referring to the statements sent to borrowers.

Q. Under 3.6 Proposal Format, it indicates we must submit Exhibits A, B, and C, but the Respondent Questionnaire on page 13 is labeled as Attachment C. Also in the header of that page it shows Exhibit B all the way until the end of the document. The header of that page also shows an RFP title of Collections -06 instead of FIN-AID-BILLING.

A. Yes, there are clerical errors.
Q. Is there a deadline for submitting questions?
A. The deadline for submitting questions is 5:00pm Tuesday, November 11, 2008

Q. RFP Page 14, Question 31 – Could the University provide an example of such ancillary data it would want to be able to update and not display in the system?
A. Please change this question to read as follows: Do you provide imaging of all documents for viewing by SFA?
REQUEST FOR PROPOSAL

RFP NUMBER
FIN-AID-BILLING

ADDENDUM NO. 1

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REFER INQUIRIES TO:

Diana Boubel
Stephen F. Austin State University
Procurement Services
936-468-4037
email: dboubel@sfasu.edu
RFP Section 3.2.1 is changed as follows:
3.2.1 All proposals must be received by SFA no later than 5:00pm, Tuesday, November 18, 2008.

RFP Section 3.2.4 is changed as follows:
3.2.4 Proposals will be publicly opened Wednesday, November 19, 2008 at 9:00am in the office of the Director of Procurement and Property Services, 2124 Wilson Drive. Only the names of the Respondents will be read aloud.

ACKNOWLEDGEMENT OF THIS ADDENDUM IS NOT REQUIRED FOR THE RESPONSE TO BE CONSIDERED.
REQUEST FOR PROPOSAL

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FIN-AID-BILLING

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REFER INQUIRIES TO:

Diana Boubel
Stephen F. Austin State University
Purchasing Services
936-468-4037
email: dboubel@sfasu.edu
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## EXHIBITS

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<th>Description</th>
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<tbody>
<tr>
<td>A</td>
<td>Execution of Offer</td>
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<tr>
<td>B</td>
<td>Acknowledgment of Addenda</td>
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<tr>
<td>C</td>
<td>Respondent Questionnaire</td>
</tr>
</tbody>
</table>
SECTION 1
INTRODUCTION

1.1 SCOPE OF PROPOSAL
Stephen F. Austin State University, hereafter referred to as “SFA” or “the University”, is seeking proposals for third party billing services for financial aid and the Federal Perkins Loan Program. The University has contracted with two collection agencies for collection services for delinquent accounts.

1.2 CONTRACT TERM
This contract will begin January 1, 2009 with an ending date of December 31, 2011. Thereafter, the term of this Agreement may be extended for four additional 2-year periods at the option of SFASU. Renewal will be based upon mutual agreement. Rates will be negotiated annually.

1.3 SFA INFORMATION
Historical information relating to the number of Perkins loans sent to our servicer for processing is as follows:

- 2006 – 282
- 2007 – 209

On average the number of accounts sent to the servicer each year is 250. This number includes new Perkins borrowers as well as returning borrowers.

1.4 SCHEDULE OF EVENTS*

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
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<tr>
<td>Issuance of Request for Proposals</td>
<td>October 21, 2008</td>
</tr>
<tr>
<td>Proposal Closing</td>
<td>November 18, 2008, 5:00pm</td>
</tr>
<tr>
<td>Award of Agreement</td>
<td>December, 2008</td>
</tr>
</tbody>
</table>

*Dates are tentative and subject to change.

1.5 OPEN RECORDS
The parties understand the information exchanged in the negotiation process is confidential to the fullest extent permitted by law, and neither party will disclose such information to anyone other than representatives of the negotiating parties except as required by Texas law. Final awards and contracts, after all negotiations are completed, may be subject to open records.

1.6 HISTORICALLY UNDERUTILIZED BUSINESSES
In accordance with Gov’t Code 2161.252, Stephen F. Austin State University has determined that subcontracting opportunities are not probable under this contract.

Stephen F. Austin State University is an equal opportunity employer and all Historically Underutilized Businesses (HUBs) are encouraged to participate. In addition, SFA actively promotes a Historically Underutilized Business program in compliance with the State of Texas. Respondents are encouraged to actively seek to subcontract or partner with HUBs in an effort to create an environment that supports, where possible, the HUB program and actively acknowledges and values diversity. More information about HUBs or the University’s HUB program can be found at http://www.sfasu.edu/purchasing/vendors/index.htm?menu=3.
The State of Texas HUB Program promotes equal business opportunities for economically disadvantaged persons to contract with the State of Texas in accordance with the goals specified in the State of Texas Disparity Study. The HUB goals defined in 1 TAC §111.13 are:

- 11.9 percent for heavy construction other than building contracts,
- 26.1 percent for all building construction, including general contractors and operative builders contracts,
- 57.2 percent for all special trade construction contracts,
- 20 percent for professional services contracts,
- 33 percent for all other services contracts,
- and 12.6 percent for commodities contracts.

1.7 CONFIDENTIALITY

Pursuant to the Gramm-Leach-Bliley Act (GLBA), every Service Provider (Contractor), defined as any person or entity that receives, maintains, processes or otherwise is permitted access to nonpublic personal information as defined in 16 C.F.R. § 313.3(n), whether in paper, electronic, or other form, about a University employee, or student through its provision of services directly to the University is subject to the following requirements:

a. The Service Provider (Contractor) must ensure the security and confidentiality of nonpublic personal information as defined in 16 C.F.R. § 313.3(n), protect against any anticipated threats or hazards to the security and integrity of such information and protect against unauthorized access to or use of such information that could result in substantial harm or inconvenience to any University employee or student.

b. To the extent Contractor is provided Stephen F. Austin State University employee or student information owned, possessed or used by Stephen F. Austin State University and that is communicated to, learned, or otherwise acquired by Contractor in the performance of Contractor’s duties and obligations under this Agreement, Contractor, its management, employees and agents agree to keep such information confidential, beginning on the date Contractor is first given access to said data and continuing through the term of this Agreement and any time thereafter. Contractor, its employees and agents shall not disclose, communicate or divulge, or permit disclosure, communication or divulgence, to another or use for Contractor’s, its management’s, employees’ or agents’ own benefit or the benefit of another, any such confidential information, unless required by law. Contractor shall take appropriate safeguards to protect the data and limit access to such to only those representatives of Contractor that must have access for the purposes of this Agreement.

1.8 FIDELITY BOND AND INSURANCE

Contractor will be required to provide a Fidelity Bond in an amount in accordance with 34 CFR 674.48(f)(2), “If the institution does not authorize the third party to deduct its fees from payments from borrowers, the institution shall ensure that the party is bonded or insured in an amount not less than the amount of funds that the institution reasonably expects to be repaid over a two-month period on accounts it refers to the party.” The selected provider shall also provide a Certificate of Insurance to the University upon award of the contract.

The cost of all bonds and insurance must be included in the proposal.

The Bond and Certificate of Insurance shall be delivered to the SFASU Procurement Services Department within fourteen (14) days of notification award. Failure to submit the bond within the required timeframe will be considered breach of contract, and any contract awards, either verbal or in writing will be considered null and void.
SECTION 2
STATEMENT OF WORK

2.1 SCOPE OF WORK
Stephen F. Austin State University, hereafter referred to as “SFA” or “the University”, is seeking proposals for computerized billing and accounting services in connection with Perkins Programs, including referring delinquent accounts to the University’s contracted collection services contractors. All services must be provided within the guidelines consistent with the U.S. Department of Education.

2.2 CONTRACTOR’S MINIMUM RESPONSIBILITIES
Contractor agrees to:

2.2.1 accept from SFA all of SFA’s loan accounts as mutually agreed upon for the billing service;

2.2.2 at the time of account conversion from SFA or SFA’s previously contracted provider, send each borrower in repayment status a statement of his account and notice of the billing service;

2.2.3 generate and mail/email to each borrower in repayment status a notice of grace period expiration, in accordance with current due diligence requirement;

2.2.4 prepare and mail/email payment notice to each borrower at monthly, bi-monthly, quarterly, semi-annual or annual intervals as instructed by SFA;

2.2.5 prepare and mail/email delinquency notices in compliance with the due diligence requirements of the U.S. Department of Education and the Department of Health and Human Services;

2.2.6 post and report to SFA all payments from borrowers;

2.2.7 verify, compute, record and report to SFA all deferments, postponements and cancellations;

2.2.8 respond to all inquiries in an approved manner or as instructed by SFA;

2.2.9 process borrower change of address notices as received;

2.2.10 provide monthly, semi-annual and annual reports to SFA;

2.2.11 provide a fiscal year (09/01 – 08/31) report to assist SFA in preparing information required by the Federal Government;

2.2.12 comply with all statutory provisions of or applicable to Title IV of the Higher Education Act, all regulatory provisions prescribed thereunder, and all special arrangements, agreements, limitations, suspensions, and terminations entered into under such authority, including the use of any funds;

2.2.13 cooperate fully with independent auditors, the Secretary of Education, the Department of Education’s Inspector General, and the Comptroller General of the United States, or their authorized representatives, any applicable guaranty agency, any applicable accrediting agency, and any applicable State postsecondary review entity, including Stephen F. Austin State University, and the State of Texas Auditor’s Office, in the conduct of audits, investigations, and program reviews with respect to SFA or the Title IV, HEA programs.
2.3 UNIVERSITY RESPONSIBILITIES
The University agrees to:

2.3.1 transfer each account to Contractor and be responsible for the accuracy and legibility of the information;

2.3.2 advise Contractor of each loan awarded and borrower enrolled under the Perkins Loan Program at the time of such award, and insure that Contractor is advised on a timely basis of all changes concerning a borrower date of separation from SFA;

2.3.3 take all actions required by government regulation to insure that each student, upon ceasing to be at least a half-time student, is informed as to the amount of his loan and the repayment agreement;

2.3.4 inform each borrower of the billing service when conducting the exit interview;

2.3.5 advise Contractor of each borrower change of name and/or address;

2.3.6 examine all reports from Contractor upon receipt and promptly notify Contractor of any errors;

2.3.7 advise Contractor of any loans referred to a commercial collection agency, an attorney, or assigned to the Federal Government for collection;

2.3.8 provide Contractor with written notice and copies of all audit reports or findings of any audit, investigation or program review of SFA’s participation in any Title IV, HEA program involving the accounts service, or Contractor’s administration of any aspect of the billing service.
SECTION 3
INSTRUCTIONS TO RESPONDENTS

3.1 CONTACT INFORMATION

3.1.1 All questions regarding the RFP, or response must be forwarded to the Director of Procurement and Property Services:
   Diana Boubel
   PO Box 13030
   Nacogdoches, TX 75962
   Phone: 936/468-4037
   Fax: 936/468-4282
   Email: dboubel@sfasu.edu

3.1.2 All questions regarding the desired services must be directed to Rachele Nixon, Assistant Director of Financial Aid, nixonhr@sfasu.edu, 936-468-2403.

3.2 SUBMITTAL DEADLINE AND LOCATION

3.2.1 All proposals must be received by SFA no later than 5:00pm, Thursday, November 20, 2008.

3.2.2 Proposals are to be submitted to:

   MAIL PROPOSAL TO:
   Stephen F. Austin State University
   Procurement Services
   P. O. Box 13030
   Nacogdoches, TX  75962-3030

   HAND DELIVER AND/OR EXPRESS MAIL TO:
   Stephen F. Austin State University
   Procurement Services
   2124 Wilson Drive
   Nacogdoches, TX  75962

3.2.3 All U.S. Mail addressed to any component of SFA is delivered to a central mail room and redistributed by SFA personnel to the addressee’s on-campus post office box. Consequently, there is a possibility of delay between receipt of mail at the central mail room and receipt in the Procurement and Property Services Department. Proposals must be in the office of the Purchasing and Inventory Department by the time set for RFP closing in order to be considered, and receipt by SFA at the central mail room will not be deemed sufficient.

3.2.4 Proposals will be publicly opened Friday, November 21, 2008 at 9:00am in the office of the Director of Procurement and Property Services, 2124 Wilson Drive. Only the names of the Respondents will be read aloud.

3.2.5 Proposals received after the time for closing will be returned to Respondent unopened regardless of the circumstance. It is the responsibility of the Respondent to get the proposals delivered in a timely manner regardless of delivery method or circumstances.

3.2.6 Faxed or electronically mailed proposals will not be accepted.

3.2.7 Proposals may be withdrawn at any time prior to the time and date set for proposal closing.

3.2.8 Stephen F. Austin State University reserves the right to accept or reject any or all proposals and to waive irregularities or technicalities provided such waiver does not substantially change the
offer or provide a competitive advantage to any Respondent in the judgment of Stephen F. Austin State University.

3.3 SUBMITTAL INSTRUCTIONS

3.3.1 All proposals must be submitted in the format prescribed in Section 3.6.

3.3.2 Each Respondent must submit at least one original proposal with original signatures on the Execution of Offer and Form of Proposal and two (2) complete copies.

3.3.3 All proposals must be complete and convey all of the information requested to be considered responsive. If the proposal fails to conform to the essential requirements of the RFP, SFA alone will determine whether the variance is significant enough to consider the proposal susceptible to being made acceptable and therefore a candidate for further consideration, or not susceptible to being made acceptable and therefore not considered for award.

3.3.4 Each respondent, by submitting a proposal, represents that the respondent has read and completely understands the request for proposal documents and agrees to abide by the terms of this RFP and any resulting agreement. Failure of the selected contractor to fulfill the provisions of this request for proposal shall in no way relieve the obligation of the Contractor to furnish all services necessary to carry out the provisions of the agreement.

3.3.5 Proposals shall be signed by a legally authorized representative of the Respondent. Unsigned proposals (Exhibit A) will be rejected as a material failure.

3.4 ACCEPTANCE AND FORMATION OF AGREEMENT

3.4.1 SFA reserves the right to enter into an agreement not based only on lowest cost to the University, but which, in the sole opinion of SFA, is deemed to represent the best value to SFA.

3.4.2 No recommendation for award will be made until Stephen F. Austin State University is fully satisfied that the Respondent is professionally competent and properly equipped to render the specified billing service.

3.4.3 The University reserves the right to further negotiate, after proposals are opened, with any Respondent that submits a proposal. SFA may award a contract(s) based on initial proposals received without any discussion of such proposals. Therefore, each proposal should be submitted on the most favorable and complete price and terms possible.
3.5 EVALUATION CRITERIA

3.5.1 Award will be based on a comprehensive review and analysis based on a weighted value of averaged evaluation scores and negotiation of the proposal that best meets the needs of the University. Submission of a proposal represents concurrence with this method of evaluation and award. Furthermore, Respondents will not, under any circumstances, dispute any award made using this method.

3.5.2 Evaluation of the proposals will be performed by an evaluation committee representing Stephen F. Austin State University. Proposals will be evaluated using the following criteria, which are listed below in no particular order. Stephen F. Austin State University reserves the right to award an agreement not based only on the cost to the University, but on the criteria that best meet the University's requirements and goals. The University shall be the sole judge of determining which proposal represents the best value to the University.

3.5.3 Criteria

a. 15% - Financial stability of the firm including a level of bonding acceptable to the University;

b. 25% - Experience in providing loan servicing/billing services for University/College related accounts indicating a proven ability to perform all necessary services in a professional manner;

d. 30% - Proposed fees;

e. 30% - Respondent Questionnaire

3.6 PROPOSAL FORMAT

3.6.1 Proposals shall be prepared in a straightforward and concise manner, identifying clearly and concisely any deviations, enhancements, and other differences that exist between the RFP and the respondent’s proposed services. Emphasis should be placed on responsiveness to the RFP requirements, completeness and clarity of content and conformance to the RFP instructions. Proposals shall include the following information and be submitted in the following order:

a. Required Submittal
   i. Exhibit A – Signed Execution Of Offer
   ii. Exhibit B – Acknowledgement of Addenda, if any
   iii. Exhibit C – Respondent Questionnaire – please be sure the question is stated before each answer
   iv. Financial Proposal – identify all applicable fees

b. Evaluation Submittals
   i. Financial stability
      a. Identify key measures of the Respondent’s financial strengths, including, but not limited to level of bonding and financial statements with audited balance sheets and statement of earnings for 2 years
      b. A brief history of the firm;
ii. Experience in providing billing services for University/College related accounts
   a. List the total dollar value and number of accounts managed in all categories of accounts;
   b. Company Profile to include the names of individuals that would be assigned to SFA’s account, their experience, certifications and qualifications;

c. Other Submittals
   i. References
      a. Provide a list of no more than five (5) University/College organizations for which Respondent currently provides billing services. At a minimum, include entity name, contact name, address, telephone number and e-mail address;
      b. Provide a list of no more than five (5) University/College accounts cancelled or terminated in the previous 24 months. At a minimum, include entity name, contact name, telephone number, email address and reason for termination;
      *Stephen F. Austin State University reserves the right to check references prior to award. Any negative responses received may be grounds for disqualification of the bid.*

ii. Respondent's standard form of agreement, including all terms and conditions;
EXHIBIT A
EXECUTION OF OFFER

In compliance with this RFP, and subject to all the conditions herein, the undersigned offers and agrees to furnish any or all commodities or services and to comply with all terms, conditions and requirements set forth in the RFQ documents and contained herein.

By signature hereon, Respondent affirms that he/she has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted Qualifications. Failure to sign the response, or signing it with a false statement, shall void the submitted response or any resulting contracts, and the Respondent may be removed from all bid lists.

By the signature hereon affixed, the Respondent hereby certifies that neither the Respondent nor the firm, corporation, partnership, or institution represented by the Respondent or anyone acting for such firm, corporation, or institution has violated the antitrust laws of this State or the Federal antitrust laws nor communicated directly or indirectly the response made to any competitor or any other person engaged in such line of business.

By signature hereon, Respondent certifies that if a Texas address is shown as the address of the Respondent, Respondent qualifies as a Texas Resident Bidder as defined in Rule 34 TAC 20.38.

Certifications:
Texas Family Code Child Support Certification. By signature hereon, Respondent certifies as follows: "Under Section 231.006, Texas Family Code, the Contractor certifies it is not ineligible to receive the payments specified in the Agreement and acknowledges that this Agreement may be terminated and payment may be withheld if this certification is inaccurate."

Sales Tax Certification. By signing the Agreement, the Respondent certifies as follows: "Under Section 2155.004, Texas Government Code, the Contractor certifies that the individual or business entity named in this Agreement is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate."

Franchise Tax Certification. By signing the Agreement, a corporate or limited liability company, Respondent certifies that it is not currently delinquent in the payment of any Franchise Taxes due under Chapter 171 of the Texas Tax Code, or that the corporation or limited liability company is exempt from the payment of such taxes, or that the corporation or limited liability company is an out-of-state corporation or limited liability company that is not subject to the Texas Franchise Tax, whichever is applicable. Contractor acknowledges and agrees that if this certification is false or inaccurate, at University's option, the Agreement may be terminated and payment withheld.

Payment of Debts to the State of Texas. That pursuant to Section 403.0551, Texas Government Code, the Respondent agrees that any payments owing to the Contractor under this contract may be applied towards any debt or delinquent taxes that the Contractor owes the State of Texas or any agency of the State of Texas, until such debt or delinquent taxes are paid in full.

The person signing the Response should show title or authority to bind his/her firm in contract.

Federal Employer’s Identification Number: ________________________________
Sole Owner should also enter Social Security No.: __________________________
Respondent/Company: ________________________________
Signature (INK): ________________________________
Name (Typed/Printed): ________________________________
Title: ________________________________
Street: ________________________________
City/State/Zip: ________________________________
Telephone No/Fax No: ________________________________
Email: ________________________________

THIS SHEET MUST BE COMPLETED, SIGNED, AND RETURNED WITH RESPONDENT’S PROPOSAL. FAILURE TO SIGN AND RETURN THIS SHEET MAY RESULT IN THE REJECTION OF YOUR RESPONSE.
EXHIBIT B
ACKNOWLEDGEMENT OF ADDENDA

Receipt is hereby acknowledged of the following addenda to this RFP.

<table>
<thead>
<tr>
<th>Addenda No.</th>
<th>Dated</th>
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Respondent/Company: ________________________________

Refer to the SFA Purchasing Department web-site to determine how many addenda were issued: [http://www.sfasu.edu/purchasing/vendor/procurement.asp](http://www.sfasu.edu/purchasing/vendor/procurement.asp)
ATTACHMENT C
RESPONDENT QUESTIONNAIRE

A. STUDENT LOAN BILLING SERVICES
Providers are to describe their company’s ability to perform each of the following functions associated with student loan billing services, and provide sample documentation:

1. How and when does the provider transmit Federal Perkins data to the National Student Loan Data System (NSLDS)?
2. How and when are status changes updated to NSLDS?
3. How are all NSLDS errors corrected in the required time frame to comply with the error threshold requirements?
4. Does provider staff have the ability to adjust accounts online when necessary to correct NSLDS errors, while automatically updating system status changes?
5. Does provider report loans to all national credit bureaus? If so how and when?
6. How are billing statements sent to clients and what information is included on each statement? Provide copies of monthly statements.
7. Does the provider send semi-annual statements to borrowers who are signed up for Automated Clearing House? How?
8. Explain the processing of 1098E’s to borrowers who have paid interest the previous year. Please explain how the provider’s information is provided to the IRS?
9. Does provider automatically produce all due diligence letters and notices as required per federal regulation and institutional policy (for Federal Perkins and Institutional loan programs), how are they recorded in borrower's records? Please supply copies of letters, notices currently being used.
10. Explain how deferments/cancellations are processed?
11. Does provider have the ability to reverse any transaction and have the loans returned to the original status before the change was made, tracking the changes in the historical transaction record?
12. Does provider track “other costs” individually, such as legal fees, returned check charges, internal and/or external collection costs?
13. Does provider have the ability to manually adjust on-line, real-time each receivable item as needed. (i.e. past principal, current principal, past interest, current interest, late fees, court costs, NSF Charges, collection costs, etc)?
14. Does the provider provide the ability to search the database using the University ID as the primary sort, the student’s social security number, last name and/or any part of a last name and last 4 digits of the SSN as the secondary sort directly from the primary borrower information screen?
15. Does provider maintain a monthly billing history from inception on (either online or archived)?
16. Explain how credit disputes filed by the borrower are handled. What is the timeframe and is the credit report appropriately adjusted. Do you have a method to comply with Federal Perkins rehabilitation regulations?

17. Does provider have the ability to compare loan file to the University’s student systems graduation and registration lists to identify exits needed and convert status (automatically) from enrolled to grace?

18. Does provider produce billing statements that consolidate all loans (regardless of type) and debts the borrower has onto a single statement.

19. How does provider supply payoff information?

20. Describe provider’s ability to handle variable interest rates.

21. Explain how the provider provides ability for the University staff to adjust previously reported credit histories.

22. Provide your National Student Loan Clearinghouse procedures for data exchange and borrower account processing.

23. How and when does provider automatically produce letter to borrowers who received Clearinghouse deferments.

24. Does provider provide on-line access to see what entitlements have been used by loan for each borrower, including how much time has been given so far?

25. Does provider system automatically stop the processing of an entitlement for which the borrower has already received the maximum amount of time allowed?

26. Does provider system maintain history of all address changes, when done, by whom, and the previous address information?

27. Can provider forecast future payoff estimates based on date we choose?

28. Does provider maintain online transaction history by borrower and by loan, which cannot be changed by users and the security of that information?

29. Does provider have automatic systemic payment processing and prorating of payments among all borrowers loans, including applying any credit on one loan to the next one in the hierarchy, regardless of current status, with the exception of loans paid in full by consolidation?

30. Does provider have the ability to direct payments to the loan or loans we want, overriding any system hierarchy?

31. Does provider system have the ability to store and update ancillary data – not to be displayed?

32. Can provider system maintain anecdotal comment records, allowing staff to enter notes that cannot be deleted? Can it also maintain this record in chronological order?

33. Does provider provide the client the ability to view and produce a copy of all billing statements and billing statement history?

34. Can provider system allow the client to automatically complete and print the Loan Verification Certificates (LVC) on demand?
35. Can provider system have the ability to add non-loan debt types to system, therefore allowing the billing and handling of those debts as prescribed? Does provider allow clients to add new account to system manually?

36. Does the providers system have the capability of automatically writing off debit and credit balances as allowed by regulation?

37. Does the provider have the ability to provide automated short-term (emergency) loan program?

38. Does the provider have the ability to electronically sign Perkins promissory note?

39. Does the provider have the ability to track master promissory note aging based on federal regulations?

40. Provider will describe how they administer rehabilitation to Federal Perkins student loan, billing the arranged amount during the 9-month schedule, plus clearing past credit history and resuming payment agreement upon completion of 9 months.

41. How are borrower accounts displayed if they have multiple account types.

B. STUDENT LOAN COLLECTION MANAGEMENT
Providers are to describe their student loan collection management ability to perform each of the following functions:

1. Describe provider’s ability to manually or automatically place or recall accounts with collection agencies.

2. Describe provider’s ability to prevent an account from being placed with one or more collection agencies.

3. Describe automatic calculation of collection fees.

4. The provider shall provide the University with the option to assess or defer collection costs, late charges or penalty charges systematically or manually.

5. How does provider generate and produce collection letters. Can these letters be customized by the university?

6. Explain provider’s process of mail merge of borrowers’ demographics and data into staff created notices.

7. Provide ability to view all accounts on-line that are assigned to a select internal or external collector.

8. Does provider automatically provide removal of Internal Collector if brought current, except in designated situations (i.e.-Judgment)?

9. Does provider allow clients to manual place an account to a specific university collector (overriding the automatic internal placement)?

10. Provide ability to automatically printout detailed account information for all borrowers, including payment history, memo etc.

11. Describe provider’s assistance with the Federal Perkins 553 forms.
12. Does provider allow for special memo creation visible from the primary borrower page?

C. TECHNOLOGY SUPPORT
Providers are to describe their ability to perform the following functions associated with support and interfacing capabilities:

1. Hours of on-line availability for clients and borrowers EST.

2. Describe your on-line update capabilities.

3. Does the provider provide Internet access for school, borrowers and appropriate third-parties of the following:
   a. Bill presentation and e-payments
   b. ACH payments
   c. Credit card payments
   d. To check individual borrower records
   e. Borrowers to conduct entrance and exit interviews
   f. School to check reports
   g. Borrowers obtain program entitlement forms and instructions (deferments, cancellations)
   h. Access borrower information using the University ID, name or SSN with appropriate password provided by provider
   i. Borrowers to e-sign Perkins promissory notes
   j. Electronic short-term (emergency) loan process

4. Does the provider allow the client the ability of direct input the following updates on-line as necessary?
   a. New loan/loan advances
   b. Separation date changes
   c. Name/address changes
   d. University ID number and social security number changes
   e. Repayment schedule requests
   f. General file maintenance
   g. Special messages
   h. Judgment dates
   i. Payment posting
   k. Renegotiated payment arrangements/forbearance
   l. NSLDS updates

5. Interfacing:
   a. Explain the provider’s ability to interface with the University’s system to transfer all loan advances and adjustments to account at least daily.
   b. Explain provider’s technology used to assist with the flow of information between the university and the Provider.
   c. Does the provider provide designated specific technical personnel to be points of contact for the university computing services personnel needing assistance in resolving technical issues (e.g., data exchange issues such as, automating daily download processes, transmission problems, etc.)
   d. Does the provider have the capability of accepting and interpreting magnetic tapes or electronic files provided by the University? The University and the
provider shall mutually agree on the format and the specific information to be included on each tape or file.

e. Does the provider have the ability to automatically reprocess prior activity on the account when posting backdated activity. This includes items such as cancellations, payments, deferments and special payment arrangements.

6. Security
Describe in detail your security policy and procedures including hardware, software, recovery, back up, retention, and location of hardware. The provider should also provide the components of its data security and disaster recovery plan in responding to this section. Provide a copy of all contracts for outside vendors used to provide technology, file storage, backup or recovery. Describe the disposal of all papers containing borrow information.

7. Scanning
Does the provider scan documents? If so which ones? Can images be accessed by the client?

8. Email security
Does the provider encrypt email to protect confidential information?

D. REPORTS
Providers are to describe their company's ability to provide the following reporting services:

1. At minimum, the Provider should provide monthly, weekly, daily or upon demand the University with the option to receive any (but not limited to) of the following reports, and should provide the option to tailor the report package to the University's needs: (Providers shall identify all applicable costs).

   a. Accounting/Reconciliation Reports
   • List of transactions and adjustments processed
   • Cash listing showing detail of deposits
   • Reconciliation of cash and related general ledger entries
   • List of general ledger entries in Debit/Credit format
   • List of new loans and advances posted
   • List of new loans and advances not posted
   • List of loans with advances in the current award year
   • Reconciliation between deposits and loan system payments
   • Projected billing report

   b. Program Maintenance Reports
   • List of all borrowers included in the current year cohort and a list of borrowers who may be included in the next cohort year
   • Monthly cohort calculation with detail
   • Annual overall program cohort rate (old calculation)
   • Inventory of borrowers scheduled to graduate
   • Inventory of borrowers who are in school or in their grace period
   • Inventory of borrowers who are in repayment, with the option to include those with paid-in-full loans
   • Cross-reference list with names and account numbers
   • List of addresses from borrowers whose mail was returned
   • List of changed names, addresses, and telephone numbers
   • List of loans paid in full
- List of accounts for which billing has been suspended with an indication of the reason
- Cumulative list of borrowers for whom the provider does not have any good address
- Cumulative list of loans with a credit balance with the source of payment, such as consolidation or borrower
- List of the interest paid by borrowers during the calendar year
- List of loans with small balances (the University will have the option to set the amount).

c. Delinquency Reports
- List of delinquent loans, categorized by number of days past due. The University will select the range of days past due for each category
- Report of borrowers with whom the University has made special payment arrangements or who have received hardship deferments
- Inventory of loans assigned to the U.S. Department of Education, including monetary information necessary to reconcile to the general ledger and the federal report
- List of borrowers who become delinquent during the month, based on criteria selected by the University (i.e. number of days past due)

d. Collection Reports
- Inventory of accounts assigned to each collection agency under contract with the University and to each University collector
- List of accounts assigned to each collection agency or internal collector during the reporting period
- Report of payments sent to the Provider by borrowers who are assigned to a collection agency or University collector. Report providing success rates of each collection agency used by the University

e. Program Management Reports
- Fiscal Operations Report in the format needed for the Federal Perkins Loan Program, including a listing of accounts included in Part III, Section C – annually by August 15th for fiscal year data for period July 1, 20XX to June 30, 20XX.
- Program summary report to provide the University with sufficient statistical data to monitor the status of each loan program, e.g. number of loans/borrowers, total dollars loaned and due, etc. Summary report of activity on delinquent accounts and on accounts assigned to collection agencies and internal collectors. This report would provide the University with a method to measure the productivity of its collectors and collection agencies - Monthly

f. Custom reports- Can reports be customized to the client specifications within 24 hours?

2. Does the provider make all reports available for viewing on-line immediately following the week-end or month-end? If so explain the security in place to protect the data.

3. Does the provider have the capability to provide monthly accounting reports with the ability to receive reports via CD Rom and on-line in different formats? (Excel …)

4. Does the provider allow the University to produce reports on demand and allow the end user to create, view and print at any given time?
5. Explain how you can provide the University with all available records and files pertaining to student loan accounts when required by federal, state and the University auditors. These records should be retained for three (3) years from paid in full.

E. SPECIAL REQUIREMENTS

1. Provide a copy of your data loss prevention procedures and disaster recovery plan.

2. Provide a copy of your safeguard provisions of Gramm-Leach-Bliley Act (GLBA).

3. Provide to the University the results of Respondent’s most recent annual independent customer service survey regarding timely responsiveness, courteous and helpful customer assistance, on-line access, overall satisfaction, etc.

4. Provider must notify university of any changes to university bank account.

F. TRAINING AND SUPPORT SERVICE

Providers are to describe their company’s ability to provide and/or perform the following training and support services:

1. Training of all users by Contractor prior to access on Contractor’s system at the University including new staff hired after the contract.

2. Provide service call support for the University employees at no additional cost to the University.

3. Perform semi-annual on-site training visits as mutually agreed upon between Provider and the University.


5. Provide a primary account representative for the University.

6. Provide technical support and trouble reporting telephone number.

7. Respond to telephone calls and correspondence from the University and borrowers within 24 hours.

G. PAYMENT FOR SERVICES

Providers are to describe their invoicing process. Include all invoicing and payment options. Also in response to this section, Providers should include a sample of their invoice.

H. CONVERSION AND IMPLEMENTATION PLAN

All providers must describe their company’s ability to perform each of the following functions associated with the converting the University’s current data to the Provider’s system, and the plan to accomplish this change:

1. Provide a detailed conversion plan to be used in converting the University’s current data to the Provider’s system. Provide an outline of conversion methods including a timetable and expected assistance from the University.
2. Ability to provide data processing support required to create any data files for initial implementation, conversion, and any subsequent data exchanges or conversions at no additional cost to the University.

3. A letter should be sent to the borrowers to confirm the status of their account and notification of the change in billing services.

4. The Provider must provide on-site initial training of the University staff during the conversion period.

5. Preparation of a formal reconciliation by the Provider at the completion of the conversion.

6. A 100% audit of the accounts after the conversion is completed.

7. The University will require a data file conversion that should be provided by the Provider at no additional cost to the University. Describe the utilization of new technology to assist with the flow of information between the Provider and the University.

8. Maintain the image of the loan at the time of conversion to allow transactions to be processed on activity prior to conversion.

9. The provider must describe their system ability to read and convert all borrower information including payments, memo and history.