



Administered by
UNIVERSITY OF MAINE SYSTEM
Office of Strategic Procurement

REQUEST FOR PROPOSALS

STUDENT LOAN BILLING SERVICES
University of Maine System

RFP # 07-11

ISSUE DATE:
December 1, 2010

PROPOSALS MUST BE RECEIVED BY:
January 4, 2011

DELIVER PROPOSALS TO:

University of Maine System
Office of Strategic Procurement
Attn: Hal Wells
16 Central Street
Bangor, ME 04401

SECTION ONE

1.0 GENERAL INFORMATION:

- 1.1 Purpose: The University of Maine System is seeking proposals for the provision of student loan billing services. It is anticipated that any contract awarded as a result of this RFP will be for an initial term of three (3) years with the option to renew for two additional one-year periods.

This Request for Proposals (RFP) states the instructions for submitting proposals, the procedure and criteria by which a vendor may be selected and the contractual terms by which the University intends to govern the relationship between it and the selected vendor.

- 1.2 Definition of Parties: The University of Maine System will hereinafter be referred to as the "University" or "UMS". Respondents to the RFP shall be referred to as "Bidder(s)" or "bidder(s)". The Bidder to whom the Contract is awarded shall be referred to as the "Contractor."

- 1.3 Scope: The Contractor will provide day to day processing functions for UMS student loan programs which include: Federal Perkins/NDSL student loans, Health and Human Services Nursing Student Loans and Institutional loans. The Contractor will ensure that the loans are administered in compliance with all Federal, State and local laws, rules, regulations and ordinances, including but not limited to, the Family Educational Rights and Privacy Act of 1974, as amended, and all University policies and procedures.

Created in 1968 by the Maine State Legislature the University of Maine System consists of seven public universities, each with a distinctive mission and character. In addition to the seven campuses there are ten (10) University College outreach centers, a law school and an additional seventy-five (75) interactive distance learning sites. The University of Maine System has annual enrollment of more than 40,000 students. From Maine's largest city to its rural northern borders, our universities are known for excellence in teaching and research.

The UMS Shared Processing Center (SPC), Loan Processing and Receivables Management, is responsible for servicing student loans. All seven campuses participate in the Federal Perkins Loan program, two campuses award Nursing Student Loans and three campuses have Institutional Loan portfolios. As outlined in the attached exhibits, UMS maintained 118,551 loans for 100,726 students with an outstanding balance of \$43,642,829.71 of an original \$195,341,399.84 as of June 30, 2010. During the academic year 2010, UMS awarded loans totaling \$1,997,366.00 broken down as follows: Perkins \$1,303,188.00; Nursing Student Loans \$261,919.00; Institutional Loans \$432,259.00. UMS currently has 16,040 active accounts on file. Additional information regarding loan activity on various campuses can be found in Exhibit A (Note: if this Exhibit was not included in your package please email hcwells@maine.edu to request a copy.).

- 1.4 Evaluation Criteria: Proposals will be evaluated on many criteria deemed to be in the University's best interests, including, but not limited to:

- The bidder's experience in loan servicing.
- The experience and qualifications of the staff that will be directly assigned to the UMS account.
- The ability of the bidder to provide UMS with documentation of servicing activity and the quality and range of these reports.
- The range of connectivity options for both UMS and borrowers.
- The ability of the bidder to provide quality service to students, the University and alumni.

- Responsiveness to RFP terms and conditions.
- Financial stability of bidder.
- The ability to meet implementation start date of July 1, 2011.
- Cost effectiveness of bidder's proposal.
- The expediency in which the bidder can recover from a system failure.

1.5 Communication with the University: It is the responsibility of the bidder to inquire about any requirement of this RFP that is not understood. Responses to inquiries, if they change or clarify the RFP in a substantial manner, will be forwarded by addenda to all parties that have received a copy of the RFP. Addenda will also be posted on our web site, www.maine.edu/strategic/upcoming_bids.php. The University will not be bound by oral responses to inquiries or written responses other than addenda.

Inquiries must be made to: Hal Wells
 Office of Strategic Procurement
 University of Maine System
 16 Central Street
 Bangor, Maine 04401
 (207) 973-3302
 hcwells@maine.edu

- 1.6 Award of Proposal: Presentations may be requested of two or more bidders deemed by the University to be the best suited among those submitting proposals on the basis of the selection criteria. After presentations have been conducted, the University may select the bidder which, in its opinion, has made the proposal that is the most responsive and most responsible and may award the Contract to that bidder. The University reserves the right to waive minor irregularities. Scholarships, donations, or gifts to the University, will not be considered in the evaluation of proposals. The University reserves the right to reject any or all proposals, in whole or in part, and is not necessarily bound to accept the lowest cost proposal if that proposal is contrary to the best interests of the University. The University may cancel this Request for Proposals or reject any or all proposals in whole or in part. Should the University determine in its sole discretion that only one bidder is fully qualified, or that one bidder is clearly more qualified than any other under consideration, a contract may be awarded to that bidder without further action.
- 1.7 Award Protest: Bidders may appeal the award decision by submitting a written protest to the University of Maine System's Director of Strategic Procurement within five (5) business days of the date of the award notice, with a copy of the protest to the successful bidder. The protest must contain a statement of the basis for the challenge.
- 1.8 Confidentiality: The information contained in proposals submitted for the University's consideration will be held in confidence until all evaluations are concluded and an award has been made. At that time, the winning proposal will be available for public inspection. Pricing and other information that is an integral part of the offer cannot be considered confidential after an award has been made. The University will honor requests for confidentiality for information of a proprietary nature to the extent allowed by law. Clearly mark any information considered confidential.
- 1.9 Costs of Preparation: Bidder assumes all costs of preparation of the proposal and any presentations necessary to the proposal process.
- 1.10 Debarment: Submission of a signed proposal in response to this solicitation is certification that your firm (or any subcontractor) is not currently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any State or Federal department or agency. Submission is also agreement that the University

will be notified of any change in this status.

- 1.11 Proposal Understanding: By submitting a proposal, the bidder agrees and assures that the specifications are adequate, and the bidder accepts the terms and conditions herein. Any exceptions should be noted in your response.
- 1.12 Proposal Validity: Unless specified otherwise, all proposals shall be valid for ninety (90) days from the due date of the proposal.
- 1.13 Specification Protest Process and Remedies: If a bidder feels that the specifications are written in a way that limits competition, a specification protest may be sent to the Office of Strategic Procurement. Specification Protests will be responded to within five (5) business days of receipt. Determination of protest validity is at the sole discretion of the University. The due date of the proposal may be changed if necessary to allow consideration of the protest and issuance of any necessary addenda. Specification protests shall be presented to the University in writing as soon as identified, but no less than five (5) business days prior to the bid opening date and time. No protest against the award due to the specifications shall be considered after this deadline. Protests shall include the reason for the protest and any proposed changes to the specifications. Protests should be delivered to the Office of Strategic Procurement in sealed envelopes, clearly marked as follows:

SPECIFICATION PROTEST, RFP #07-11

- 1.14 Proposal Submission: A **SIGNED** original and six (6) copies of the proposal must be submitted to the Office of Strategic Procurement, University of Maine System, 16 Central Street, Bangor, Maine 04401, in a sealed envelope by **Tuesday, January 4, 2011**, to be date stamped by the Office of Strategic Procurement in order to be considered. Normal business hours are 8:00 a.m. to 5:00 p.m., Monday through Friday. Bidders may wish to check <http://www.maine.edu/alerts/> to determine if University operations have been suspended. Proposals received after the due date will be returned unopened. There will be no public opening of proposals (see Confidentiality clause). In the event of suspended University operations, proposals will be due the next business day. Vendors are strongly encouraged to submit proposals in advance of the due date to avoid the possibility of missing the due date because of unforeseen circumstances. Vendors assume the risk of the methods of dispatch chosen. The University assumes no responsibility for delays caused by any package or mail delivery service. Postmarking by the due date WILL NOT substitute for receipt of proposal. Additional time will not be granted to any single vendor, however additional time may be granted to all vendors when the University determines that circumstances require it. **FAXED OR E-MAIL PROPOSALS WILL NOT BE ACCEPTED.** The envelope must be **clearly** identified on the outside as follows:

Name of Bidder
Address of Bidder
Due Date
RFP # 07-11

Where possible, all materials submitted should be fully recyclable. Submissions shall be on standard 8.5 x 11, letter-sized paper and be clipped together without binding.

SECTION TWO

2.0 GENERAL TERMS AND CONDITIONS:

Notwithstanding any other provisions of the contract, the Contractor shall, to the extent required by applicable law or regulation, be jointly and severally liable with the University to the Secretary of Education for any violation by the Contractor of any statutory provision of or applicable to Title IV of the Higher Education Act, or the Family Education Rights and Privacy Act, any regulatory provision prescribed there under which specifically affects the responsibilities the Contractor is performing for the University, and for any violation by the Contractor of any applicable special arrangement, agreement or limitation entered into by the Contractor relating to such responsibilities.

- 2.1 **Contract Documents:** If a separate contract is not written, the Contract entered into by the parties shall consist of the RFP, the signed proposal submitted by the Contractor, the specifications including all modifications thereof, and a purchase order or letter of agreement requiring signatures of the University and the Contractor, all of which shall be referred to collectively as the Contract Documents.
- 2.2 **Contract Modification and Amendment:** The parties may adjust the specific terms of this Contract (except for pricing) where circumstances beyond the control of either party require modification or amendment. Any modification or amendment proposed by the Contractor must be in writing to the Contract Administrator. Any agreed upon modification or amendment must be in writing and signed by both parties.
- 2.3 **Contract Term:** The Contract term shall be for an initial period of three (3) years commencing upon July 1, 2011. With mutual written agreement of the parties this Contract may be extended for two (2) additional one-year periods.
- 2.4 **Pricing:** Quoted prices will be in effect for a minimum of twenty-four (24) months from the effective date of the contract. All price increases must be of a general nature and apply to all customers. Notification of price increases after January 1, 2012 must be furnished, in writing, to the Contract Administrator for approval. The University reserves the right to rebid the contract if it does not want to accept price increases.
- 2.5 **Contract Data:** The Contractor is required to provide the University with detailed data concerning the Contract at the completion of each contract year or at the request of the University at other times. The University reserves the right to audit the Contractor's records to verify the data. This data may include, but is not limited to the number of loans processed, dollar volume, type of loan services rendered, and conformity to Federal requirements under Audit A133.
- 2.6 **Contract Validity:** In the event one or more clauses of the Contract are declared invalid, void, unenforceable or illegal, that shall not affect the validity of the remaining portions of the Contract.
- 2.7 **Non-Waiver of Defaults:** Any failure of the University to enforce or require the strict keeping and performance of any of the terms and conditions of this Contract shall not constitute a waiver of such terms, conditions, or rights.
- 2.8 **Cancellation/Termination:** If the Contractor defaults in its agreement to provide personnel to the University's satisfaction, or in any other way fails to provide service in accordance with the contract terms, the University shall promptly notify the Contractor of such default and if adequate correction is not made within fifteen (15) days, the University may take whatever action it deems necessary to provide alternate services and may, at its option, immediately

cancel this Contract with written notice. Except for such cancellation for cause by the University, either the University or the Contractor may terminate this Contract by giving thirty (30) days advance written notice to the other party. Cancellation does not release the Contractor from its obligation to provide services per the terms of the Contract during the notification period.

- 2.9 Clarification of Responsibilities: If the Contractor needs clarification of or deviation from the terms of the Contract, it is the Contractor's responsibility to obtain written clarification or approval from the Contract Administrator.
- 2.10 Litigation: This Contract and the rights and obligations of the parties hereunder shall be governed by and construed in accordance with the laws of the State of Maine without reference to its conflicts of laws principles. The Contractor agrees that any litigation, action or proceeding arising out of this Contract, shall be instituted in a state court located in the State of Maine.
- 2.11 Assignment: Neither party of the Contract shall assign the Contract without the prior written consent of the other, nor shall the Contractor assign any money due or to become due without the prior written consent of the University.
- 2.12 Equal Opportunity: In the execution of the Contract, the Contractor and all subcontractors agree, consistent with University policy, not to discriminate on the grounds of race, color, religion, sex, sexual orientation, transgender status or gender expression, national origin or citizenship status, age, disability or veteran's status and to provide reasonable accommodations to qualified individuals with disabilities upon request. The University encourages the employment of individuals with disabilities.
- 2.13 Independent Contractor: Whether the Contractor is a corporation, partnership, other legal entity, or an individual, the Contractor is an independent contractor. If the Contractor is an individual, the Contractor's duties will be performed with the understanding that the Contractor is a self-employed person, has special expertise as to the services which the Contractor is to perform and is customarily engaged in the independent performance of the same or similar services for others. The manner in which the services are performed shall be controlled by the Contractor; however, the nature of the services and the results to be achieved shall be specified by the University. The Contractor is not to be deemed an employee or agent of the University and has no authority to make any binding commitments or obligations on behalf of the University except as expressly provided herein. The University has prepared specific guidelines to be used for contractual agreements with individuals (not corporations or partnerships) who are not considered employees of the University.
- 2.14 Sexual Harassment: The University is committed to providing a positive environment for all students and staff. Sexual harassment, whether intentional or not, undermines the quality of this educational and working climate. The University thus has a legal and ethical responsibility to ensure that all students and employees can learn and work in an environment free of sexual harassment. Consistent with the state and federal law, this right to freedom from sexual harassment was defined as University policy by the Board of Trustees.

Failure to comply with this policy could result in termination of this Contract without advanced notice. Further information regarding this policy is available from Sally Dobres, Director of Equity and Diversity, (207) 973-3372.

- 2.15 Indemnification: The Contractor agrees to be responsible for, and to protect, save harmless, and indemnify the University and its employees from and against all loss, damage, cost and expense (including attorney's fees) suffered or sustained by the University or for which the University may be held or become liable by reason of injury (including death) to persons or

property or other causes whatsoever, in connection with the operations of the Contractor or any subcontractor under this agreement.

2.16 Contractor's Liability Insurance: During the term of this agreement, the Contractor shall maintain the following insurance:

<u>Insurance Type</u>	<u>Coverage Limit</u>
1. Commercial General Liability (Written on an Occurrence-based form)	\$1,000,000 per occurrence or more (Bodily Injury and Property Damage)
2. Professional Liability (Errors and Omissions)	\$2,000,000 limit or more
3. Vehicle Liability (Including Hired & Non-Owned)	\$1,000,000 per occurrence or more (Bodily Injury and Property Damage)
4. Employee Dishonesty (Insurance policy or bond covering all employees)	\$1,000,000 limit or more
5. Workers Compensation (In Compliance with Applicable State Law)	Required for all personnel

The amounts carried are subject to minimum requirements as established by applicable laws and regulations. The University reserves the right to accept alternative insurance limits when deemed in its best interest to do so. The University reserves the right to change the insurance requirement or to approve alternative insurances or limits, at the University's discretion.

The University of Maine System shall be named as Additional Insured on the Commercial General Liability insurance.

Certificates of Insurance for all of the above insurance shall be filed with:

Office of Strategic Procurement
University of Maine System
16 Central Street
Bangor, Maine 04401

Certificates shall be filed prior to the date of performance under this Agreement. Said certificates, in addition to proof of coverage, shall contain the standard statement pertaining to written notification in the event of cancellation, with a thirty (30) day notification period.

As additional insured and certificate holder, the University should be included as follows:

University of Maine System
16 Central Street
Bangor, Maine 04401

2.17 Smoking Policy: The University must comply with the "Workplace Smoking Act of 1985" and M.R.S.A. title 22, § 1541 et seq "Smoking Prohibited in Public Places." In compliance with this law, the University has prohibited smoking in all University System buildings except in designated smoking areas. This rule must also apply to all contractors and workers in existing University System buildings. The Contractor shall be responsible for the implementation and enforcement of this requirement within existing buildings.

2.18 Gramm Leach Bliley (GLB) Act (Confidentiality of Information): The Contractor shall comply with all aspects of the GLB Act regarding safeguarding confidential information. See Attachment A, Standards for Safeguarding Customer Information.

SECTION THREE

3.0 PERFORMANCE TERMS AND CONDITIONS:

- 3.1 Contract Administration: The Student Loan Manager or designee shall be the University's authorized representative in all matters pertaining to the administration of this Contract.
- 3.2 Employees: The Contractor shall employ only competent and satisfactory personnel and shall provide a sufficient number of employees to perform the required services efficiently and in a manner satisfactory to the University. If the Contract Administrator or designee, notifies the Contractor in writing that any person employed on this Contract is incompetent, disorderly, or otherwise unsatisfactory, such person shall not again be employed in the execution of this Contract without the prior written consent of the Contract Administrator.
- 3.3 Payments: Payment will be upon submittal of an invoice to the individual campuses, by the Contractor, on a Net 30 basis unless discount terms are offered. Invoices **must** include a purchase order number. The University is using several, preferred methods of payment: PCard (Visa); Bank of America's ePayables and PayMode electronic payment systems. Please indicate your ability to accept payment via any or all of these methods.
- 3.4 The Contractor shall:
 - 3.4.1 Service, as described below, UMS Federal Perkins/NDSL student loans, Health and Human Services Nursing Student Loans and Institutional loans (including medical loans). See Exhibit A for the number of loans and statuses as of June 30, 2010. (Note: if this Exhibit was not included in your package please email hcwells@maine.edu to request a copy.).
 - 3.4.2 Have at the time of account conversion (defined as transferring account information by UMS to the Contractor), the capability to accept and store electronic data, including offsite backup.
 - 3.4.3 Provide for technical assistance, clerical expense, material expense, specific conversion programming required, and all data processing support needed to create a computer file as of the conversion date. Contractor is responsible for the full completion of conversion (the transfer of account servicing information, history, and current billing and payment information). Contractor during the performance of the conversion shall include an audit of all accounts and mail notification to the borrower of change in billing services.
 - 3.4.4 Update the US Department of Education's National Student Loan Data System database as required.
 - 3.4.5 Update a national credit bureau database, at least monthly, on all borrower loans.
 - 3.4.6 Complete all required grace period billings.
 - 3.4.7 Perform all required billing procedures.
 - 3.4.8 Maintain audit trails within account history to include documentation of individual performing transactions with appropriate dating of transactions.
 - 3.4.9 Be able to receive payments and credit borrower's account on the date of receipt. Funds will be transferred by electronic means within twenty-four (24) hours of receipt.

to UMS at a dollar level to be determined by UMS (currently \$40,000.00).

- 3.4.10 Supply UMS with an electronic means to perform general inquiry and to update a borrower's account (on-line access to the borrower's account with appropriate security).
- 3.4.11 Supply borrowers with on-line access to account information, both inquiry and update.
- 3.4.12 Perform all federally required "due diligence" steps as required by all current and future Federal laws, rules, and regulations, and all UMS policies and procedures in accordance with the level of service chosen.
- 3.4.13 Advise UMS, at least monthly, of all overpaid accounts by campus, (including name, address, SSN, dollar amount) for appropriate disposition.
- 3.4.14 Supply UMS with monthly summary totals of activity by loan fund. System wide loan fund totals are to be supplied also. The summary data shall include, but not be limited to, payments received, postponements, cancellations/deferments processed and default rates.
- 3.4.15 Supply UMS, via electronic means, with a master file. The master file should be supplied monthly. See Exhibit B for master file layout. (Note: if this Exhibit was not included in your package please email hcwells@maine.edu to request a copy.).
- 3.4.16 Supply UMS, via electronic means, monthly financial data to be used to update its accounting system. See Exhibit C for accounting chartfield information. (Note: if this Exhibit was not included in your package please email hcwells@maine.edu to request a copy.).
- 3.4.17 Supply, by institution, annual Federal Perkins Loan fiscal operations reports for all campuses and NSL annual operating reports for participating campuses in accordance with Federal rules and regulations.
- 3.4.18 Assure all reports supplied to UMS can be available electronically and on stored media (CD, microfiche, etc.) as requested.
- 3.4.19 Cooperate with all Federal, State, University and external auditors. The Contractor will supply, annually, an external audit report according to Federal, State, and Audit A133 requirements.
- 3.4.20 Supply toll-free phone number access to University borrower and staff for account inquiry. Sufficient lines will be provided so that staff and borrowers have reasonable access.
- 3.4.21 Submit the tax filing for interest paid on student loans as outlined in the Taxpayer Relief Act of 1997, section 221 of the Internal Revenue Code.
- 3.4.22 Complete all conversion in a timely manner so that billing services are in place for the contract start date. Contract to be awarded by April 30, 2011 and contract start date is July, 2011.

SECTION FOUR

4.0 PROPOSAL CONTENT:

Bidders shall ensure that all information required herein is submitted with the proposal. All information provided should be verifiable by documentation requested by the University. Failure to provide all information, inaccuracy or misstatement may be sufficient cause for rejection of the proposal or rescission of an award. Bidders are encouraged to provide any additional information describing operational abilities. Responses to each requirement below should be in order and clearly marked with the section number to which they respond.

4.1 Business Profile:

4.1.1 **No financial statements are required to be submitted with your proposals,** however, prior to an award the University may request financial statements from your company, credit reports and letters from your bank and suppliers.

4.1.2 **Please submit with your proposal** a detailed history and description of your company and any published reports about your company.

4.2 Organization:

4.2.1 Provide a listing of principals, officers and/or owners, along with their titles and qualifications.

4.2.2 Provide:

- (a) An organizational chart
- (b) The total number of current employees
- (c) Résumés of owners and managers
- (d) Job description for personnel engaged in client and borrower services
- (e) Information regarding personnel servicing Campus Based accounts
 - Name of staff members
 - Years of experience

4.2.3 Provide a history of your company.

4.2.4 Provide a description of your company's corporate philosophy and management style, indicating how these elements are reflected in client and borrower services.

4.2.5 Provide the name, address, telephone number and email address of the representative to be contacted concerning the proposal.

4.3 Experience, Knowledge and Affiliations:

4.3.1 Provide a clear and concise statement indicating experience and knowledge of the industry.

4.3.2 Describe staffing plans for both customer service and processing duties.

- 4.3.3 Provide information demonstrating comprehensive and satisfactory knowledge of the Federal loan programs and experience in performing billing services. Include training manuals and/or an outline of training provided to personnel. Indicate continuing education programs that are made available to personnel.
- 4.3.4 Provide a list of the organizations and professional affiliations and activities that support and promote ability to remain current with respect to federal requirements and industry standards.
 - (a) Provide a list of activities, if any, in which company has participated, which demonstrate commitment to the student loan industry.
 - (b) Provide a list of any positions or offices held, or awards received by, company or its personnel.
- 4.3.5 Provide a list of any workshops presented by company in the last two years.
- 4.3.6 Provide a list of any presentations made by company personnel in the last two years, including who made the presentation, when and where.
- 4.3.7 Provide a description of ability to maintain a high level of effective communication with the industry and the University. Include a list of any procedures, or publications that facilitate this.
- 4.4 Pricing: Bidders shall supply UMS with a quote for servicing all loan programs. Quote shall include any and all costs associated with transferring files from the existing contractor.
 - 4.4.1 Pricing must be provided for all levels of service offered.
 - 4.4.2 Discuss how new products or processes will be billed. For example, in the past year we have had to create new disclosures for Nursing Student Loans and Institutional loans. Would these disclosures have been part of the regular billing or would new fees be charged to the University for the service?
 - 4.4.3 Provide a sample of the invoice that the University will receive.
- 4.5 Bidder Information: Please provide the following:
 - 4.5.1 A description of the types and levels of services the bidder proposes to provide and the approach the bidder will take to supply required services. Describe any additional service available to reduce and/or maintain cohort default rates. All descriptions must include an outline of accounting and loan processing procedures to be used.
 - 4.5.2 An outline of all costs that will be chargeable to UMS for any and all services rendered. All conversion and/or implementation costs shall be specified as a separate line item.
 - 4.5.3 Describe on-line connectivity options from the bidder's systems to UMS and costs.
 - 4.5.4 Outline the types of reports you are capable of generating for UMS and on what basis (daily, weekly, monthly, annually). Provide information on expected delivery of such reports and provide examples of reports. Describe ability for ad hoc reporting.
 - 4.5.5 Describe the training to be provided to UMS staff within the pricing offered. Also describe and provide pricing for additional training available on or off site.

- 4.5.6 Describe your ability to handle Institutional loans. Include information regarding deferment processing, ability to manage multiple funds and pro-rating payment schedules.
 - 4.5.7 Describe your ability to interface with multiple collection agencies to include how accounts can be placed with agencies, connectivity options, customer service and payment processing.
 - 4.5.8 Provide a sample of all forms and correspondence sent to borrowers including a sample invoice which demonstrates how data can be itemized including: the balance of each loan, status of each loan (such as past due, current) and an option to apply loan payments by loan type and location.
 - 4.5.9 Describe options for borrowers to contact the Contractor and receive information. Describe options for borrowers to submit information to Contractor and make payments. Describe any differences between what UMS will see and what borrowers will see when viewing accounts.
 - 4.5.10 Describe methods and systems used for skip tracing including information on any additional costs.
 - 4.5.11 A statement of your ability to supply all required services and acceptance of terms and conditions.
 - 4.5.12 A schedule of events that details bidder's timeframe for completion of implementation and data conversion by July 1, 2011. Provide implementation plan, identifying operational and system requirements including fit-gap analysis, systems integration, data conversion, testing, training, communications planning and all items required for a successful conversion.
 - 4.5.13 Describe your ability to provide borrowers with a combined billing statement for all UMS loans, regardless of type or originating campus. This statement will show the balance of each loan, status of each loan, originating campus and an option to apply loan payments by loan type and/or originator.
 - 4.5.14 Describe month-end and year-end processing procedures to include deadlines for processing, use of actual vs. designated month-end, and report generation.
 - 4.5.15 Describe what happens to forms and other correspondence received on behalf of the borrower. How frequently will forms be forwarded to UMS? Indicate whether the bidder can send copies of correspondence in TIF format.
 - 4.5.16 Provide a list of all accounts that have used your service in the past but have switched to another provider within the past three (3) years.
- 4.6 General Information:
- 4.6.1 Indicate the total number of colleges and universities for which bidder provides services.
 - (a) Provide a list of all current clients; indicating the type of accounts managed, along with number of accounts and the total dollar value of such accounts.
 - (b) Provide the client name, address, contact person, and number of years of

continuous service of bidder's largest client, smallest client and average size client in the student receivables industry.

4.7 Required Documentation:

- 4.7.1 A complete copy of your firm's two most recent annual compliance audits, prepared in accordance with federal regulations.
 - 4.7.2 A certificate of insurance indicating the insurance coverages required in Section 2.16.
 - 4.7.3 A copy of your firm's Gramm-Leach-Bliley information security or similar policy.
- 4.8 Payment Method: Indicate your ability to accept electronic payments. (Section 3.3)
- 4.9 References: A list of five (5) references is required to be submitted with your proposal, including company name, address, contact person, type of accounts, and number of years of continuous service. These references should be agencies your firm has done business with in the past year **on projects with a similar scope to this one.**

SIGNATURE PAGE

COMPANY NAME: _____

By: _____
(Signature)

(Print Name)

(Title)

(Phone)

(Cell Phone)

(E-mail Address)

(Date)

Substitute Form W-9 - Taxpayer Identification Number Request & Certification

Please complete the following information. We are required by law to obtain this information from you when making a reportable payment to you.

If you do not provide us with this information, your payments may be subject to federal income tax backup withholding. Use this form only if you are a U.S. person (including US. resident alien.). If you are a foreign person, use the appropriate Form W-8.

Part 1 Tax Status:

Print Name: _____

Address (number, street, and apt. or suite no.): _____

City: _____ State: _____ Zip: _____

Phone: (____) _____

Complete One:

Individual/Sole Proprietor Business Name, if different from above
_____ Social Security Number ____ - ____ - _____
- or - Business EIN ____ - _____
Partnership EIN ____ - _____
Corporation EIN ____ - _____

Please answer questions below if you are a corporation:

- 1. Corporation providing legal services? Y N
2. Corporation providing medical services? Y N

Limited Liability Company EIN ____ - _____
Tax-Exempt or Not-for-Profit under § 501(C)(3) EIN ____ - _____
Government Entity EIN ____ - _____
Estate or Trust EIN ____ - _____
All other Entities EIN ____ - _____

Part 2 Exemption: If exempt from Form 1099 reporting, check here:
and circle your qualifying exemption reason below

- 1. An organization exempt from tax under IRC section 501(a)
2. The United States or any of its agencies or instrumentalities
3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities
4. A foreign government or any of its political subdivisions, agencies, or instrumentalities
5. An international organization or any of its agencies or instrumentalities
6. Other: _____

Part 3 Certification:

Under penalties of perjury, I certify that:

- 1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the

Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends,
or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return.

Signature of U.S. person: _____ Date:

Please return this form with the attached contract. Thank you for your cooperation.

ATTACHMENT A

UNIVERSITY OF MAINE SYSTEM STANDARDS FOR SAFEGUARDING CUSTOMER INFORMATION

This Attachment addresses compliance with the requirements of the Gramm Leach Bliley Act (“GLB”) dealing with the confidentiality of customer information and the applicable Federal Trade Commission Safeguard Rules.

1. Definitions:
 - a. Customer Financial Information includes Student Financial Information (defined below) and all other information required to be protected under the Gramm Leach Bliley Act, as well as any credit card information received in the course of business by the University, whether or not such credit card information is covered by GLB. Customer Financial Information includes both paper and electronic records.
 - b. Student Financial Information is information that the University has obtained from or about a student in the process of offering a financial product or service, or such information provided to the University by another financial institution. Offering a financial product or service includes offering student loans to students, receiving income tax information from a student’s parent when offering a financial aid package, and other miscellaneous financial services as defined in 12 C.F.R. §225.28. Examples of Student Financial Information include addresses, phone numbers, bank and credit card account numbers, income and credit histories, and Social Security numbers, in both paper and electronic format.
2. Prohibition of Unauthorized Use or Disclosure of Customer Financial Information: Service Provider agrees to hold the Customer Financial Information in strict confidence. Service Provider shall not use or disclose Customer Financial Information received from the University, or created or received by Service Provider on behalf of the University except as permitted or required by the Agreement including this Attachment, as required by law, or as otherwise authorized in writing by the University.
3. Safeguard Standard: Service Provider agrees that it will protect the Customer Financial Information received from, or created or received by Service Provider on behalf of the University according to Federal Trade Commission rules and regulations and commercially acceptable standards.
4. Return or Destruction of Customer Financial Information:
 - a. Except as provided in Section 4(b), upon termination, cancellation, or expiration of the Agreement, for any reason, Service Provider shall cease and desist all uses and disclosures of Customer Financial Information and shall immediately return or destroy (if University gives written permission to destroy) in a reasonable manner consistent with GLB, all Customer Financial Information received from the University, or created or received by Service Provider on behalf of the University, provided, however, that Service Provider shall reasonably cooperate with the University to ensure that no original Customer Financial Information records are destroyed. This provision shall apply to Customer Financial Information that is in the possession of subcontractors or agents of Service Provider. Service Provider shall retain no copies of Customer Financial Information, including any compilations derived from and allowing identification of Customer Financial Information. Except as provided in Section 4(b), Service Provider shall return (or destroy) all Customer Financial Information within 30 days after termination, cancellation, or expiration of the Agreement.
 - b. To the extent that Service Provider can presently determine that in the course of maintaining adequate business records to comply with record retention or other requirements, that returning

or destroying the Customer Financial Information in the future will be infeasible, Service Provider shall provide below the conditions that make return or destruction infeasible and shall indicate the types of records that Service Provider intends to retain. If, upon termination of this Agreement, the Service Provider is required to retain information in addition to that indicated below, Service Provider shall notify the University in writing the conditions that make return or destruction of such additional information infeasible and the types of records retained. If, upon termination of the Agreement, Service Provider determines that retaining the items indicated below is not required, Service Provider will return to the University or destroy all Customer Financial Information within 30 days after termination, cancellation, or expiration of this Agreement. Upon mutual agreement of the parties that return or destruction of Customer Financial Information is infeasible, Service Provider shall extend the protections of the Agreement including this Attachment to such Customer Financial Information and limit further uses and disclosures of such Customer Financial Information to those purposes that make the return or destruction infeasible, for so long as Service Provider maintains such Customer Financial Information.

5. Term and Termination:

- a. This Attachment shall take effect upon execution.
- b. In addition to the rights of the Parties established by the underlying Agreement, if the University reasonably determines in good faith that Service Provider has materially breached any of its obligations under this Agreement, the University, in its sole discretion, shall have the right to:
 - i. Inspect the data that has not been safeguarded and thus has resulted in the material breach of this Agreement, and/or
 - ii. Require Service Provider to submit a plan of monitoring and reporting, as the University may determine necessary to maintain compliance with this Agreement; and/or
 - iii. Terminate the Agreement immediately
- c. Before exercising any of these options, the University shall provide written notice to Service Provider describing the violation and the action it intends to take.

6. Subcontractors and Agents: If Service Provider provides any Customer Financial Information received from, or created or received by Service Provider on behalf of the University to a subcontractor or agent, the Service Provider shall require such subcontractor or agent to agree to the same restrictions and conditions as are imposed on Service Provider by this Agreement.

7. Maintenance of the Security of Information: Service Provider shall develop, implement, maintain, and use appropriate administrative, technical, and physical security measures to preserve the confidentiality, integrity, and availability of all maintained or transmitted Customer Financial Information received from, or created or received by Service Provider on behalf of the University.

8. Reporting of Unauthorized Disclosures or Misuse of Customer Financial Information: Service Provider shall report to the University any use or disclosure of Customer Financial Information not authorized by this Agreement or in writing by the University. Service Provider shall make the report to the University not more than one (1) business day after Service Provider learns of such use or disclosure. Service Provider's report shall identify; (i) the nature of the unauthorized use or disclosure (ii) the Customer Financial Information used or disclosed, (iii) who made the unauthorized use or received the unauthorized disclosure, (iv) what Service Provider has done or shall do to mitigate the effects of the unauthorized use or disclosure, and (v) what corrective action Service Provider has taken or shall take to prevent future similar unauthorized use or disclosure. Service

Provider shall provide such other information, including a written report, as reasonably requested by the University.

9. Survival: The respective rights and obligations of Service Provider under Section 4 of this Attachment shall survive the termination of this Agreement.