



Administered by
UNIVERSITY OF MAINE SYSTEM
Office of Strategic Procurement

REQUEST FOR PROPOSALS

COLLECTION SERVICES
University of Maine System

RFP # 15-09

ISSUE DATE:
July 10, 2009

PROPOSALS MUST BE RECEIVED BY:
July 30, 2009

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 collection services in connection with delinquent Perkins/National Direct Student Loans (NDSL), Nursing Student Loans, Institutional Loans as well as delinquent tuition and University student receivables accounts. Services may include pre-collection activities; skip tracing, asset searches and any other related activities required for verifying and collecting these types of accounts. It is anticipated that any contracts awarded as a result of this RFP will be for an initial term of three (3) years with 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 "Bidders." The Bidder(s) to whom the Contract(s) is/are awarded shall be referred to as the "Contractor(s)."
- 1.3 Scope: 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 10 University College outreach centers, a law school and an additional 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.

Each campus is responsible for its student receivables. These receivables may include tuition, fees, housing costs, library fines, parking fines, etc. UMS is completing its first year using PeopleSoft for processing student financials. Because placements may have been delayed during conversion, placement statistics for student receivables for 2008 are not reliable. During calendar year 2008, there were more than 600 accounts placed with a dollar total of approximately \$1,000,000.

The UMS Shared Processing Center (SPC) 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. During calendar year 2008, there were 1,322 placements made totaling \$1,372,790.67. As of April 30, 2009 there were 1,886 accounts in collection with an outstanding balance of \$4,443,675.56.

- 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, response to RFP specifications, past performance, present collection procedures and practices, and references.
- 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

- 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(s) which, in its opinion, has/have made the proposal that is the most responsive and most responsible and may award the Contract to that/those bidder(s). 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(s). 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 #15-09

- 1.14 Proposal Submission: A **SIGNED** original and two (2) 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 **Thursday, July 30, 2009**, 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 call (207) 973-3298 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 # 15-09

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:

- 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 and/or commission) 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 Office of Strategic Procurement. Any agreed upon modification or amendment must be in writing and signed by both parties.
- 2.3 **Contract Term:** This agreement shall be effective on the date that both parties have signed the document. The Contract term shall be for an initial period of three (3) years. With mutual written agreement of the parties this Contract may be extended for two (2) additional one-year periods.
- 2.4 **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, dollar volume, services rendered, and commissions paid to the University.
- 2.5 **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.
- 2.6 **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.
- 2.7 **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 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 goods or services per the terms of the Contract during the notification period.

The Contractor shall cease collections on all accounts submitted by the University and shall return such accounts, including any applicable files, to the University along with all collections due to the University, less the Contractor's earned commission.
- 2.8 **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 Office of Strategic Procurement.
- 2.9 **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.

- 2.10 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.
- 2.11 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.
- 2.12 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.
- 2.13 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
- 2.14 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.
- 2.15 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 Omission)	\$2,000,000 limit or more
3. Automobile Liability (Including Hired & Non-Owned)	\$1,000,000 per occurrence or more (Bodily Injury and Property Damage)

- 4. Employee Dishonesty \$1,000,000 limit or more
(Insurance policy or bond covering all employees)
- 5. Workers Compensation Required for all personnel
(In Compliance with Applicable State Law)

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 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

- 2.16 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.
- 2.17 Gramm Leach Bliley (GLB) Act (Confidentiality of Information): The Contractor shall comply with all aspects of the GLB Act regarding safeguarding confidential information. Attachment A, Standards for Safeguarding Customer Information.

SECTION THREE

3.0 PERFORMANCE TERMS AND CONDITIONS:

- 3.1 **Contract Administration:** The Office of Strategic Procurement or its 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 **Referral:** Referral of accounts shall be at the University's option. The University agrees to have performed appropriate written demands informing debtor of the consequences of his failure to make payments prior to turning accounts over to the Contractor. Written acknowledgement of accounts by the Contractor shall be made promptly upon receipt to the University.
- 3.4 **Compensation:** The Contractor shall receive commission based on the total amount collected on each individual account regardless of size of account, age of account, or skip tracing. If an account is "brought current" with ten (10) days of placement, the account will be returned to the University with no commission being charged by the Contractor.

The Contractor will not be entitled to any commission or other compensation in connection with accounts of debtors found to be eligible for deferment or cancellation or placed by mistake. The Contractor shall not be entitled to any commission or other compensation in connection with accounts of debtors collected by UMS through the State Tax Setoff program. The Contractor will not be entitled to any commission or other compensation on amounts collected by the University as a result of the debtor contacting the University and requesting re-enrollment, transcripts or other University services and subsequently paying the University in order to receive said services.

- 3.5 **Collection of Accounts:** The Contractor shall promptly undertake, through proper and lawful means, the collection of all such accounts referred by the University without regard to the amount. The Contractor shall not, under any circumstances, use any threats, intimidations or harassment in the collection of accounts nor violate any guidelines of the Federal Fair Debt Collection Practices Act, the Maine Fair Debt Collection Practices Act, nor violate any other applicable governmental laws, regulations, guidelines or any amendments thereto after the date of contract.

The Contractor shall at all times maintain a Trust Account in which all monies collected for the University by the Contractor shall be deposited promptly after posting to the book of accounts, and shall carry at all times, during the term of the contract, a collection agency bond. The Contractor shall have the right to endorse account checks made payable to the University for deposit into Trust Account.

- 3.6 **Ledger Record:** The Contractor shall maintain for all accounts a ledger record which reflects the original balance assigned, additional charges, collections, commissions, court costs and attorney fees. Accounts must be maintained by the Contractor at all times to reflect the current amount due based on information supplied by the University or the University's loan servicer. The University shall have the right to inspect such records at any time during normal business hours.

3.7 Protection of information: All hard copy files and computer stored information shall be maintained in such a way as to assure confidentiality and protect against unwarranted disclosures of information. All records shall be maintained in such a manner and for the time periods required by applicable laws and regulations.

3.8 Reports: On a regular monthly basis, the Contractor shall provide written status reports. The Contractor shall provide, at the University's request, a complete inventory of all accounts.

On a regular monthly basis, the Contractor shall remit to the University all net collections (gross amount collected less applicable commissions) made on University accounts from the previous remittance. The Contractor and individual campuses shall determine the timing of the monthly remittance. The Contractor will prepare a detailed statement of all payments made during the remittance period which will accompany the remittance check. All checks from the Contractor to the University shall be made payable to the University of Maine System.

3.9 Special Payment Arrangements: For special payment arrangements, the Contractor shall prepare a written repayment agreement and forward a signed copy to the Contract Administrator. If a borrower requests to rehabilitate a loan, the Contractor will contact the University to discuss the appropriate amount of monthly payment prior to preparing any written agreement between the Contractor and the borrower.

3.10 Compliance with Regulations: Pursuant to Federal Regulation 34 CFR, Part 668.25, the Contractor agrees to:

3.10.1 Comply with all statutory provisions of or applicable to Title IV of the Higher Education Act, all regulatory provisions prescribed under that statutory authority, all special arrangements, agreements, limitations, suspensions, and terminations entered into under the authority of statutes Title IV of the Higher Education Act

3.10.2 Refer to the Office of Inspector General of the Department of Education for investigation any information indicating there is a reasonable cause to believe that the University might have engaged in fraud or other criminal misconduct in connection with University administration of any Title IV, Higher Education Act program or applicant for Title IV, Higher Education Act program assistance might have engaged in fraud or other criminal misconduct in connection with his application. Examples of other types of information that must be referred are:

- false claims by the University for Title IV, Higher Education Act program assistance;
- false claims of independent student status;
- false claims of citizenship;
- use of false identity;
- forgery of signatures or certification; and
- false statements of income;

3.10.3 Be jointly and severally liable with UMS to the Secretary of the Department of Education for any violation by Contractor of any statutory provision of or applicable Title IV of the Higher Education Act, any regulatory provision prescribed under the statutory authority, and any applicable special arrangements, agreement or limitation entered into under the authority of statutes applicable to the Title IV of the Higher Education Act; and

- 3.10.4 If Contractor or UMS terminates the contract, or if Contractor stops providing services for the administration of a Title IV, Higher Education Act program, goes out of business, or files a petition under the bankruptcy code, return to UMS all:
- records in Contractor possession pertaining to UMS participation in the program or programs for which services are no longer provided; and
 - funds, including Title IV, Higher Education Act program funds, received from or on behalf of UMS or UMS students, for the purpose of the program or programs for which services are no longer provided
- 3.11 Settlement and Compromise of Accounts: The Contractor shall not accept any compromise settlement(s), without prior written approval of University. For purposes of this paragraph, a compromise settlement is a settlement for less than the original principal and interest balance referred to the Contractor for collection plus accrued interest.
- 3.12 Legal Action: No form of legal action will be initiated on the part of the Contractor without written authorization from the University.
- 3.13 Court Costs and Attorney Fees: The Contractor will advance all court costs and attorney fees. The Contractor shall be reimbursed for advance court costs out of first monies collected. No commission is payable on court costs and attorney fees collected.
- 3.14 Individual Account Cancellation: Should the University request cancellation of an individual account on which legal costs have been advanced, the University agrees to reimburse the Contractor for such advanced costs prior to the Contractor canceling the account.
- 3.15 Direct Payments made to the University: The University will notify the Contractor of all direct payments. The Contractor will include a commission owing for any direct payments, except as noted in compensation section, on the next monthly statement.
- If the University is contacted directly by the debtor, payment arrangements made thereafter shall be communicated to the Contractor and payments shall be made directly to the Contractor, except as noted in compensation section.
- 3.16 Cancellation or Recall of Accounts: The Contractor agrees to automatically return to the University all accounts that the Contractor has held for six (6) months without payment and such other accounts as the University may in its sole discretion request, with an explanation as to why the Contractor has been unable to collect on the accounts returned (e.g., hardship, refusal to pay, incarceration, unable to locate after due and diligent search, unemployment, etc.) The Contractor shall provide written notice of closure to include the borrower's name, account number, borrower's address and telephone information along with the reason for closure.
- In accordance with 34 CFR Part 674.39, the Contractor shall notify the client when an account has been successfully rehabilitated and immediately return to the University any account which has been successfully rehabilitated.
- 3.17 Confidentiality of Information: The Contractor and the University understand and agree that all information provided by the Contractor to the University is of a propriety nature, and therefore shall remain of a confidential nature except as required by law. Such proprietary information shall include reports, statements, proposals, contracts, manuals, information bulletins and other information disseminated from time to time by the Contractor to the University. The Contractor agrees that any student information provided by the University is confidential and will be used solely for the purposes of skip tracing and/or collecting the account. The information will not be disclosed to any third party or used for any other

purpose.

- 3.18 Non-Exclusive: The contract is not an exclusive collection agency contract and does not bind the University or any of its campuses (universities) or instrumentalities to refer any student accounts for collection to the Contractor.

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 Financial Statements:

- 4.1.1 Agency's Audited financial statements for the last two years.
- 4.1.2 Agency's most recent unaudited balance sheet, profit and loss, and cash flow statement.
- 4.1.3 A copy of a recent corporate bank account statement.

4.2 Organization:

- 4.2.1 Provide a listing of principals, officers and/or owners of the Agency, along with their titles and qualifications. If Agency is a law firm, provide:
 - (a) A list of all attorneys who will provide collection services, with address, telephone number, and services to be provided.
 - (b) A list of states in which the attorneys are licensed to practice.
- 4.2.2 Provide a description of the Agency's corporate structure, as follows:
 - (a) If the Agency is a department, division or subsidiary of a business entity, provide a corporate organization chart indicating the relationship between the primary or parent business entity and the Agency.
 - (b) Provide a list of all Agency offices including satellite offices and indicate whether any employees work out of their homes.
- 4.2.3 Provide:
 - (a) An organizational chart of Agency
 - (b) The total number of current employees of Agency
 - (c) Résumés of owners and managers
 - (d) Job description for personnel engaged in collection services
 - (e) Information regarding personnel servicing Campus Based accounts
 - Name of staff members
 - Years of experience
 - (f) Average number of collection accounts per collector

- (g) Average number of clients for client service representative
 - (h) Average years of experience for collectors and all employees
- 4.2.4 Provide a history of your Agency.
- 4.2.5 Provide a description of Agency's corporate philosophy and management style, indicating how these elements are reflected in Agency's collection services.
- 4.2.6 Provide the name, address and telephone number of the Agency representative to be contacted concerning the proposal.
- 4.3 Experience, Knowledge and Affiliations:
- 4.3.1 Provide a clear and concise statement indicating Agency's experience and knowledge of the collection industry.
- 4.3.2 Provide information demonstrating Agency's comprehensive and satisfactory knowledge of the Federal loan programs and experience in performing university receivables collections. Include training manuals and/or an outline of training provided to collection personnel. Indicate continuing education programs that are made available to collection personnel. Indicate whether collection personnel are ACA certified.
- 4.3.3 Provide a copy of any and all collection-related or general business licenses, registrations or permits.
- 4.3.4 Provide a list of the organizations and professional affiliations and activities that support and promote Agency's ability to remain current with respect to federal requirements and industry standards.
- (a) Provide a list of activities, if any, in which Agency has participated, which demonstrate Agency's commitment to the student loan collections and student receivables industries.
 - (b) Provide a list of any positions or offices held, or awards received by, Agency or its personnel.
- 4.3.5 Provide a list of any workshops presented by Agency in the last two years.
- 4.3.6 Provide a list of any presentation made by Agency personnel in the last two years, including who made the presentation, when and where.
- 4.3.7 Provide a description of Agency's 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 Collection Fees:
- 4.4.1 Indicate the amount proposed to be charged for collection services on student loan accounts, including (a) first referrals and (b) second referrals. The University will not entertain bids exceeding the rates released in final regulations by the Department of Education for Perkins loans beginning July 1, 2008.

- 4.4.2 Indicate the amount proposed to be charged for collection services on student accounts, including (a) first referrals and (b) second referrals.
- 4.5 Banking, Cash Management and Remittance:
- 4.5.1 Provide a detailed description of Agency's internal controls for recording payments, cash management, bank deposits, remittances, bad checks, overpayments and audit procedures.
 - 4.5.2 Indicate whether Agency has been terminated by a client in the last four years for failure to remit on a timely basis.
 - 4.5.3 Provide a list of banks, including name, branch address, and type of accounts where Agency currently has business and/or trust accounts.
 - 4.5.4 Indicate whether Agency can electronically remit funds and statements to the University and/or its designated loan servicer.
 - 4.5.5 Provide a description of how Agency reviews the billing servicer's statement and requests direct payments from the schools.
 - 4.5.6 Provide a description of payment methods accepted by the Agency to include processing details; specifically address Agency's acceptance of credit card payments.
 - 4.5.7 Indicate whether Agency has the ability to post direct payments using the actual date of payment receipt.
 - 4.5.8 Provide a demonstration of Agency's ability to keep complete and accurate records of all transactions and activities.
- 4.6 General Agency Information:
- 4.6.1 Indicate the total number of colleges and universities for which Agency provides collection services.
 - (a) Indicate the number of university loan accounts currently managed by Agency, along with the total dollar value of such accounts.
 - (b) Indicate the number of university student accounts currently managed by Agency, along with the total dollar value of such accounts.
 - (c) Provide the client name, address, contact person, and number of years of continuous service of Agency's largest client, smallest client and average size client in the student receivables industry.
 - 4.6.2 Provide a list of all types of accounts serviced by Agency, including the total dollar value of such accounts.
 - 4.6.3 Provide five (5) references, including company name, address, contact person, type of accounts, and number of years of continuous service.
 - 4.6.4 Provide the client name, address, and contact person of the three (3) most recent clients that have ceased doing business with Agency.

- 4.6.5 Provide historical performance measures for collecting
 - (a) First referrals student loans
 - (b) Second referrals student loans
 - (c) First referrals student accounts
 - (d) Second referrals student accounts
- 4.6.6 Provide collection performance statistics for the first six months and separately for the first twelve months that loans or tuition accounts have been placed with Agency for the last two years.
- 4.6.7 List billing servicers with whom Agency is on-line.
- 4.6.8 Indicate whether Agency has on-line or internet capabilities, and if so, please describe in detail.
- 4.6.9 Indicate whether Agency has capabilities for international collections, and if so, please describe in detail.
- 4.6.10 Indicate whether Agency can send copies of correspondence in TIF format?
- 4.7 Required Examples:
 - 4.7.1 Provide examples of all management reports, to include but not limited to – Status Report, Inventory of Accounts, Close and Return Report, Address Update Report, Analysis Report.
 - 4.7.2 Provide a sample monthly Billing/Remittance Statement.
 - 4.7.3 Provide a sample name and address change notification.
 - 4.7.4 Provide a copy of Agency's operating procedures used to collect student loans.
 - 4.7.5 Provide a copy of Agency's operating procedures used to collect student receivables.
 - 4.7.6 Provide a copy of all form collection notices that may be issued to individual accounts.
 - 4.7.7 Provide a copy of Agency's rehabilitation policy.
 - 4.7.8 Provide the name of Agency's collection software, describe its functionality, and provide example screen shots.
 - 4.7.9 Provide a description of how Agency handles deferments, cancellations, bankruptcy, and death notifications for the student loan programs.
- 4.8 Required Documentation:
 - 4.8.1 A complete copy of Agency's two most recent annual compliance audits, prepared in accordance with 34 CFR 668.23 and, if applicable, Agency's corrective action plans in response to those audits.
 - 4.8.2 A certificate of insurance indicating the insurance coverages required by the form agreement.

- 4.8.3 A statement indicating the value of two months of collection for current loans in Agency's inventory.
- 4.8.4 A copy of Agency's Gramm-Leach-Bliley information security or similar policy.
- 4.9 Payment Method: Indicate your ability to accept electronic payments. (Section 3.3)
- 4.10 References: A list of three references is required to be submitted with your proposal. These references should be agencies your firm has done business with in the past year **on projects with a similar scope to this one**. Provide company names with contact person and telephone number.

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 12 of the Contract or Section 4 of this Attachment shall survive the termination of this Agreement.