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# Clarification #1

Reference: Request for Proposal B9339313
**Collection Services**

Date: May 18, 2017

Question: Please confirm the due date for this procurement is **5/22/2017**.

Answer: **The due date has been extended to May 31, 2017 at 2:00p.m.**

Question: What is the date by which you will answer these questions?

Answer: May 10, 2017.

Question: When is the anticipated contract start date?

Answer: July 1, 2017

Question: Can you please provide greater explanation of your expectations related to any required subcontracting to minority-owned, women-owned, or other types or categories of small or disadvantaged businesses? For example, what is required with the proposal, and what is required to comply during the term of the contract?

Answer: The goal for the University is 25% for small business overall, however the state does not currently recognize MBE or WBE categories.

Question: Please describe your level of satisfaction with your current vendor(s), if applicable.

Answer: N/A

Question: What is the average age of accounts at placement (at time of award and/or on a going-forward basis), by category?

Answer: 120 days

Question: What is the monthly or quarterly number of accounts expected to be placed with the vendor(s) by category?

Answer: The University intends to award multiple vendor contracts so the exact number is cannot be determined at this time.

Question: What is the monthly or quarterly dollar value of accounts expected to be placed with the vendor(s) by category?

Answer: Refer to the above answer

Question: What billing servicer do you utilize?

Answer: Heartland/ECSI for the Federal Perkins program.

Question: If applicable, will accounts held by any incumbent(s) or any backlog be moved to any new vendor(s) as a one-time placement at contract start up?

Answer: Accounts will only be moved if there has been no collection activity.

Question: What computer software system do you use to manage your accounts/inventory?

Answer: Banner

Question: Do you have any plans of changing that system in the future, and why/why not?

Answer: No

Question: Do you subscribe to any offset programs?

Answer: Yes, the State of New Jersey Division of Taxation, Set-Off Individual Liability Program.

Question: I was hoping to clarify some requested information in the paperwork for RFP B9339313 - Collection Services. On page 56, Exhibit B, the RFP is shown as below. Could you help clarify the meaning of First Referral vs. Second Referral, in addition to the difference between the two columns of percentages? Any information and guidance would be very helpful. Thank you.

Answer: The account is initially referred to the first collection agency for 12 months. If there has been no collection activity within 12 months the account is automatically returned to the University and referred to a second collection agency. Disregard the second column of percentages.

**EXHIBIT B – PRICE SHEET**

| **Federal Perkins Accounts:** | **Percentage** | **Percentage** |
|---|---|---|
| First Referral | % | % |
| Second Referral | % | % |
| Litigation Account | % | % |
| **Accounts Receivable Accounts:** | **Percentage** | **Percentage** |
| First Referral | % | % |
| Second Referral | % | % |
| Litigation Account | % | % |

Question: Will the University be issuing a formal Q&A document, listing all the questions received and their answers?

Answer: This response is a complete list of questions received.

Question: Will the University supply the original Date of Default/Delinquency at time of placement in order to establish a valid Statute of Limitations date?

Answer: Yes

Question: Can the University provide the monthly placement volume, average balance and average recovery rates by each debt type to be collected?

a. Student receivables
b. Federal Perkins Loans
c. Institutional Loans
d. Health Professions Loans

Answer: Not available

Question: Are collection agencies required to add collection costs to non-Perkins placements? If so, by what authority does the university add collection costs to the amount placed?

Answer: Yes.

Question: Can the University supply a copy of the student agreement that allows for collection costs?

Answer: Yes

Question: How many agencies are working the University's portfolio now? How many agencies are working just the University's Perkins accounts? How many are working A/R? Is there a first placements / second placements split on each of these portfolios?

Answer: Four agencies are working the University's portfolio. Three agencies are working the Perkins account. Four are working the A/R accounts. Yes, there is a first and second placement split on the portfolios.

Question: Who are the agencies on the current contract?

Answer: Coast Professional, Inc. (Perkins only), Eastern Revenue (AR/Perkins), General Revenue Corporation, Williams and Fudge (AR/Perkins).

Question: What are the agencies' combined annual recoveries on this portfolio for 2015 and 2016?

Answer: Not currently available

Question: What percentage of recoveries are a result of S.O.I.L. (State Offset)?

Answer: Not currently available

Question: How will the collection costs to be imposed on an account be communicated by the University to us (e.g. inclusion on placement file)?

Answer: The awarded contractor will calculate the collection costs at the time the account is placed in collections. The collection cost will appear on the acknowledgement document which will be reviewed and assessed to the students' account by the University.

Question: What are the University's requirements regarding account retention?

Answer: 12 months

Question: When in 2017 will the University be liquidating its Perkins Loans portfolio?

Answer: August/September 2017

Question: In regards to page 1, where is a bidder to provide a completed page one within our response?

Answer: With their bid response.

Question: In regards to Section 3.2.6, page 7, is a contractor only to report accounts receivable to credit bureaus? Does the University's billing servicer currently submit Federal loans for credit reporting?

Answer: The contractor is only to report accounts receivable to the credit bureaus. The University's billing servicer reports the Perkins loans.

Question: In regards to Section 3.4, page 8-9, will the University please clarify the statement, "When payment is received from debtor, the Contractor will not post the payment to the monthly statement for thirty (30) calendar days." Does the University require a hold between posting date and reporting date on statements, or is this a requirement to remit payments monthly?

Answer: Remit payments monthly

Question: In regards to Section 5.4.1, page 11, this section states that these forms need to be submitted with the proposal. However, there don't appear to be any forms associated with any of these provisions (other than the pricing section). Is a bidder to just respond to these sections within our response or are there specific forms that need to be completed and submitted?

Question: Unable to locate the information you are referring to on page 11.
In regards to Section 5.4.1, page 11, did the University intentionally not include a Section 5.4.1.4?

Answer: Disregard 5.4.1.4 it was an error.

Question: In regards to Section 7.1, 12. Surety's Consent (PERFORMANCE BOND) on page 13, please confirm that there is no performance bond required with this solicitation.

Answer: No required.

Question: In regards to Bids, 1., on page 14, is the “Form of Bid” the first page of the RFP document or page 36?

Answer: No, it is the complete document provided on-line.

Question: In regards to Section 2.1, page 19, this section identifies that all financial information must be clearly identified within the proposal. Is a bidder’s pricing considered financial information?

Answer: Financial information would include the pricing information and any other request that may be requested in the request.

Question: In regards to Section 3.1, second paragraph, page 21, can the University provide clarification on what the “Company Data Sheets” are?

Answer: This refers to the numerous documents that are required to be completed with your response.

Question: In regards to Section 3.1.e, page 21, is the University looking for a bidder’s complete client list or just a representative sample list of applicable clients?

Answer: A representative sample.

Question: In regards to Section 3.6, page 27, the use of vendors for services such as skip tracing and letter service are customary in the collection industry. For the purposes of this RFP and this condition, does the University deem these types of service providers as subcontractors?

Answer: Yes.

Question: In regards to Section 14, page 34, please confirm that there is no bid security required to be submitted with an offer’s bid.

Answer: Not required.

Question: In regards to Section 8.0, page 36, is the bidder to fill out the blank line immediately following: “…for a not to exceed price of:”? What is the University looking for bidders to provide in this section?

Answer: Companies can indicate “see pricing sheet”, since there is no way to calculate the value of the service to be provided at this time.

Question: In regards to Company Confirmation, page 40, what does the University consider the “Bid Reply Documents” to be?

Answer: All documents that are required to be completed by bidder. The list is included on that page.

Question: In regards to Company Confirmation, page 40, the “Supplier Information” form looks to be missing from this list. Please confirm that the “Supplier Information” form is required to be submitted.

Answer: The form is included in the document.

Question: In regards to Exhibit B – Price Sheet, page 56, is a bidder only to use one of the columns to provide their pricing? This sheet has two blank columns which do not have identifiers as to the difference in the columns.

Answer: The bidder is only to use one of the columns to provide pricing. Disregard the second column.

Question: In general, does the University add collection costs to non-federal accounts placed with an agency? If yes, will the University provide a copy of the agreement that includes verbiage to permit passing collection agency fees to the borrowers or provide the verbiage from that section of the agreement(s)?

Answer: Yes, the University adds collection costs to non-federal accounts placed with an agency and can provide the verbiage use to pass collection cost to the borrower.

Question: In general, what University staff members or departments are responsible for the evaluation of this proposal?

Answer: There is committee that reviews and recommends award.

Question: In general, what is the University looking to improve under this RFP?

Answer: N/A

Question: Page 5 of the RFP lists the following address for bid submissions:

Answer: William Paterson University
Purchasing Office
358 Hamburg Turnpike
P.O. Box 913
Wayne, NJ 07470-0913

Question: However, delivery services such as FedEx and UPS do not deliver to P.O. boxes. Can the University provide a street address for vendors wishing to submit their responses via FedEx or UPS?

Answer: William Paterson University, Purchasing Office, Room 321, College Hall, Wayne, NJ 07470) suitable for FedEx delivery?

Question: Section 7.1: Instructions (page 14) The RFP instructs bids to be made on the “Form of Bid”. Please confirm that the University is requesting return of Section 5.4 Bid Proposal Content, Section 7.2 RFP Specifications, and all prerequisite forms as a complete proposal submission.

Answer: Yes.

Question: Section 7.1: Instructions to Companies, Bid, 2. (page 14) – Is the address listed (William Paterson University, Purchasing Office, Room 321, College Hall, Wayne, NJ 07470) suitable for FedEx delivery?

Answer: Yes.

Question: Section 7.2, 1.5.21: Assignment (page 19) – Does the University consider peripheral vendors that provide general, non-contact support services like printing/mailing and consumer data providers to be “subcontractors”?

Answer: No.

Question: Section 7.2, 3.2: Proposal Preparation (page 19) – The University asserts that prior performance shall be a factor in contract award. May vendors supply references as evidence of past performance?

Answer: Past performance is an indicator of past performance at William Paterson University.

Question: Non-Collusion Affidavit (page 37) and Employee or Relative Disclosure Requirement (page 39) – These forms appear to require an executive signature and notary, but offer no space for executive signature. May vendors create space in the form for executive signature above the notary signature line?

Answer: Does not require executive signature, must be notarized.

Question: Exhibit B: Price Sheet (page 56) – What is the University’s expectation with regard to the second percentage column listed?

Answer: The bidder is only to use one of the columns to provide pricing. Disregard the second column.

Question: Does the University add collection costs to non-federal accounts? If so, please provide a copy of your promissory note or other documentation giving the University legal authorization to add such fees to non-federal debts.

Answer: Collection cost are added to non-federal accounts.

Question: What method(s) are used to place accounts with agencies (email, online upload, FTP, billing service, etc.)? Which billing servicer does the University use?

Answer: On-line upload. Heartland/ECSI for Perkins Loans only.

Question: What has been the historical rate of return achieved by your current vendors and/or what recovery rate is expected?

Answer: Not available

Question: What improvements would the University like to see from the previous contract?

Answer: N/A

Question: What are the points or percentage values for each evaluation criterion?

Answer: To be determined by the committee.

Question: Section 7 General Terms, Question 3.1 under Qualification of Companies on page 21 of the RFP says "…the Company should submit the following information with their proposals by completing the attached "Company Data Sheets" (See Attachment) and returning said sheets with their proposal. Can the University please provide the "Company Data Sheets" attachment?

Answer: The documents were included as part of the download.

Question: The University lists "Bid Reply Documents" as one of the signature forms required with bid submittals on page 13 and again on page 40. Please advise as to what the University is referring to.

Answer: These documents were included as part of the download.

Question: Exhibit B – Price Sheet has two percentage columns. Please advise as to the purpose of the far right column of the pricing table.

Answer: The bidder is only to use one of the columns to provide pricing. Disregard the second column.

Question: Is the current bid for collection services also open to Law Firms? Or is it strictly limited to collection agencies?

Answer: Collection agencies

Question: Section 7.1: Instructions (page 13) – Please clarify what is meant by “1. Bid Reply Documents”. We were unable to locate a form by that title.

Answer: There are a number of documents in the RFP the vendor is required to complete. These are to be submitted with your response.

If you do not intend to bid, please fax back your “NO BID” to Purchasing at 973-720-2872.

____________________
(Signature)

____________________
(Company Name)

____________________
(Today’s Date)