



COMMONWEALTH OF VIRGINIA
STANDARD CONTRACT

Contract No. UCPJMU5389

This contract entered into this 14th day of January 2019, by Cedar Holdings International, Inc. hereinafter called the "Contractor" and Commonwealth of Virginia, James Madison University called the "Purchasing Agency".

WITNESSETH that the Contractor and the Purchasing Agency, in consideration of the mutual covenants, promises and agreements herein contained, agree as follows:

SCOPE OF CONTRACT: The Contractor shall provide the services to the Purchasing Agency as set forth in the Contract Documents.

PERIOD OF PERFORMANCE: From January 14, 2019 through January 13, 2021 with three (3) two-year renewal options.

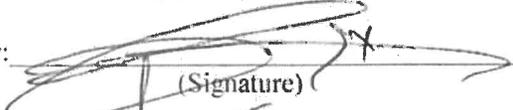
The contract documents shall consist of:

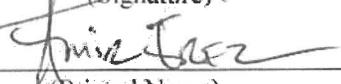
- (1) This signed form;
- (2) The following portions of the Request for Proposal LBS-997 dated June 22, 2018:
 - (a) The Statement of Needs;
 - (b) The General Terms and Conditions;
 - (c) The Special Terms and Conditions together with any negotiated modifications of those Special Conditions;
 - (d) Addendum No. One dated July 13, 2018;
 - (e) Addendum No. Two dated July 23, 2018;
 - (f) Addendum No. Three dated August 3, 2018;
 - (g) Addendum No. Four dated August 13, 2018.
- (3) The Contractor's Proposal dated August 14, 2018 and the following negotiated modification to the Proposal, all of which documents are incorporated herein.
 - (a) Negotiations Summary, dated January 7, 2019.

IN WITNESS WHEREOF, the parties have caused this Contract to be duly executed intending to be bound thereby.

CONTRACTOR:

By:



(Signature)


(Printed Name)

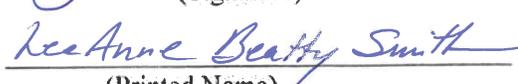
Title:

PRESIDENT

PURCHASING AGENCY:

By:



(Signature)


(Printed Name)

Title:

Buyer Senior, JMU



**RFP # LBS-997, Collection Services
Negotiation Summary for Cedar Holdings International, Inc.**

January 7, 2019

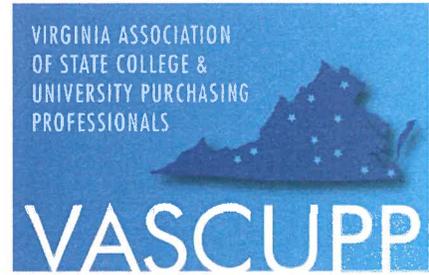
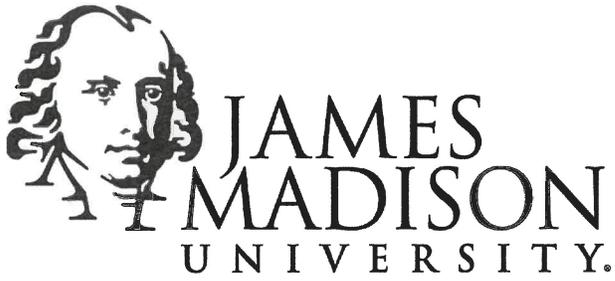
1. Contractor agrees that this Negotiation Summary modifies the Contractor's response to RFP# LBS-997.
2. Contractor's pricing schedule is as follows:
 - a. All Accounts regardless of type of account and/or placement (*to include accounts that have received a judgement prior to placement*): 15% collection fee of total amount collected. This percentage shall not be increased for the life of the contract.
 - b. There shall be no litigation provided on accounts placed by VASCUPP institutions.
 - c. Contractor shall provide one (1) free 30-day pre-collect period on all accounts placed. The pre-collect period is defined as a time period beginning upon placement of a VASCUPP account where the Contractor shall immediately send a demand letter to the debtor and payments received from debtor(s) during this time period shall not incur a collection fee by the Contractor.
 - d. The collection fee shall be the sole compensation paid for collection services. There shall be no additional charges allowed.
3. Contractor shall ensure that all checks and ACH debtor payments clear prior to remitting funds to the Purchasing Agency.
4. Contractor shall maintain the ability to report to a minimum of one (1) national credit bureau (*for non-Perkins placements*) and shall make all necessary corrections when an account is reported in error. Purchasing Agency's reserve the right to determine the minimum number of days (31 days or more) and/or the minimum dollar amount (\$50 or more) for accounts that will be reported to a credit bureau.
5. Contractor shall allow the Purchasing Agency to determine the timeframe in which accounts that meet certain criteria are automatically returned to the Purchasing Agency.
6. Contractor shall provide debt collection services based on the residing state of the debtor. Contractor agrees to provide reporting, as required by each individual VASCUPP institution, on referred collection accounts where the consumer resides in a state where collection fees are not allowed.
7. Contractor agrees that in the event the law requires an "agreement" between the debtor and Purchasing Agency in order to add collection costs, the Contractor shall accept the following as acceptable "agreements":
 - a. Express written agreement
 - b. Promissory note



**RFP # LBS-997, Collection Services
Negotiation Summary for Cedar Holdings International, Inc.**

January 7, 2019

- c. Electronic signature
 - d. Online acknowledgement (click thru)
 - e. Language posted online along with student handbooks and catalogs informing students of collections costs being added to debt collection.
8. Contractor acknowledges receipt of RFP-LBS-997 Addendums #1, #2, #3, and #4.
 9. Contractor agrees that each Purchasing Agency shall be treated as a separate client in terms of monies and data management.
 10. Contractor shall work with the Purchasing Agency's Billing Agent for Perkins Loan collections with all Perkins Loan debt remitted directly to the designated Billing Agent.



Request for Proposal RFP# LBS-997

Collection Services

Proposal Offered by:



August 15, 2018

Dell Holden
Director of Sales
Cedar Financial
5230 Las Virgenes Road, Suite 210
Calabasas, CA 91302
TIN #: 95-4622272

Commonwealth of Virginia
James Madison University
Procurement Services MSC 5720
752 Ott Street, Wine Price Building
First Floor, Suite 1023
Harrisonburg, VA 22807

Regarding: DEBT COLLECTION SERVICES
Title: RFP# LBS-997

Dear Reviewing Committee:

Cedar Financial (CFI), is pleased to submit this proposal in response to your request for: DEBT COLLECTION SERVICES. We have carefully reviewed your request and believe that we meet all your requirements and offer important value-added opportunities to James Madison University (the Institution).

Why Cedar Financial?

Specialized Department and Staff Exclusively Helping the Consumer: Our dedicated staff is specially trained to work with all types of consumers. We understand their unique needs, and we can find creative ways to work with customers.

Domestic Capabilities: Our Collection Division is industry renowned for its ability to recover unique types of debts. Employing the most professional and effective debt collection techniques and strategies, our team is unmatched at successfully recouping outstanding balances. Our state-of-the-art collection technology and skip-tracing tools give our team the added advantage in the recovery process, which is why Agencies from around the world have continued to rely on us as their collection resource. Our clientele includes public institutions and private companies both large and small.

International Capabilities: Bureau of Automotive Repair's portfolio might contain a number of international accounts that will not be properly handled—or handled at all—by a firm that does not specialize in international debt collection. There are over 6,000 collection agencies in the United States, and only 1% of those agencies specialize in international collections. Cedar Financial is one of them!

Best of Both Worlds: Cedar Financial is a large enough firm to efficiently manage your volume of accounts, but we are still small enough to provide a personal level of service not matched by larger firms.

Financially Stable and Commercially Certified: Cedar Financial is a financially stable, established company that has provided successful debt collection services since 1991. Our current profit growth rate is steady at an average of 34% year over year for the past three years. Our sound financial history and quality, compliant collection practices earned us the International Association of Commercial Collectors (IACC) Certified Commercial Collection Agency certification for commercial debt collectors. We are one of only 14 agencies nationwide to hold this certification.

Thank you for reviewing our proposal. If you have any questions, do not hesitate to contact me personally at 818-936- 6257 or via email at dholden@cedarfinancial.com.

Sincerely,

Dell Holden
Director of Sales,
Cedar Financial

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Signature Form



REQUEST FOR PROPOSAL
RFP# LBS-997

Issue Date: 6/22/18
Title: Collection Services
Issuing Agency: Commonwealth of Virginia
James Madison University
Procurement Services MSC 5720
752 Ott Street, Wine Price Building
First Floor, Suite 1023
Harrisonburg, VA 22807

Period of Contract: From Date of Award Through One Year (Renewable)

Sealed Proposals Will Be Received Until 2:00 PM on August 16, 2018 for Furnishing The Services Described Herein.

SEALED PROPOSALS MAY BE MAILED, EXPRESS MAILED, OR HAND DELIVERED DIRECTLY TO THE ISSUING AGENCY SHOWN ABOVE.

All Inquiries For Information And Clarification Should Be Directed To: LeeAnne Beatty Smith, Buyer Senior, Procurement Services, smith2LB@jmu.edu; 540-568-7523; (Fax) 540-568-7935 not later than five business days before the proposal closing date.

NOTE: THE SIGNED PROPOSAL AND ALL ATTACHMENTS SHALL BE RETURNED.

In compliance with this Request for Proposal and to all the conditions imposed herein, the undersigned offers and agrees to furnish the goods/services in accordance with the attached signed proposal or as mutually agreed upon by subsequent negotiation.

Name and Address of Firm:

Cedar Business Services, LLC
5230 Las Virgenes Rd. Ste. 210
Calabasas, CA 91302

By: 
(Signature in Ink)

Name: Dell W. Holder
(Please Print)

Date: 8/14/2018

Title: Sr. of Sales

Web Address: www.cedarfinancial.com

Phone: 818-936-6257

Email: dholder@cedarfinancial.com

Fax #: N/A

ACKNOWLEDGE RECEIPT OF ADDENDUM: #1 #2 #3 #4 #5 (please initial)

SMALL, WOMAN OR MINORITY OWNED BUSINESS:

YES; NO; *IF YES* ⇒ SMALL; WOMAN; MINORITY **IF MINORITY:** AA; HA; AsA; NW; Micro

Note: This public body does not discriminate against faith-based organizations in accordance with the Code of Virginia, § 2.2-4343.1 or against an offeror because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment.

Our Response to Your Statement of Needs

IV. STATEMENT OF NEEDS

James Madison University (JMU) seeks a Contractor that is an established industry leader in providing debt collection services that achieves the maximum recovery of debt for institutions of higher education. Specifically, the Contractor shall provide debt collection services for the following types of unpaid accounts: tuition and fees; student loans; returned checks; and miscellaneous receivable accounts.

A. The Contractor **shall be responsible for the following:**

- Providing collection services to the VASCUPP institution in accordance with all regulations and laws to include, but not limited to, the following:
 - ✓ Federal Regulations for Perkins loans
 - ✓ Fair Debt Collection Practice Act
 - ✓ Virginia Debt Collection Act (§ 2.2-4800 et seq.),
 - ✓ Consumer Credit Protection Act
 - ✓ National Defense Education Act of 1958, Title II,
 - ✓ Public Health Service Act Titles VII and VIII,
 - ✓ Gramm-Leach-Bliley Act

Cedar Financials' consumer-centered approach is the same for all types of debt. Our collection practices strictly follow all federal, state, and local consumer guidelines. All collection activities conducted will conform to and be in compliance with local laws and will be consistent with traditional norms of courteous and professional behavior, consistent with the image and reputation of the Institution.

Cedar Financial has a Compliance Officer and several Quality Control Auditors on staff. They are responsible for conducting audits and inspections daily operations. Cedar Financials' Quality Control Auditors conduct audits to inspect collection activities to verify that our service conforms to both the Institution requirements and our own strict internal requirements.

Compliance Audits

Auditing is time-consuming and rigorous and something we take very seriously. We understand that auditing ensures that quality standards and requirements are met. Cedar Financial undergoes multiple, overlapping, external and internal rigorous audits, as a standard part of company operations every fiscal year. These audits affect every aspect of company operations.

External Compliance Audits

Cedar Financial conducts external compliance audits that include financial audits conducted during the preparation of our financial statements and ensure that the recording, reconciling, and reporting of financial information and transactions in accordance with good business practices and generally accepted accounting principles.

Internal compliance Audits

Cedar Financials' Compliance Officer conducts internal quality audits of our entire management system and is designed to include:

Operational audits conducted by our quality control auditor are designed to verify compliance with internal guidelines for resolving client issues, conducting training, encouraging continuous process improvements, and identifying non-conformity and corrective actions. These audits ensure that Internal control structures are compliant with all applicable federal statutes and regulations governing the administration of federal loan programs.

Client-specific audits are conducted by Cedar Financial staff in compliance with contracts, and client requirements.

Cedar Financial records all communication with consumers including phone calls. We use these calls and other recorded communication as tools for training, quality assurance, and risk mitigation.

Cedar Financial performs quality checks daily and upon the completion of recurring events. Accounts are randomly targeted and audited daily and in other circumstances, carefully defined trigger events, provide additional quality assurance checks under our Quality Assurance and Best Practices Management System.

Cedar Financial agrees that all collection activities will be in conformity with existing federal, state, or local laws and regulations including the Fair Debt Collection Practices Act. We have strict compliance guidelines to ensure we meet the Institution' requirement for compliance standards.

Compliant Collections

Cedar Financial is licensed throughout the United States and works with a vetted network of global collection affiliates in over 150 countries to ensure that everything we do is complaint with local, regional, national, and international debt collection laws. Our team adheres strictly to the Family Educational Rights and Privacy Act (FERPA), The Fair Debt Collection Practices Act (FDCPA), The Fair Credit Reporting Act (FCRA), The Gramm- Leach-Bliley Act (GLBA), The Telephone Consumer Protection Act (TCPA) and unfair, deceptive, or abusive acts or practices

(UDAAP) regulations and our international affiliates are licensed in their respective countries.

Cedar Financial will be happy to forward our corporate policies pertaining to the above listed compliance requirements at the Institution' request.

All Cedar Financial collection activities will strictly follow the rules and regulations of the Fair Credit Reporting Act.

It is Cedar Financials' policy to ensure all employees receive training on regulations that affect their day to day responsibilities and impact the consumers they communicate with every day. All employees are trained and tested on the topics at the time of hire and annually.

- ✓ FDCPA
- ✓ FERPA
- ✓ HIPAA
- ✓ CFPB
- ✓ UDAP
- ✓ FCRA
- ✓ GLBA
- ✓ Fair Lending Laws and ECOA
- ✓ EFTA
- ✓ TCPA
- ✓ SCRA
- ✓ TILA
- ✓ Red Flag Regulations
- ✓ FACT ACT
- ✓ BSA/AML



Through our training and auditing we ensure that all collection activities will be compliant with all federal, state, and local laws, rules, and regulations.

Cedar Financial has dedicated, knowledgeable staff, and each employee has been carefully selected and trained to meet the specialized requirements of our clients. The Cedar Financial staff have received hundreds of hours of additional training as it relates to specialized compliance issues related to Federal Bankruptcy laws, regulations, and policies. We have a continuing education program through Cedar University.

Cedar Financial will maintain all necessary safeguards to prevent unauthorized access to information, such as secure handling and storage of all data and security password protection on any computer equipment. We have several layers of protection and we maintain an In-house IT Department to ensure real-time, immediate control of data and security issues should they arise.

Cedar Financial maintains written security plans to safeguard all data and personal information. These plans include policies that demonstrate technical, physical, and administrative protection for personal information. The plans are written to meet and exceed industry standards. Our compliance and IT staff work together to oversee and manage consumer and data security procedures in the workplace, as well as continuously monitor and address security hazards.

Cedar Financial will ensure that all consumer information is never used for any other purpose than the collection of money owed to the client. We agree to not release information to any credit bureau or other third parties without full compliance with all federal and state privacy laws and prior written approval from the Institution. Our Staff is trained to accommodate the specific requirements of consumers. We will strictly adhere to all applicable privacy rules and regulations required by the federal government, state government and local government.



Privacy Rights of Consumers

Privacy rights of consumers are very important, and Cedar Financial has developed multiple company-wide policies and processes designed to protect the privacy needs of our clients and their consumers. Confidentiality and privacy standards are routinely reviewed to ensure consistency corporate wide. Our privacy standards not only meet but exceed currently acceptable industry standards. Our recognition as an Industry leader in nation-wide collections depends on meeting and exceeding expectations domestically and internationally

Cedar Financial will maintain all necessary safeguards to prevent unauthorized access to information, such as secure handling and storage of all data and security password protection on any computer equipment. We have several layers of protection and we maintain an In-house IT Department to ensure real-time, immediate control of data and security issues should they arise.

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Secure Computerized Software

Cedar Financial uses secure software for our data management and reporting needs. Collect! is chosen by more than 1,400 companies in 40 countries, helping receivables management professionals organize their operations, enhance staff performance, and improve profitability.

Security Options We Customize:

- ✓ Field and form level security
- ✓ Account level security
- ✓ Search and sort data selection filters
- ✓ Names of fields and forms shown on the screen

System Security

Collect! uses 128-bit AES encryption for data transmitted between the server and client machines for maximum data protection. Multi-level security features include encrypted operator ID and password to enter the system. All fields, forms and menus have read/write, read only and no access attributes that the Cedar Financial IT Administrator can set to fully control operator access to information. Within the Collect! system, critical file access is controlled by the server. The whole Collect! system can be locked down to prevent unauthorized access. Client machines can be granted access to a select 'Client' folder with a very small footprint but all the accessibility necessary to let operators work.

Key Collect! Security Benefits

- ✓ Secure access from any internet connection 24x7 with only a few clicks
 - ✓ Automatic software updates
 - ✓ Highest level of security maintained through many industry standard measures
 - ✓ The servers are located at a highly secure data center with conditioned air and conditioned power and redundant everything
 - ✓ Nightly backups stored at an off-site location to ensure that recovery is possible.
 - ✓ Highly trained staff that maintains and secures the servers.
 - ✓ Data is secured and encrypted at rest and in transit
 - ✓ Advanced Encryption Standard (AES) security to meet even the toughest guidelines.
 - ✓ Multi-level password security, account level access control
 - ✓ Integrated Secure SSL based Web Host that creates its own Certificates
 - ✓ Hot Online Backup
 - ✓ Change History: Who did what, when? All changes to database records are recorded in a separate log
-

Secure Systems

- ✓ HIPAA and PCI compliant
- ✓ Physical security
- ✓ Biometric scanning
- ✓ Badge
- ✓ Mantrap entries
- ✓ Security intrusion detection
- ✓ 24/7/365 video surveillance
- ✓ Security guard

Tier III data center

- ✓ Fail-over firewalls
- ✓ Network redundancy
- ✓ Continual system monitoring
- ✓ Solid disaster recovery plan
- ✓ Increased bandwidth (OC-192 connection)
- ✓ Multiple diverse fiber routes
- ✓ N+1 HVAC cooling system
- ✓ Temperature and humidity alarms

Power

- ✓ Multiple facility-based UPS systems
- ✓ 2 commercial feeds into building
- ✓ Back-up generators with continuous fuel supply
- ✓ TVSS voltage surge protection

Cedar Financial Employee Security Training

All Cedar Financial staff members receive computer related security training. This training pertains to every facet of data security. Our IT Administrator routinely updates training and security standards as needed to ensure the highest available security protocols are met. Cedar Financial employees meet with Human Resources to review company policies and procedures during their orientation period. Cedar Financial requires that all employees read and sign our Confidentiality Policy and Agreement.

Management provides ongoing training and education for all staff members including, but not limited to, training on company policies and procedures, client policies and procedures regarding privacy and confidentiality issues, and new regulations affecting privacy and confidentiality. Management is responsible for safeguarding confidential or proprietary information. Managers at every level must allow procedures and ensure that all employees adhere to these procedures. Cedar Financial will provide a current list of all authorized staff and their level of authority or access upon the universities request.

Cedar Financial Secure Client Account Information

A hardware and software firewall protects Cedar Financial internal servers and internal and external access via the Internet. This includes internal access to the Internet, external access to the system, and any files downloaded to the internal system electronically. Computer operations personnel monitor the firewall log to assure the integrity of the firewall. Access to our servers is controlled by opening (or closing) ports. Audit trails are analyzed for indications of intrusion attempts.



Cedar Financial Levels of Security and Passwords

Our computer system has a built-in security system based on employee need and position in the company, allowing for several various levels of security. All menu options are password protected. Accessibility to menu features is only allowed to authorize personnel. Passwords are changed periodically to protect the integrity of the system.

Cedar Financial Virus Protection

Updates on our virus protection are completed automatically monthly and manually daily. Service providers use VPN to access Cedar Financial system via the firewall. Cedar Financial collection system and the Local Area Network are backed up daily in a secured cloud environment and an offsite server.



Cedar Financial Key Security Features

Cedar Financial International and its group affiliates are required to complete standardized internal audits regularly to maintain quality control worldwide.

- ✓ A complete Information Security Policy that has been designed by IT management that regulates all information technology over the

- network. The policy is maintained and updated on a regular basis.
- ✓ Proven tested business continuity plan that ensures business continuity in the event of a disaster. Full disaster recovery including off-site call centers and backup data servers.
 - ✓ Firewall application security designed for the financial industry
 - ✓ Hardware firewall security
 - ✓ Computer access security including full 24/7 network monitoring and recording
 - ✓ Phone monitoring and recording
 - ✓ Paperless environment procedures to mitigate unintended loss or dissemination
 - ✓ Secure email exchange server that is onsite and regulated by IT management
 - ✓ Internet access regulation
 - ✓ Safe 3rd-party document disposal with certificates
 - ✓ Confidentiality and non-disclosure policies and agreements with all employees, vendors, and service providers
 - ✓ Employee screening policy; Criminal background and credit history
 - ✓ Full CCTV security camera monitoring systems
 - ✓ Employee access tracking and security alarm systems
 - ✓ Fully encrypted servers with state-of-the-art file transfer systems between service providers - no anonymous or unauthorized FTP access
 - ✓ Fully encrypted network and collection database
 - ✓ Onsite, cloud and offsite backups maintained – All fully encrypted
 - ✓ Access to servers and websites have IP filtering to allow access only to designated individuals
 - ✓ TCM Group security policies and complete annual auditing procedures adopted by ISO

Service Provider Privacy

Cedar Financial computer operations department oversees all service providers and ensures they take the proper steps to safeguard any confidential customer information.

- Maintaining licenses as required by law, and in states necessary, to provide collection services

Cedar Financial is licensed throughout the United States and works with a vetted network of global collection affiliates in over 150 countries to ensure that everything we do is compliant with local, regional, national, and international debt collection laws. Our team adheres strictly to the Family Educational Rights and Privacy Act (FERPA), The Fair Debt Collection Practice Act (FDCPA), The Fair Credit

Reporting Act (FCRA), The Gramm- Leach-Bliley Act (GLBA), The Telephone Consumer Protection Act (TCPA) and unfair, deceptive, or abusive acts or practices (UDAAP) regulations and our international affiliates are licensed in their respective countries.

Our proven methods, quality, and lawful compliant collection practices earned us the International Association of Commercial Collectors (IACC) Certified Commercial Collection Agency certification for commercial debt collectors. **We are one of only 14 agencies nationwide to hold this certification.**

We agree to maintain licenses as required by law to provide collection services.

- Undertaking the collection of all accounts referred by the VASCUPP institution without regard to the amount.

Cedar Financial will diligently work all referred accounts without regard to amount.

- Accepting cancellations, deferments, or postponements for any referred collection and Contractor agrees that no fees shall be charged to the VASCUPP institution in this event. The VASCUPP institution reserves the right to request the return of an account for any reason.

We agree to accept cancellations, deferments, or postponements for any referred collection and we agree that no fees shall be charged to the VASCUPP institution in this event. We understand the VASCUPP institution reserves the right to request the return of an account for any reason. We will immediately return all accounts requested.

- Maintaining detailed and accurate accounting ledgers of all collected and disbursed monies throughout the contract period and providing a detailed accounting report at any time upon request by the VASCUPP institution.

Cedar Financial will maintain detailed and accurate accounting ledgers of all collected and disbursed monies throughout the contract. We agree to provide detailed accounting reports as required and when requested by the Institution.

Detailed account information and reporting options will be available online to the Institution. With our secure Web Based portal, the Institution can log in and review account information as needed. Cedar Financial will supply the Institution with a private user name and password to securely and remotely so that the Institution may monitor collection efforts and review updated account information. There is no extra charge for this service and is provided as a value-added service to our clients

- Providing a copy of the firm's Attestation Audit Letter annually to the VASCUPP institution.
-

We agree to provide a copy of our Attestation Audit Letter annually to the Institution as required.

- Remitting to the VASCUPP institution each month the net total of funds collected (after debtor check payments have cleared) in the previous month, with the exception of the funds collected for Federal Perkins Loans. Federal Perkins Loan account collections shall be remitted directly to the billing agent designated by the VASCUPP institution. The VASCUPP institution agrees to remit collection fees to Contractor in the event payments are made directly to the institution or the Billing Agent.

Cedar Financial will remit to the VASCUPP institution each month the net total of funds collected (after debtor check payments have cleared) in the previous month, with the exception of the funds collected for Federal Perkins Loans. Federal Perkins Loan account collections will be remitted directly to the billing agent designated by the VASCUPP institution. We understand the VASCUPP institution agrees to remit collection fees to us in the event payments are made directly to the institution or the Billing Agent.

- Reporting to a minimum of one (1) national credit bureau each account referred by the VASCUPP institution, with the exception of Federal Perkins loans (Federal Perkins loans are reported to the credit bureau by separate loan billing agents). The accounts shall be placed with a credit bureau within sixty (60) days of placement with the Contractor. Contractor will make the necessary corrections when an account is reported in error.

Cedar Financial will report to a minimum of one (1) national credit bureau each account referred by the VASCUPP institution, with the exception of Federal Perkins loans (Federal Perkins loans are reported to the credit bureau by separate loan billing agents). The accounts will be placed with a credit bureau within sixty (60) days of placement with the us. Cedar Financial will make the necessary corrections when an account is reported in error.

- Designating a primary point of contact for the VASCUPP institution and provide a toll free phone number for debtors.

Contact Us

There are many ways for clients and consumers to contact us. Clients will have direct numbers for Cedar Financial Managers, Directors and Support staff. Consumers will have a toll-free number to call to speak with an account representative. We are also available by:

- ✓ Email
 - ✓ Facebook
 - ✓ Twitter
 - ✓ Skype
 - ✓ Phone
 - ✓ Web-Portal
 - ✓ Other pre-arranged methods preferred by consumer
-

High Quality Client Services

Our goals as an agency are aligned only if we maintain our current client relationships. To reach our goals, we realize that high quality client service and support is critical in determining the success of our relationship with our clients.

Cedar Financial Client Relations Manager

The Client Relations Manager will be available to work with the Institution as specified by the Institution and will respond to inquirers within 48 hours or less.

Cedar Financial will assign a Client Relations Manager to work with the Institution. The Client Relations Manager will carefully layout a plan that coordinates the collaborative efforts of every Cedar Financial department to meet the requirements of this proposal. We have many layers of support staff including our own in-house IT staff all the way through to Legal staff. The layers of qualified and knowledgeable support staff allow us to maintain vertical control of our solutions while allowing the most streamlined approach to client relations. Cedar Financial support staff is available to the Institution as needed and may be contacted directly if preferred by the Institution.

The Cedar Financial Client Relations Manager will ensure a seamless transition and complete compliance to meet

the Institution requirements from start to finish. The Client Relations Manager continues to follow up with the Institution representative routinely to ensure smooth and continued service. This Cedar Financial Client Relations Manager will have the authority and responsibility to oversee all the Institution accounts and will be the primary contact through which all correspondence and questions of and from the Institution may be directed.

Cedar Financial will notify the Institution of any changes in designated Cedar Financial staff. The Client Relations Manager is responsible for communications with the Institution and will work with the Institution to establish goals aligned with the requirement of this proposal. The progress of those goals will then be reported to the Institution as required to maintain open dialog and ensure customer satisfaction.



Cristina Espinoza

Client relations Manager

Cedar Financial

Cristina Espinoza is a Client Relations Manager at Cedar Financial. With over 12 years' experience, her primary responsibility is serving as the liaison between the firm and its valued clients. Along with her team, they seek to understand the goals and service expectations of her US and international client base. In addition, Cristina works with Cedar Financials' leadership to promote the firm's products, services, and accomplishments by collectively meeting the needs of their clients and the market. A native to the Los Angeles area, Cristina continues to live in Ventura County with her family. Languages spoken: English

- Maintaining a fidelity bond that names the Commonwealth of Virginia as the beneficiary in the amount of one hundred thousand (\$100,000) dollars throughout the term of the contract.

Cedar Financial agrees to maintain the required bonding and insurance requirements as outlined in this RFP for the duration of the contract.

- Submitting a report with each monthly remittance check that includes the following information at a minimum for each account:
 - Name of the debtor
 - Account number
 - Date of payment by the debtor
 - Payment amount
 - Total amount paid for collection services
 - Total amount paid to VASCUPP institution

Cedar Financial will deliver all reports to the Institution specifications. We will work closely with the Institution to develop custom reports that meet the requirements of this contract. We will not include Social Security numbers on reports.

We can deliver reports electronically or in hard copy and on any schedule required by

the Institution. Some of our standard reports include, but are not limited to the following:

By providing you with routine updates regarding the account balance, payments received, and account status on a monthly, bimonthly, or weekly basis, we enable you to track the progress being made on your portfolio and we can assess our success rate. We possess limitless automated tracking capabilities that enable us to provide you with comprehensive reports, including but not limited to:

- ✓ Balance verification
- ✓ Statements and payments
- ✓ Active, canceled, and other status updates
- ✓ Monthly, bimonthly, or weekly reports

All reports are available at your convenience. Ad-hoc reports are also readily available at your request. Cedar Financial can literally provide hundreds of report options all customized to meet your needs. We look forward to the opportunity to discuss your needs in-depth and work with you to determine the additional reports that meet your needs. Some of our more popular reports include:

- ✓ **Summary Liquidation Report:** Tracks weekly(monthly) payments, closed accounts, bankruptcies, promises, projections
- ✓ **Closed Account Report**
- ✓ **Summary Status Report**

Our flexible reporting options include a variety of standard, custom, and ad-hoc reports. We will work with the Institution to develop a comprehensive reporting package that meets your needs. We can provide reports to you in any format, for every department, and on any schedule requested.

Cedar Financial uses Comtech Systems, Inc.'s Collect! software for our data management and reporting needs. Collect!'s robust and flexible reporting programs meets the requirements of this contract. We will design a complete reporting package for you that will include all standard and custom reports required by the Institution.

Our reporting options will remain flexible to continue to meet the changing needs of the Institution as required.

Anytime Web Access for the Institution

Detailed account information and reporting options will be available online to the Institution. With our secure Web Based portal, the Institution can log in and review account information as needed. Cedar Financial will supply the Institution with a private user name and password to securely and remotely so that the Institution may monitor collection efforts and review updated account information. There is no extra charge for this service and is provided as a value-added service to our clients.

A. The Contractor shall not:

- Have authority to file suit on any account referred by the VASCUPP institution.

We understand we will not have the authority to file suit on any account referred by the Institution.

- Settle any account balance or agree to a compromise without the prior written agreement of the VASCUPP institution

We agree to not settle any account balance or agree to a compromise without prior written consent from the Institution.

- Share in funds collected by the VASCUPP institution as a result of exercising authority for the Commonwealth Debt right of set-off granted by the Code of Virginia. The VASCUPP institution will notify the Contractor of any set-off monies received.

We agree to not share in funds collected by the Institution as a result of the Institution exercising authority for the Commonwealth Debt right of set-off granted by the Code of Virginia. We understand the institution will notify us of any set-off monies received.

- Refer an account placed with the Contractor to another collection agency without prior approval by the VASCUPP institution.

We agree to not refer account to any other agency without prior written approval from the Institution.

- Perform services on an account that is subject to bankruptcy proceedings. The Contractor shall notify the VASCUPP institution immediately in writing of any bankruptcy notices.

We agree not to perform services on an account that is subject to bankruptcy proceedings and agree to notify the Institution immediately in writing of any bankruptcy notices.

C. Describe in detail your firm's approach to each of the following items. Failure to provide responses to the items below may result in rejection of the proposal.

1. Describe in detail the types of accounts for which your company performs and provides debt collection services.

Cedar Financial provides clients with comprehensive debt collections services for

many types of delinquent accounts receivables. The recovery capabilities of our agency are available to assist many types of clients in maximizing their utility in the collection of recently delinquent accounts to the enforcement of judgments on post-legal collection accounts.

The systems we have in place contain mechanisms that allow us to verify, track and monitor the many different variables that are crucial in our account reconciliation process. Inconsistencies or inadequacies at any phase are immediately flagged and addressed before collection efforts are attempted.

2. Describe the standard methodologies employed to maximize the collection of account receivables. Include the minimum number of telephone calls to debtors and the maximum number of telephone calls to debtors.

We have well established automated process to ensure maximized collection efforts and outstanding service to our clients. We utilize state of the art technology and the newest technologies to advance our efforts and generate results. Cedar Financial will work all referred accounts diligently. We have the expertise and experience to meet the requirements of this proposal.

Comprehensive Collection Program

Cedar Financial offers a comprehensive collection program for the Institution that is designed to yield maximum recoveries while maintaining the highest level of compliance, data security, and quality service. We are well prepared to provide all services associated with this contract and all tasks in this RFP.

Initial Action Following Account Placement

Cedar Financial will process all accounts assigned regardless of debt type, age, or amount of the account. Cedar Financial will accept and transmit data and reporting in a secure encrypted manner or manually at the discretion of the Institution.

Acknowledgment Report

Within 24 hours the Institution will receive an acknowledgment report detailing the accounts assigned in the current placement. This acknowledgment can be formatted to meet exact requirements and will be transmitted to the Institution.



Prior to the first mailing, account address information is compared against our

comprehensive Auto Trace skip tracing databases for address correction. During the same day-end process, the account is qualified for the project collector's work in process (WIP) list and scheduled to appear in his/her work queue the following day. The account is classified as new work by our system and is given a number one work priority to establish contact with the customer as soon as possible. The goal is to contact the customer in the first 48 hours after the account is activated. Consequently, if there is a valid telephone number, the collector's priority is to initiate telephone contact. If there is no telephone number or the telephone number is no longer valid, skip tracing efforts begin to establish contact.

Frequency of contact

Cedar Financial will attempt to contact customers until there is an appropriate account resolution or disposition. Accounts are dialed every 3 days within the first 120 days. If contact or payment is not made within the first 45 days, the account will transfer to another contract assigned collection representative for additional processing. This process provides increased incentive for the initial collection representative to solidify payment within the first 45 days of assignment.

Cedar Financial insists on a diligent contact effort; however, we also understand that customer reaction to our efforts is a key aspect of our performance. Therefore, all contact attempts will be made in a dignified and professional manner and will meet the highest standards set by the Institution.

The following information describes the various stages of our debt recovery process; these stages can be customized to meet specific requirements and expectations.

Step 1 - Recovery Begins

Cedar Financial provides clients with comprehensive debt collections services of delinquent accounts receivables. The recovery capabilities of our agency are available to assist many types of clients in maximizing their utility in the collection of recently delinquent accounts to the enforcement of judgments on post-legal collection accounts. Cedar Financial can receive account information in a wide variety of formats from our clients. The systems we have in place contain mechanisms that allow us to verify, track and monitor the many different variables that are crucial in our account reconciliation process. Inconsistencies or inadequacies at any phase are immediately flagged and addressed before collection efforts are attempted.

Step 2 - Demand Notices

Once assigned to the agency all consumer accounts are dunned with demand notices required under the Federal Debt Collection Practice Act (FDCPA) validating the debt and providing the consumer the required 30-day notice to respond. To

expedite this process and for efficiency and accuracy of the mailings, a professional letter service is used to dun consumers requesting payment of the debt.

All addresses are automatically run thru the National Change of Address (NCOA) database for accuracy and possible new forwarded mailing addresses and phone numbers.

Step 3 - Telephone Campaign

Parallel to the notices mailed to the consumer or business, a telephonic campaign is initiated with attempts to contact the consumer at all available phone numbers provided by the client. Volume assignments by clients may also use a dialer campaign with an automated dialer service to reach as many consumers as possible within a specified time period.

Collection results have proven that telephone contact is the strongest and most efficient tool we have. Cedar Financial agents strive to find a solution that is mutually beneficial to the consumer and the Institution. We show the consumer how to accomplish this through a series of questions designed to outline the consumer's financial profile. The information gathered is used to propose a payment solution that is realistic and reasonable and will assure that repayment-in-full happens as soon as possible.

Step 4 - Skip-Tracing

Accounts with incorrect or missing phone numbers or addresses are then individually skip-traced by a skip tracing specialist. Our skip tracing specialists use several different proprietary and non-proprietary search databases to locate the consumer's new contact data. The geographical location of the consumer is not a factor in the success of Cedar Financials' collection process. Our skip tools research location information on a nationwide basis.

Cedar Financial will utilize many comprehensive skip tracing procedures for the Institution's assigned accounts. We will immediately contact consumers once they are entered into the system and upon verification of information through skip tracing. Skip tracing is an integral part of the collection process.

Cedar Financials' validation process of skip tracing is an important part of keeping complaints low. Our skip tracing specialists use several many proprietary and non-proprietary search databases to locate and verify the consumer's new contact data.

Step 5 - Categorizing Types of Consumers and Resolving the Account

Once contact is established with the consumer, the collectors are trained to classify the consumer into one of the four categories:

Willing and unable to pay

Willing and able to pay
Unwilling and unable to pay
Unwilling and able to pay

Cedar Financial collectors are qualified to evaluate each situation independently, and methodically and professionally overcome objections to repayment of the debt. We will work with the Institution to set repayment guidelines. With prior approval from the Institution, payment plans will be negotiated for consumers with financial hardship.

Step 6 - Letters

Cedar Financial will customize letters to meet the exact specifications of the Institution. The initial demand letter is sent within 5 business days of the assignment date of each account. Subsequent letters are sent on a letter schedule based on your requirements. Cedar Financial will work with the Institution to customize the letters and schedule that fulfills your requirements and meets consumer regulations. Cedar Financial will customize collection letters, telephone scripts, timing of calls and reports to be utilized for the Institution. All draft letters will be submitted to the Institution for approval prior to implementation. Letters can reference the Institution's account number(s) and other identifying information requested.

Documents generated by Cedar Financial are authorized and approved by our compliance attorney for compliance with all applicable federal, state, and local laws and our client. The letters we create are done in English and Spanish but can be made available in other foreign languages if needed.

Step 7 - Suspension of Account

Settlements will NOT be offered to any consumer unless the Institution requests Cedar Financial to do prior to assignment of account or at the time of execution of contract. If requested by the Institution, unpaid or unresolved accounts will be reported to the national credit bureaus as derogatory collection agency accounts. In addition, our global offices have the ability to report to the local credit bureau if requested.

Step 8 - Remittance

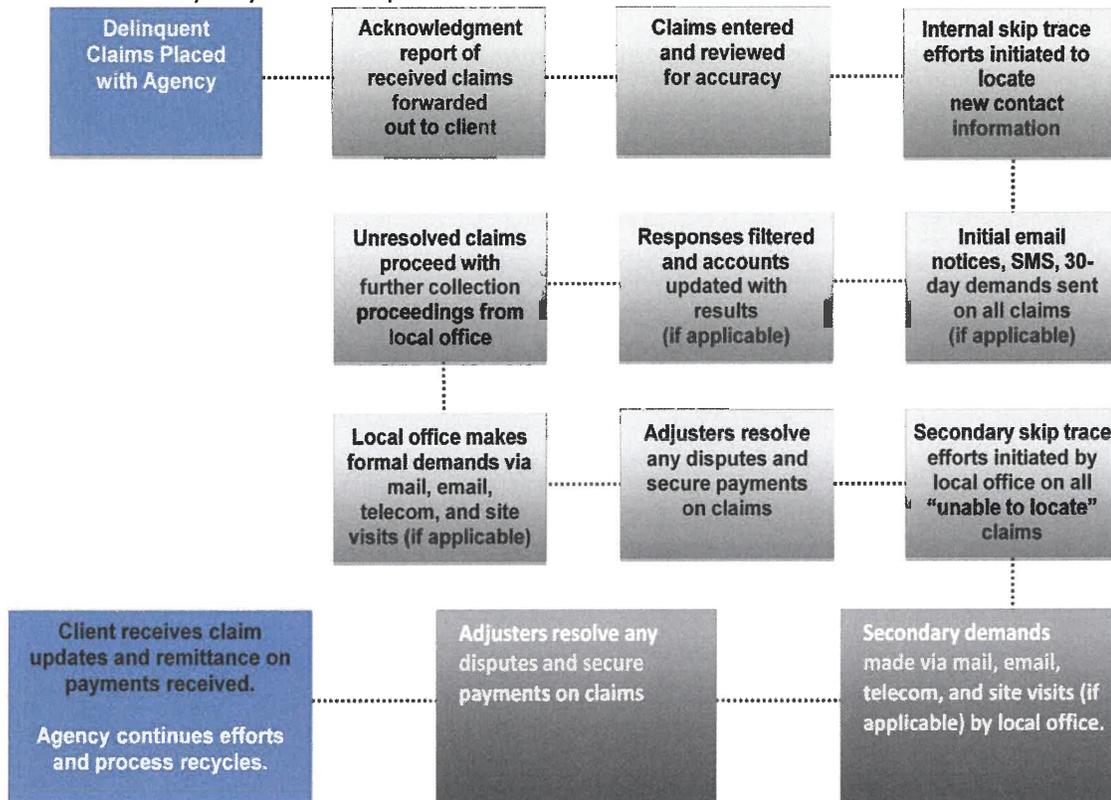
Remittances are sent to the Institution monthly. It is standard policy to remit previous month's collections on the 20th of the following month. This date can be modified depending on the requirement of the client. Funds will be remitted via bank wire or via traditional check.

Collection Process and Procedures

Cedar Financial will use the best efforts to collect monies due to the Institution

from identified consumers wherever they may be at the time of the collection assignment. We employ customized collection plans based on analysis and understanding of the account characteristics and recovery objectives of the Institution and its portfolio.

All collection activities conducted will conform to and follow local laws and will be consistent with traditional norms of courteous and professional behavior, consistent with the image and reputation of the Institution. The following chart demonstrates our collection steps from initial placement of accounts through the recovery of your delinquent balances.



Our Unique Collection Process is Streamlined Customizable and Completely Automated

Cedar Financial uses Comtech Systems, Inc.'s Collect! software for our data management and reporting needs. Collect! is leading the way with an easy-to-use, comprehensive solution for the credit & collection industry. Collect! is highly customizable, offers many automations and interfaces to make the best use of your operators' time. Collect! is chosen by more than 1,400 companies in 40 countries, helping receivables management professionals organize their operations, enhance staff performance, and improve profitability.

Computerized Software

Our computerized data management keeps a record of all debtor contact. From the autodialing attempts to the actual recorded calls with the consumer through letters and notifications sent and received, Cedar Financial will keep a record of all communication and attempts with our automated software systems.

3. Describe any differences in your firm's processes for 1st placement recovery services vs 2nd placement recovery services.

We will work all account diligently without regard to placement or amount. Our process is the same regardless of placement.

4. Describe communication process with debtors. Provide examples of templates used.

We are very proud of our reputation for consumer-centered collections. We understand that our reputation speaks for us and we take great care in protecting our impeccable reputation. We do this proactively, from the specialized training we provide to our staff through compliance management, to ensure that we work within all the laws and regulations.

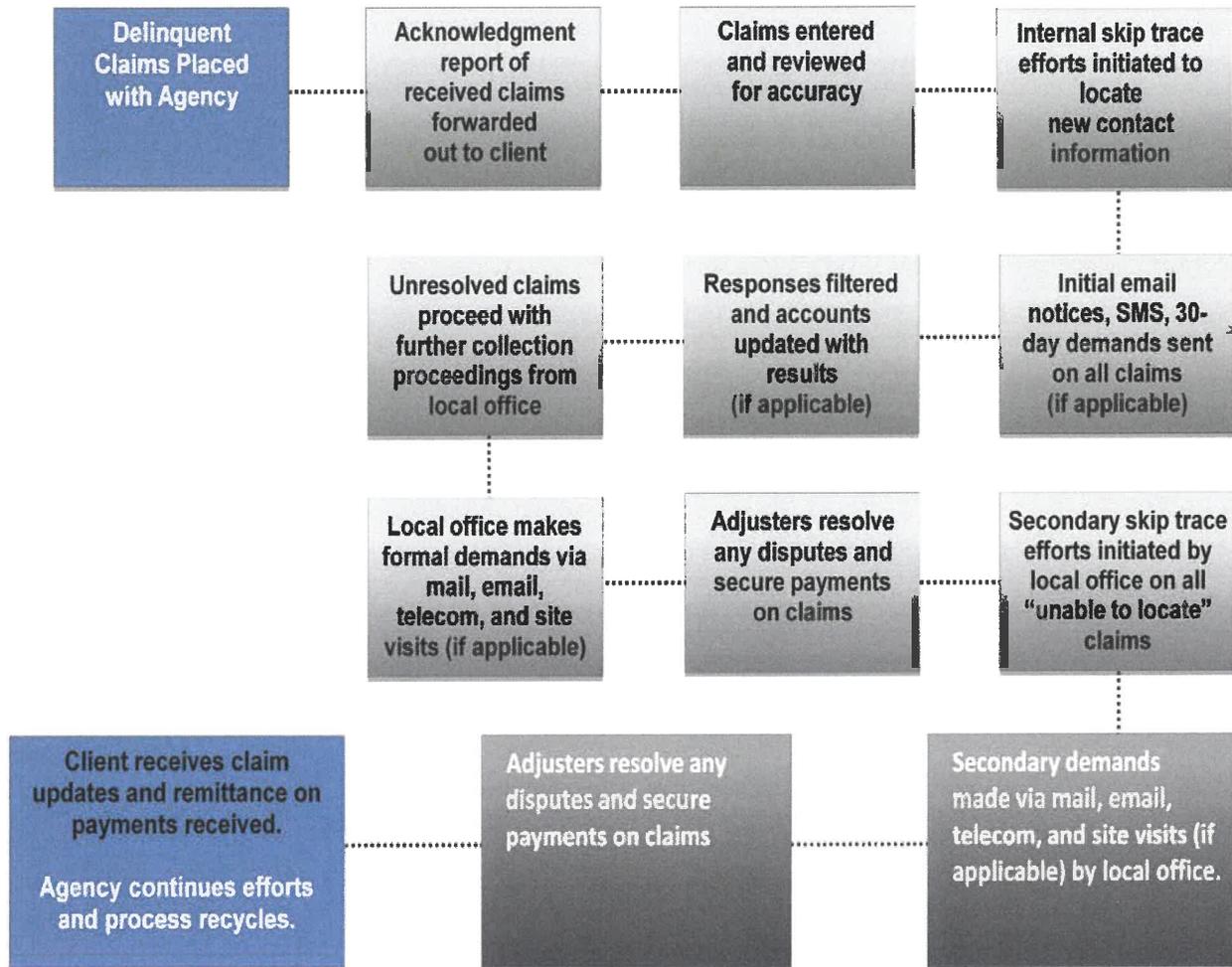
Cedar Financial has internal controls in place to prevent employees from engaging in questionable practices. We have a dedicated Higher Education Department where each employee has been carefully selected and trained to meet the specialized requirements of Higher Education clients. The staff of the Cedar Financial Higher Education Department has received hundreds of hours of additional training related to specialized compliance issues for student loans and student consumers. We have a continuing education through Cedar University (compliance, collection techniques) and specifically, for training in Perkins Loan collections. We also retain The DRG Group, LLC for additional oversight and related issues as needed.

5. Describe in detail the proposed approach (*work plan*) for performing and providing collection services and for communicating with the VASCUPP institution in regards.

Collection Process and Procedures

Cedar Financial will use its best efforts to collect monies due to the Institution from identified consumers wherever they may be located. We employ customized collection plans based on analysis and understanding of the account characteristics and recovery objectives of the Institution and its portfolio.

All collection activities conducted will conform to and be in compliance with local laws and will be consistent with traditional norms of courteous and professional behavior, consistent with the image and reputation of the Institution. The following demonstrate the



collection steps from initial placement of accounts through the recovery of your delinquent balances.

- Provide an example of the remittance report that will be included within each payment to the VASCUPP institution.

Below is a copy of a standard Remittance Report. Our reports will be customized to meet the Institutions requirements.

Sample Remittance Statement



CEDAR
FINANCIAL

First in Debt Recovery



TCMGroup
Global Debt Collection

Test Client Inc.
24007 Ventira STE 123
Calabasas, CA 91302

July 13, 2012

Debtor Statement Summary

File #	Description	Date	To Us	Direct	Net Client	Agency Comm
22782	22782: ABC WAREHOUSE Payment by check	07/13/2012	\$2,000.00		\$1,400.00	\$600.00
			\$2,000.00		\$1,400.00	\$600.00
Amount due/payable					\$1,400.00	
Subtotal					\$1,400.00	
30 day outstanding						
60 day outstanding						
90 day outstanding						
Net Balance					\$1,400.00	

If balance is negative figure, amount is due agency. Please remit. Terms 15 days, 1.5% per month charge on all unpaid invoices. Collected amounts paid to us generally reflect the principal amount forwarded to agency by client. Funds collected in excess of the amount forwarded, including but not limited to costs and interest, are retained in its entirety by agency. A 2% processing fee is deducted from net proceeds to client for payments made by credit card.

7. Describe how cancelled, postponed, or deferred accounts will be handled.

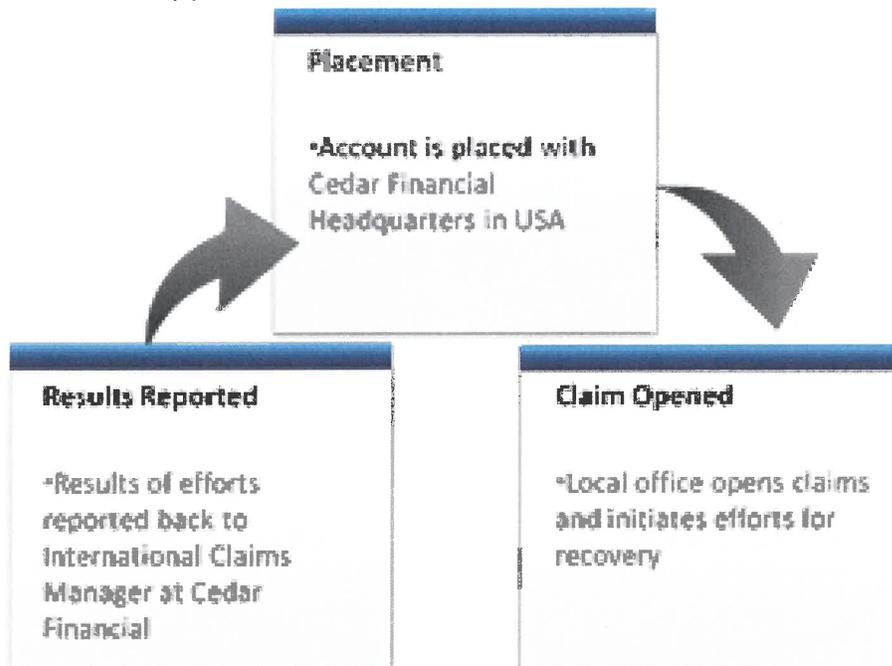
We will return cancelled accounts to the Institution immediately and will meet the Institution requirements for postponed or deferred accounts.

8. Specify all options/methods of placing accounts (*e.g., paper, email, fax, secure website, etc.*)

Secure Electronic Transfer of Data

Cedar Financial will accept all accounts referred by the Institution and will begin activity on the accounts within 24 hours of placement. We are happy to accommodate the Institution and can accept accounts in any manner that is convenient for the Institution. We securely currently transmit and receive account placements, closings, reconciliations, and other data via:

- ✓ Electronic Data Interchange (EDI)
- ✓ Electronically through our website
- ✓ Electronic file transfer - File Transfer Protocol(FTP)
- ✓ Encrypted Email Attachments
- ✓ Hard copy



9. Describe your firm's process for remaining compliant with all current laws and regulations.

With the right philosophy, strategy, planning, implementation, refinement, and diligence, we believe that we can, collectively, find the right solution for your debt collection needs supported by a just-right mix of professionalism and dedication to client and consumer needs. Ethical and compliant collection services are an important part of what we do.

We have implemented several processes and programs to ensure that our continuous improvement strategies meet our highest standards. We understand that our future business is directly proportional to the improvements we continue to make and quality business practices we have in place now.

Cedar Financial will process all accounts with strict conformity to Federal, State and Local regulations. Legislative training is supported by Cedar Financials' legal team of attorneys, internal compliance, and monitoring departments, and retained attorneys from TCM Group's resources around the globe.

Compliant Collections

Cedar Financial is licensed throughout the United States and works with a vetted network of global collection affiliates in over 150 countries to ensure that everything we do is compliant with local, regional, national, and international debt collection laws. Our team adheres strictly to the Family Educational Rights and Privacy Act (FERPA), The Fair Debt Collection Practice Act (FDCPA), The Fair Credit Reporting Act (FCRA), The Gramm- Leach-Bliley Act (GLBA), The Telephone Consumer Protection Act (TCPA) and unfair, deceptive, or abusive acts or practices (UDAAP) regulations and our international affiliates are licensed in their respective countries

Consumer Privacy

Cedar Financial staff is trained specifically to maintain consumer privacy. The Family Educational Rights and Privacy Act (FERPA) is a Federal law that protects the privacy of student education records. This law is applicable to all schools that receive funds through the U.S. Department of Education. Cedar Financial staff is trained to be compliant with FERPA rules and other laws and regulations pertaining to consumer protection rights.

Compliance Audits

Auditing is time-consuming and rigorous and something we take very seriously. We understand that auditing ensures that quality standards and requirements are met. Cedar Financial undergoes multiple, overlapping, external and internal rigorous audits, as a standard part of company operations every fiscal year. These audits

affect every aspect of company operations.

External Compliance Audits

Cedar Financial conducts external compliance audits that include financial audits conducted during the preparation of our financial statements and ensure that the recording, reconciling, and reporting of financial information and transactions in accordance with good business practices and generally accepted accounting principles.

As required, we have also completed our annual Federal Third-Party Servicer Audit. Client-specific audits are routinely conducted by Cedar Financial staff in compliance with contracts, and client requirements. Audits are an important part of service support. It is through our internal audits that we are assured that the requirement of our clients is being met.

A few of the processes and programs we use to ensure that we are providing adequate oversight and training for our staff are listed below:

- **Cedar Financial records all communication** with consumers including phone calls. We use these calls and other recorded communication as tools for training, quality assurance, and risk mitigation.
 - **Cedar Financial performs quality checks daily** and upon the completion of recurring events. Accounts are randomly targeted and audited daily and in other circumstances, carefully defined trigger events, provide additional quality assurance checks under our Quality Assurance and Best Practices Management System.
 - **Cedar Financial has a Compliance Officer and several Quality Control Auditors** on staff. They are responsible for conducting audits and inspections daily operations. Cedar Financials' Quality Control Auditors conduct audits to inspect collection activities to verify that our service conforms to both the Institution requirements and our own strict internal requirements.
 - **We retain The DRG Group, LLC, and its subject matter experts** (David Glezerman) to provide additional training and oversight for the management and collection of higher education receivables (student loans and accounts). The DRG Group provides Cedar Financial with up to date changes in compliance issues related directly to student consumer loans of all types and legal matters facing Higher Education institutions.
 - **Staff training is done through our Cedar University.** The staff of the Cedar Financial Higher Education Department has received hundreds of hours of additional training as it relates to specialized compliance issues related to student loans and student consumers. We have a continuing education through our Cedar University (compliance, collection techniques) and specifically for training in Perkins Loan collections. Cedar Financial staff are
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continuously provided with updated compliance information through our Cedar University. We have outlined in detail the training process, methods, testing and documents that our Cedar University uses.

- **Professional training provided by the American Collectors Association (ACA)**, as well as specialized seminars on organization, negotiation, and customer service supplement our Cedar University training programs. ACA has multiple video presentations on the FDCPA and correct collection procedures that Cedar Financial integrates into our Cedar University training programs.
 - **We retain Attorney Lloyd Dix from Dix and Associates as our domestic legal counsel.** Cedar Financial has worked closely with Lloyd Dix and the Attorneys from Lloyd Dix and Associates since 2010. We rely on their expertise with matters pertaining to Federal guidelines and all legal aspects of collection activity.
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Lloyd Dix

Attorney

Dix and Associates
 22287 Mulholland Highway
 PMB 414 Calabasas, CA 91302
 Telephone: (818) 876-3000
 Facsimile: (818) 876-3030

Lloyd Dix graduated with a B.A. degree from Emory University in 1978, and a J.D. from McGeorge School of Law, the University of the Pacific in 1983. Mr. Dix is a second-generation collection attorney and has been representing some of the most prestigious financial and healthcare creditors, and collections agencies for more than thirty years. In 1985, Mr. Dix was appointed to the California State Senate, Advisory Commission on the Debt Collection Industry. This was a panel of industry leaders, established to assist the California State Senate, with the regulation of debt collectors. In 1989, he began serving as Judge Tempore for the Los Angeles Superior Court. Mr. Dix has served on various committees on behalf of the California Association of Collectors, including terms as the Chairman of the Legislative Committee and the Judicial Council Committees. In 2010, he was retained as the Legal Advocate for the California Association of Collectors, a position which he held for four years. In 2011, he was named the MAP Chair for the State of California for the American Collectors Association, International, and was reappointed to this position in 2013. He has qualified as an expert witness in both State and Federal proceedings and has frequently represented the collection industry in various interviews with national, state, and local news organizations.

CURRENT AND PAST ACTIVITIES

Vice President and General Counsel, USCB, Inc. (1998 to 2006)
 Shareholder, Managing Director, Law Offices of Lloyd Douglas Dix, LLP (1983 to Present)
 Chairman, Legislative Council Committee, California Association of Collections (2008 to Present)
 Chairman, Judicial Council Committee, California Association of Collectors, (2006 to 2008)
 Member, Judicial Council Committee, California Association of Collectors, (2000 to 2006)
 Judge pro tempore, Los Angeles Superior Court, (1989 to Present)
 Commissioner, California State Senate, Advisory Commission on the Debt Collection Industry (1985-Present)
 Legal Intern, Sacramento County District Attorney's Office (1980-1983)

PROFESSIONAL SOCIETIES

California State Bar Association
 American Bar Association
 Los Angeles County Bar Association
 San Fernando Valley Bar Association
 California Association of Collectors
 American Collectors Association

PROFESSIONAL AWARDS

Richard J. Bullock Award, 2008
 Gus Cohen "Hershey" Award, 2007
 Super Star Award (2003, 2004, 2006, 2007, & 2008)

Internal compliance Audits

Cedar Financial's Compliance Officer conducts internal quality audits of our entire management system and is designed to include:

Operational audits conducted by our quality control auditor are designed to verify compliance with internal guidelines for resolving client issues, conducting training, encouraging continuous process improvements, and identifying non-conformity and corrective actions. These audits ensure that Internal control structures are compliant with all applicable federal statutes and regulations governing the administration of federal student loan programs.

Client-specific audits are conducted by Cedar Financial staff in compliance with contracts, and client requirements.



Syntheia Nagel
Chief Compliance Officer
Cedar Financial
Snagel@cedarfinancial.com

Syntheia is the Chief Compliance Officer for Cedar Financial. As Chief Compliance Officer, she ensures the firm is compliant with all federal and state consumer financial protection and licensing laws by establishing policies, procedures, and training. She monitors compliance through audits. She also provides and implements action plans to correct gaps in compliance.

Educational background: MBA, Augusta State University

Languages spoken: English

"I enjoy being the compliance officer for Cedar Financial. I feel a great deal of responsibility in providing training for our team members, so they have the tools to service our clients and consumers with confidence while complying with consumer financial protection laws. I enjoy the challenge of keeping myself educated on the frequently changing federal and state laws and keeping our firm compliant. I am proud to work for an organization that values and promotes compliance in all facets of its operations."

Cedar Financial records all communication with consumers including phone calls. We use these calls and other recorded communication as tools for training, quality assurance, and risk mitigation.

Cedar Financial performs quality checks daily and upon the completion of recurring events. Accounts are randomly targeted and audited daily and in other circumstances,

carefully defined trigger events, provide additional quality assurance checks under our Quality Assurance and Best Practices Management System.

The Cedar Financial Operations Manager is responsible for the oversight and compliance of our Quality Assurance and Best Practices Management System. The Operations Manager, Chief Compliance Officer, and Client Relations Manager work together to create a custom solution for each client that meets all Federal, State and Local guidelines.



Rachel Moaddab

Operation Manager

Cedar Financial

2013 - Present

Direct: (818) 936-6208

Email: Accounting@cedarfinancial.com

"Strive not to be a success, but rather to be of value."

Rachel began her career at Cedar Financial in the Accounting department and was quickly promoted to Operation Manager. She received AA in Accounting from the University of Phoenix and is currently pursuing BA in Business with a Minor in accounting.

Rachel speaks English, Farsi



Katija Ryder

Educational Client Relations Manager

Cedar Financial

Direct:(818)936-6202

Email: kryder@cedarfinancial.com

Katija has been in the Customer Success role for the past 10 years. Her responsibilities include customer account set up, strategic management of accounts to drive additional contracts and client retention. She is directly involved with international agencies and the international client base.

Educational background: Bachelor of Arts (BA) in Marketing with a minor in International Business

Languages spoken: English

"I strive to provide an exceptional level of care to our clients. Through listening to our clients, I can become better educated on how to reach their students. We want the students to feel valued as individuals. We take extreme pride in our ability to help turn the focus away from the debt and onto the future of that individual."

Client Relations Manager

Cedar Financial will assign a Client Relations Manager to work with the Institution. The Client Relations Manager will carefully layout a plan that coordinates the collaborative efforts of every Cedar Financial department to meet the requirements of this proposal. We have many layers of support staff including our own in-house IT staff all the way through to Legal staff. The layers of qualified and knowledgeable support staff allow us to maintain vertical control of our solutions while allowing the most streamlined approach to client relations. Cedar Financial support staff is available to the Institution as needed and may be contacted directly if preferred by the university.

The Client Relations Manager will ensure a seamless transition and complete compliance to meet the Institution requirements from start to finish. The Client Relations Manager is responsible for management and oversight of the specific custom requirements related to individual Higher Education accounts. The Client Relations Manager continues to follow up with the University representative routinely to ensure smooth and continued service to the Institution. The Cedar Financial Client Relations Manager will have the authority and responsibility to oversee all the Institution accounts and will be the primary contact through which all correspondence and questions of and from the Institution may be directed.

Collection Managers work directly with collection agents and oversee daily collection activity. Collection Managers are usually the first to pinpoint potential issues that need to be resolved and are able to take action immediately. They are involved in call monitoring, training, and mentoring for new agents. The Collection Managers work with the Client Relations Manager to implement the requirements of new clients and disseminate information to all collection agents working on individual client accounts.



Justin Franklin
Collection Manager
Cedar Financial
2015 – Present

"The more you know, the more you realize how much you don't know."

Justin started with Cedar Financial in 2013. He spent 2 years as a collector and was promoted to Collections Manager in 2015. Justin has been in collections since 2005, previously with Absolute Collection Service. He became a top collector in his first year, worked files with attorney involvement after 2nd year, and then became team lead by his 3rd year. The company was then bought by Optimum Outcomes Inc. in 2012.

Educational Background: Associate Degree in Business Administration.

Through our Cedar University in-house training program our employees are provided with Legislative training that is supported by Cedar Financials' legal team of attorneys, internal compliance, and monitoring departments. The DRG Group, LLC has created a Train-the-Trainer program related to Perkins Loans and the required due diligence steps, including benefits such as deferment, forbearance, and cancellation provisions.

Cedar Financial utilizes extensive initial and on-going training sessions coupled with daily management review and Compliance department reviews to ensure complaints are at an absolute minimum and all applicable local, state, and federal laws and regulations are followed. The Cedar Financial Collection Managers' primary task is to provide training and oversight to employees and to ensure compliance with all applicable federal, state, and local laws. They will also review collection efforts within the individual collection files and on an ongoing basis. They identify training issues and schedule remedial training for individuals with one of our full-time staff trainers. Cedar Financial account representatives understand that collection calls are recorded and listened to without their notice at any time. Cedar Financials' Compliance department frequently monitors phone calls to ensure proper handling and to help address any additional training issues as necessary.

10. Provide a copy of your firm's most recent federally required Student Financial Assistance compliance (*attestation*) audit letter.

Confidential

11. Discuss your firm's compliance with the Federal Fair Debt Collection Practices Act (FDCPA). Specify any areas of previous non-compliance and corrective actions taken.

Cedar Financial has very strict standards and we are proud of our impeccable reputation. We continue to maintain compliance with all state, federal and local laws rules and regulations as they pertain to FDCPA and collection services. No corrective actions have been needed.

12. The Contractor shall comply with the Gramm-Leach Bliley Act by implementing and maintaining appropriate safeguards to protect and prevent unauthorized release of student, faculty, and staff nonpublic information. Nonpublic information is defined as social security numbers, or financial transactions, bank, credit, and tax information. Provide a copy of your firm's Gramm-Leach-Bliley Act Safeguard Policy and describe how your firm maintains best industry practices as it relates to compliance with this act.

Compliant Collections

Cedar Financial is licensed throughout the United States and works with a vetted network of global collection affiliates in over 150 countries to ensure that everything we do is complaint with local, regional, national, and international debt collection laws. Our team adheres strictly to the Family Educational Rights and Privacy Act (FERPA), The Fair Debt Collection Practice Act (FDCPA), The Fair Credit Reporting Act (FCRA), The Gramm- Leach-Bliley Act (GLBA), The Telephone Consumer Protection Act (TCPA) and unfair, deceptive, or abusive acts or practices (UDAAP) regulations and our international affiliates are licensed in their respective countries.

Consumer Privacy

Cedar Financial staff is trained specifically to maintain consumer privacy. The Family Educational Rights and Privacy Act (FERPA) is a Federal law that protects the privacy of student education records. This law is applicable to all schools that receive funds through the U.S. Department of Education. Cedar Financial staff is trained to be compliant with FERPA rules and other laws and regulations pertaining to consumer protection rights.

Cedar Financial maintains a written security plans to safeguard all personal information. These plans include policies that demonstrate technical, physical, and administrative protection for personal information. The plans are written to meet and exceed industry standards. Our compliance and IT staff work together to oversee and manage security procedures in the workplace, as well as continuously monitor and address security hazards.

Cedar Financial agrees to immediately notify the Institution of any claims arising out of such breach of security.

13. Specify if your firm rules on the Code of Virginia for collection fee regulations or the codes of the residing state of the debtor.

Cedar Financial will strictly follow the Code of Virginia collection fee regulations and the codes of the residing state of the debtor.

Our compliance standards are very high since we must meet or exceed compliance standards in all 50 states and internationally. Cedar Financial works very hard to maintain our impeccable reputation with the certification requirements of our industry and clients. Cedar Financial is aware of and in full compliance with our obligations under existing applicable law and regulations, including the Immigration Reform and Control Act of 1986, Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975, the Fair Labor Standards Act, the Americans with Disabilities Act of 1990, and all other applicable laws and regulations.

Cedar Financial is currently one of 14 agencies certified with the IACC for international debt collections. We have an "A" rating with the Better Business Bureau. We are certified with the Commercial Collection Agency Association and we are a proud member of the Association of Credit and Collection Professionals. We continuously perform at the highest business standards. We are proud of our affiliations with numerous certification and rating industries that carefully monitor business practices of agencies such as ours.

14. Describe your firm's process for reporting referred accounts (*with the exception of Federal Perkins Loans*) to national credit bureau(s). Describe the process for making necessary corrections when an account is reported in error.

Cedar Financials' will follow the Institution requirements with regard to reporting consumers to a credit bureau. If an account is reported in error Cedar Financial will take the necessary steps to remedy the reporting.

15. Describe how your firm will work with Billing Agents that are responsible for Perkins Loan Payments.

The staff of the Cedar Financial Higher Education Department has received hundreds of hours of additional training as it relates to specialized compliance issues related to student loans and student consumers. We have a continuing education through Cedar-University (compliance, collection techniques) and specifically for training in Perkins Loan collections.

To meet the needs of our Higher Education Clients, Cedar Financial has developed:

- ✓ A specialized screening process for employees
 - ✓ An in-house training program
-

- ✓ Knowledge-based online reference program for anytime access
- ✓ Evaluation program to maintain high training standards
- ✓ Review of recorded calls for training and quality purposes

Custom Tools for Tracking Performance

Our Operations Manager along with our Compliance department have developed multiple analytical reports that provide management with daily information on a range of subjects including productivity, collection probability, dialing campaign strategies and other tools to ensure Cedar Financial continues to meet client requirements and successfully handle every account assigned

16. Describe your firm's cash-handling procedures and controls.

Payments received by mail - A designated staff member opens the mail and separates payments from other general office mail. Payments are submitted to a Collection Manager for locating the proper account that the funds will be applied to.

Payments received in the office - A member of the support staff receives the payment; all cash payments are received in the presence of at least two members of the support staff.

- ✓ Receipts are given for all cash payments.
- ✓ The support staff member must initial the cash receipt.
- ✓ A Daily Receipt/Cash Log entry is automatically entered in the account notes and payment log for each receipt that is written.
- ✓ Payment log is verified by a supervisor for each office/site location.
- ✓ All checks and cash are posted to individual accounts no more than 24 hours after they enter the office.

Cedar Financial processes over-the-counter payments in the following manner:

Cash Payments - The following guidelines for accepting cash payments are followed without exception.

- ✓ All posting completed at the main office in Calabasas, California.
 - ✓ Cash receipts are accounted for by balancing the Daily
-

Receipt/Cash Log.

- ✓ Cash drawer is balanced daily.
- ✓ Cash log is printed.
- ✓ Payment log is verified by a supervisor.
- ✓ All reversals/voids are done by a supervisor.
- ✓ Daily, weekly, and monthly reconciliations are performed.
- ✓ An "Auto post" routine is completed for all payments in a batch to update the system. (Exceptions are manually posted)

Non-Cash Payments - All other forms of payment received over-the-counter are processed following the same procedures listed above under "Payments received in the office".

Post-dated checks - A consumer who is not able to pay the account in full, has the option to send a post-dated check or series of post-dated checks. If this is agreed upon, the consumer is advised to write "void if cashed before", above the date on the check. The check information and date(s) to be cashed are entered into the computer system. Our computer system will automatically generate a notification based on the consumer's preference, five days prior to the deposit of the check as a reminder of the impending deposit.

Paid-in-full checks - Cedar Financial posts paid-in-full checks if they completely satisfy the balance. If a check is received with "paid-in-full" noted on the check and there is still a balance on the account, we contact the consumer via phone and mail. We notify the consumer that we are holding their check until the remainder of the balance is paid. If no response is received from the consumer Cedar Financial returns the check to the consumer.

17. Describe in detail your firm's process in the event a Non-Sufficient Funds (NSF) check is returned from a debtor's payment.

Cedar Financial will charge standard fees for dishonored checks plus bank charges incurred. We will immediately notify the consumer and make a notation in the account.

Our automated collection software will recalculate the balance. Consumers may make future payments by using an alternative payment method.

PAYMENT OPTIONS

Cedar Financial has many convenient ways for consumers to pay.

- ✓ Credit card and debit card payments
- ✓ Personal Check
- ✓ PayPal
- ✓ Web-portal
- ✓ Wire Transfer
- ✓ Money orders
- ✓ Cashier's checks
- ✓ Post-dated checks
- ✓ Cash at any Cedar Financial Office

Cedar Financial will provide consumers with a statement of account as required.

18. Describe your process of pursuing collections on accounts that are disputed by either the debtor or the debtor's attorney.

Cedar Financial will immediately notify the Institution and stop collection activity when notified of account disputes.

19. Describe in detail the administrative services and support services (*to include automated support/collection software*) provided.

Cedar Financial offers a comprehensive, automated, collection program that is designed to yield maximum recoveries while maintaining the highest level of compliance, data security, and quality. We are well prepared to provide all services associated with this contract and all tasks of this proposal. These tasks will include, but not be limited to, mailing past-due notices that highlight progressive collection efforts, skip tracing to locate consumers out of state and/or out of the country, filing delinquent notifications with credit bureaus, telephone contact campaigns using auto dialers, and communicating with consumers regarding their debt and options for payment.

Comprehensive Collection Program

Cedar Financial offers a comprehensive collection program that is designed to yield maximum recoveries while maintaining the highest level of compliance, data security, and quality service. Our state-of-the-art computerized collection software completely automates numerous collection processes that are customized with predetermined requirements set up with the client during the implementation phase. We are well prepared to provide all services associated with this contract

and all tasks in this RFP. These tasks will include, but not be limited to:

- ✓ Mailing past-due notices that highlight progressive collection efforts
- ✓ Skip tracing to locate consumers out of state and/or out of the country
- ✓ Filing delinquent notifications with credit bureaus
- ✓ Telephone contact campaigns using auto-dialers
- ✓ Communicating with consumers regarding their debt and options for payment

Secure Computerized Software

Cedar Financial uses secure software for our data management and reporting needs. Collect! is chosen by more than 1,400 companies in 40 countries, helping receivables management professionals organize their operations, enhance staff performance, and improve profitability.

Security Options We Customize:

- ✓ Field and form level security
- ✓ Account level security
- ✓ Search and sort data selection filters
- ✓ Names of fields and forms shown on the screen

System Security

Collect! uses 128-bit AES encryption for data transmitted between the server and client machines for maximum data protection. Multi-level security features include encrypted operator ID and password to enter the system. All fields, forms and menus have read/write, read only and no access attributes that the Cedar Financial IT Administrator can set to fully control operator access to information. Within the Collect! system, critical file access is controlled by the server. The whole Collect! system can be locked down to prevent unauthorized access. Client machines can be granted access to a select 'Client' folder with a very small footprint but all the accessibility necessary to let operators work.

Key Collect! Security Benefits

- ✓ Secure access from any internet connection 24x7 with only a few clicks
 - ✓ Automatic software updates
 - ✓ Highest level of security maintained through many industry standard measures
 - ✓ The servers are located at a highly secure data center with conditioned air and conditioned power and redundant everything
-

- ✓ Nightly backups stored at an off-site location to ensure that recovery is possible.
- ✓ Highly trained staff that maintains and secures the servers.
- ✓ Data is secured and encrypted at rest and in transit
- ✓ Advanced Encryption Standard (AES) security to meet even the toughest guidelines.
- ✓ Multi-level password security, account level access control
- ✓ Integrated Secure SSL based Web Host that creates its own Certificates
- ✓ Hot Online Backup
- ✓ Change History: Who did what, when? All changes to database records are recorded in a separate log

Secure Systems

- ✓ HIPAA and PCI compliant
- ✓ Physical security
- ✓ Biometric scanning
- ✓ Badge
- ✓ Mantrap entries
- ✓ Security intrusion detection
- ✓ 24/7/365 video surveillance
- ✓ Security guard

Tier III data center

- ✓ Fail-over firewalls
- ✓ Network redundancy
- ✓ Continual system monitoring
- ✓ Solid disaster recovery plan
- ✓ Increased bandwidth (OC-192 connection)
- ✓ Multiple diverse fiber routes
- ✓ N+1 HVAC cooling system
- ✓ Temperature and humidity alarms

Power

- ✓ Multiple facility-based UPS systems
- ✓ 2 commercial feeds into building
- ✓ Back-up generators with continuous fuel supply
- ✓ TVSS voltage surge protection

Cedar Financial Employee Security Training

All Cedar Financial staff members receive computer related security training. This training pertains to every facet of data security. Our IT Administrator routinely updates training, and security standards as needed to ensure the highest available security protocols are met. Cedar Financial employees meet with Human Resources to review company policies and procedures during their orientation period. Cedar Financial requires that all employees read and sign our Confidentiality Policy and

Agreement.

Management provides ongoing training and education for all staff members including, but not limited to, training on company policies and procedures, client policies and procedures regarding privacy and confidentiality issues, and new regulations affecting privacy and confidentiality. Management is responsible for safeguarding confidential or proprietary information. Managers at every level must allow procedures and ensure that all employees adhere to these procedures. Cedar Financial will provide a current list of all authorized staff and their level of authority or access upon the universities request.

Cedar Financial Secure Client Account Information

A hardware and software firewall protects Cedar Financial internal servers and internal and external access via the Internet. This includes internal access to the Internet, external access to the system, and any files downloaded to the internal system electronically. Computer operations personnel monitor the firewall log to assure the integrity of the firewall. Access to our servers is controlled by opening (or closing) ports. Audit trails are analyzed for indications of intrusion attempts.

Cedar Financial Levels of Security and Passwords

Our computer system has a built-in security system based on employee need and position in the company, allowing for several various levels of security. All menu options are password protected. Accessibility to menu features is only allowed to authorize personnel. Passwords are changed periodically to protect the integrity of the system.

Cedar Financial Virus Protection

Updates on our virus protection are completed automatically monthly and manually daily. Service providers use VPN to access Cedar Financial system via the firewall. Cedar Financial collection system and the Local Area Network are backed up daily in a secured cloud environment and an offsite server.

Cedar Financial Key Security Features

Cedar Financial International and its group affiliates are required to complete standardized internal audits regularly to maintain quality control worldwide.

- ✓ A complete Information Security Policy that has been designed by IT management that regulates all information technology over the network. The policy is maintained and updated on a regular basis.
 - ✓ Proven tested business continuity plan that ensures business continuity in the event of a disaster. Full disaster recovery including off-site call centers and backup data servers.
 - ✓ Firewall application security designed for the financial industry
-

- ✓ Hardware firewall security
- ✓ Computer access security including full 24/7 network monitoring and recording
- ✓ Phone monitoring and recording
- ✓ Paperless environment procedures to mitigate unintended loss or dissemination
- ✓ Secure email exchange server that is onsite and regulated by IT management
- ✓ Internet access regulation
- ✓ Safe 3rd-party document disposal with certificates
- ✓ Confidentiality and non-disclosure policies and agreements with all employees, vendors, and service providers
- ✓ Employee screening policy; Criminal background and credit history
- ✓ Full CCTV security camera monitoring systems
- ✓ Employee access tracking and security alarm systems
- ✓ Fully encrypted servers with state-of-the-art file transfer systems between service providers - no anonymous or unauthorized FTP access
- ✓ Fully encrypted network and collection database
- ✓ Onsite, cloud and offsite backups maintained – All fully encrypted
- ✓ Access to servers and websites have IP filtering to allow access only to designated individuals
- ✓ TCM Group security policies and complete annual auditing procedures adopted by ISO

Service Provider Privacy

Cedar Financial computer operations department oversees all service providers and ensures they take the proper steps to safeguard any confidential customer information.

Secure Electronic Transfer of Data

Cedar Financial will accept all accounts referred by the Institution and will begin activity on the accounts within 24 hours of placement. We are happy to accommodate the Institution and can accept accounts in any manner that is convenient for the Institution. We securely currently transmit and receive account placements, closings, reconciliations, and other data via:

- ✓ Electronic Data Interchange (EDI)
 - ✓ Electronically through our website
-

- ✓ Electronic file transfer - File Transfer Protocol(FTP)
- ✓ Encrypted Email Attachments
- ✓ Hard copy

20. Describe the process and timeline for returning unpaid accounts to the VASCUPP institution.

A cancellation report is generated at the end of each month. It lists any accounts that have been canceled or returned for any number of reasons.

21. Describe how your firm would handle the transition from another Contractor to your firm. Identify issues to be addressed and describe the steps your firm would take to minimize the impact on the VASCUPP institution.

We will diligently work all accounts referred to us without regard to placement or amount.

22. Describe in detail all reports that will be provided to the VASCUPP institution and the frequency for providing them. Submit a sample of each standard report.

Cedar Financial will deliver all reports to the Institution specifications. We will work closely with the Institution to develop custom reports that meet the requirements of this contract. We will not include Social Security numbers on reports.

We can deliver reports electronically or in hard copy and on any schedule required by the Institution. Some of our standard reports include, but are not limited to the following:

- ✓ **Acknowledgment Report** – Acknowledgments are sent every time new accounts arrive and are entered into our system.
- ✓ **Client Inventory Report** – The inventory report is available in a range of formats including only open accounts, open and closed accounts, or only closed accounts. We can also provide statistics on age, date, and amount and multiple inventory types.
- ✓ **History Analysis and Aging Report** – The history analysis and aging
- ✓ **Cancellation Report** – A cancellation report is generated at the end of each month. It lists any accounts that have been canceled or returned for any number of reasons.

By providing you with routine updates regarding the account balance, payments received, and account status on a monthly, bimonthly, or weekly basis, we enable you

to track the progress being made on your portfolio and we can assess our success rate. We possess limitless automated tracking capabilities that enable us to provide you with comprehensive reports, including but not limited to:

- ✓ Balance verification
- ✓ Statements and payments
- ✓ Active, canceled, and other status updates
- ✓ Monthly, bimonthly, or weekly reports

All reports are available at your convenience. Ad-hoc reports are also readily available at your request. Cedar Financial can literally provide hundreds of report options all customized to meet your needs. We look forward to the opportunity to discuss your needs in-depth and work with you to determine the additional reports that meet your needs. Some of our more popular reports include:

- ✓ **Summary Liquidation Report:** Tracks weekly(monthly) payments, closed accounts, bankruptcies, promises, projections
- ✓ **Closed Account Report**
- ✓ **Summary Status Report**

Our flexible reporting options include a variety of standard, custom, and ad-hoc reports. We will work with the Institution to develop a comprehensive reporting package that meets your needs. We can provide reports to you in any format, for every department, and on any schedule requested.

Cedar Financial uses Comtech Systems, Inc.'s Collect! software for our data management and reporting needs. Collect!'s robust and flexible reporting programs meets the requirements of this contract. We will design a complete reporting package for you that will include all standard and custom reports required by the Institution.

Our reporting options will remain flexible to continue to meet the changing needs of the Institution as required.

Anytime Web Access for the Institution

Detailed account information and reporting options will be available online to the Institution. With our secure Web Based portal, the Institution can log in and review account information as needed. Cedar Financial will supply the Institution with a private user name and password to securely and remotely so that the Institution may monitor collection efforts and review updated account information. There is no extra charge for this service and is provided as a value-added service to our clients.

In-House IT Department to Customize Reporting Features

Cedar Financial has management teams that can custom design a system by our in-house programmer. Cedar Financial prepares customer-specific reports in any format and structure designed to meet each of the Institution's exact needs. Complete in-

depth risk analysis of your claims is also available. Our risk analysis lets you see the full range of possible outcomes for any spreadsheet model designed. In some cases, clients have asked us to develop customized training to provide statistical distributions and probability theory as needed.

23. Describe how different types of accounts will be classified for reporting purposes.

Comprehensive Collection Program

Cedar Financial offers a comprehensive collection program for the Institution that is designed to yield maximum recoveries while maintaining the highest level of compliance, data security, and quality service. Our state-of-the-art computerized collection software completely automates numerous collection processes that are customized with predetermined requirements set up with the Institution during the implementation phase. We are well prepared to provide all services associated with this contract and all tasks in this RFP.

Cedar Financial will always request the balance-in-full whenever possible. We will provide a monthly payment report of all consumers with active and inactive payment plans. Cedar Financial can incorporate an approved payment plan that meets all the Institution's requirements into our account handling procedures.

Cedar Financial has a well-developed program for establishing and managing consumer payment arrangements for many of our current clients. Account representatives first review the consumer's financial information, determine the consumer's ability to pay and work with them to develop a reliable payment schedule.

Payment arrangements vary but are designed to incorporate a down payment based on the consumer's financial situation followed by equal monthly, bimonthly, or weekly installments. Our assigned collector team will work with the Institution to define acceptable payment plan parameters and will work to obtain a faster resolution of the debt without placing an undue strain on the consumer.

Cedar Financial will immediately document and contact the Institution if a repayment may need to extend beyond the agreed upon repayment schedule. If this happens, Cedar Financial will gather detailed information from the consumer and provide all documentation to the Institution explaining the situation and proposed repayment schedule.

Cedar Financial will not deviate from, or offer an alternative to, the agreed upon repayment schedule without the receipt of prior written approval from the Institution. Once a payment arrangement has been agreed upon and the plan enacted, consumers are provided with regularly scheduled notifications and billing statements sent prior to the payment date to remind them of the agreements that they have made, and the schedule of payments due.

Follow-Up

Cedar Financials' collection representative calls consumers who are meeting their

obligations monthly as a courtesy reminder for payment. Statements of account balances and payments received are also sent to consumers.

Broken Arrangements

Our state-of-the-art collection system will automatically flag an account and immediately notify collection the representative the day after a scheduled payment has been missed. The account will be electronically prioritized to the top of the account list of the collector work queue for immediate handling. The Cedar Financial collection representative will then attempt to contact the consumer by phone and request prompt payment. This contact is important because the account representatives is trained to re-assess the financial condition of the consumer. If new arrangements need to be made, they will be negotiated at this time to maintain consistent payments or accelerate payments if possible. The new promised payment date is then entered into the system for monitoring and it is made clear that all future payments are still due on the established date(s). If contact is not successful over the phone other methods are employed such as a text, or letter. A letter is sent requesting the installment payment and future payments on schedule. If all avenues of follow-up are exhausted without success the collection representative reviews the account for account closure.

Once contact is established with the consumer, the collectors are trained to classify the consumer into one of the four categories:

- ✓ Willing and unable to pay
- ✓ Willing and able to pay
- ✓ Unwilling and unable to pay
- ✓ Unwilling and able to pay

Cedar Financial collectors are qualified to evaluate each situation independently, and methodically and professionally overcome objections to repayment of the debt. We will work with the Institution to set repayment guidelines. With prior approval from the Institution, payment plans will be negotiated for consumers with financial hardship.

If consumers are unwilling to pay, we will follow up with credit reporting and legal action according to the Institution's guidelines. Cedar Financial's Legal team is responsible for initiating action on any Legal matters and will work closely within the Institution's guidelines. When court appearances are necessary by Cedar Financial staff, we will coordinate preparation of witnesses and court dates with the Institution's legal coordinator. Cedar Financial will provide the Institution with advance notice of hearing dates.

24. Describe your company's ability to customize reports and reporting timelines at the VASCUPP institution's request.

Cedar Financial offers a comprehensive collection program for the Institution that is designed to yield maximum recoveries while maintaining the highest level of compliance, data security, and quality service. Our state-of-the-art computerized collection software completely automates numerous collection processes that are

customized with predetermined requirements set up with the Institution during the implementation phase.

Cedar Financial will deliver all reports to the Institution specifications. We will work closely with the Institution to develop custom reports that meet the requirements of this contract. We will not include Social Security numbers on reports.

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- ✓ **Cancellation Report** – A cancellation report is generated at the end of each month. It lists any accounts that have been canceled or returned for any number of reasons.

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- ✓ Active, canceled, and other status updates
- ✓ Monthly, bimonthly, or weekly reports

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 - ✓ **Closed Account Report**
 - ✓ **Summary Status Report**
-

Our flexible reporting options include a variety of standard, custom, and ad-hoc reports. We will work with the Institution to develop a comprehensive reporting package that meets your needs. We can provide reports to you in any format, for every department, and on any schedule requested.

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In-House IT Department to Customize Reporting Features

Cedar Financial has management teams that can custom design a system by our in-house programmer. Cedar Financial prepares customer-specific reports in any format and structure designed to meet each of the Institution's exact needs. Complete in-depth risk analysis of your claims is also available. Our risk analysis lets you see the full range of possible outcomes for any spreadsheet model designed. In some cases, clients have asked us to develop customized training to provide statistical distributions and probability theory as needed.

25. Describe how your firm can assist VASCUPP institutions with the Fiscal Operations Report and Application to Participate (FISAP).

Our collection process is fully automated and can be customized to fulfill your needs and requirements. We will customize any report you require and query collection data to meet your requirements.

After a careful discussion of your needs and requirements, the Cedar Financial Client Relations Manager will establish an implementation plan. This plan will detail the specific requirements of the Institution along with customization guidelines for

reports and web interfaces. We work with your team to establish all the work parameters and specifications, including data transfer procedures. Most of this process takes place in the background and is transparent to the Institution. The Client Relations Manager is responsible for the collaboration of Cedar Financial departments and the communication the Institution' requirements.

26. Describe your firm's ability and qualifications to provide international collection services.

Cedar Financial is a proud member and major stakeholder of the exclusive TCM Group, a global international network of debt collection agencies and law firms with local operation centers in over 100 countries. Featuring local, "on the ground" professional debt collectors and creditor rights attorneys.



TCM Group's members are required to participate in annual meetings in order to retain membership status. This ensures that all referrals are backed up by a chain of well-established personal relationships.

Through our TCM network of vetted and vested partners, we have over 150 offices in 100 countries worldwide under ONE umbrella!

Cedar Financial accepts the following responsibilities when managing an international portfolio:

- ✓ Cedar Financial remains the primary point of contact for all the school's information.
- ✓ Cedar Financial ensures the local agent works the files diligently and makes proper work-process recommendations in the shortest possible time.
- ✓ Cedar Financial requires regular updates from local international offices to certify efficient performance.
- ✓ Cedar Financial monitors and reports to the Institution all payments received by local offices.
- ✓ Accounts are retained in a central computer file, creating easier

data management.

Cedar Financial was established in 1991 and offers international debt collection through our exclusive access to the world-renowned TCM Group network. **Featuring local, on the ground professional debt collectors and credit rights attorneys, expert representation is available to the Institution worldwide - covering more than 140 countries globally.**

An Effective Global Solution



Best of all, it's not just an international debt collection capability we're offering - it's an exceptional proficiency that enables us to not only resolve international debt disputes but to do so using global professionals who **understand the language, customs, cultures, and laws that govern that country.** That expertise is what spells success in international student debt collection.

Cedar Financial provides collection services on six continents with every major US trading partner. Due to the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) trade sanctions, we do not cover collections in Cuba, Iran, Myanmar (Burma), North Korea, Sudan, or Syria. This list is subject to change in the event OFAC imposes new sanctions or lifts existing sanctions.

International Agency: As the universities portfolio continues to see a significant increase in the number of international accounts, Cedar Financial ensures that

these accounts will be handled by a firm that specializes in international debt collection. There are over 6,000 collection agencies in the United States, and Cedar Financial is the only agency specializing in international student collections with a network of over 300 offices located around the world!

Best of Both Worlds: Cedar Financial is a large enough firm to efficiently manage the Institution's volume of accounts Perkins Loan Collections (and expats with Perkins Loans) and non-Perkins accounts but yet small enough to provide a personal level of service not matched by larger firms.

Cedar Financial offers exceptional proficiency enables us to not only resolve international debt disputes, but to do it **using global professionals who understand the language, customs, cultures, and laws that govern that country.** And that expertise is what spells success in global debt collection.

But while our capability for debt recovery is global, all claims are initially forwarded and serviced in one centralized location—Calabasas, CA. Claims are distributed to the TCM Group representatives in closest proximity to your debtors. TCM Group is near its clients and near your foreign debtors, providing informed, unified, and effective debt collection strategies, geared towards the **effective recovery of your international accounts.**

- ✓ Accounts are distributed to our partner agencies based on inventory, language requirements and geography.
- ✓ Notes are stored securely through Collect! by Comtech database.
- ✓ Remote access is provided to our collectco.com site
- ✓ Accounts can be assigned electronically through our site at www.collectco.com

TCM GROUP

- ✓ Membership is limited.
- ✓ Member companies are highly qualified law firms or collections specialists.
- ✓ TCM thoroughly vets all members.
- ✓ Members have reciprocal and trusted relationships.
- ✓ Members are experts within their respective countries.

TCM Group's global network eradicates the many difficulties that may be present for agencies who attempt to recover debt in foreign countries without a support network that provides direct contact with debtors and in-depth local knowledge. One of the strengths of our network is that our representatives are local to both the client and the debtor. National borders are no hindrance to TCM Group's international collection service.

Account Referrals Protocol

To maintain integrity of the network and ensure optimum customer service, TCM Group’s members are required to participate in annual meetings in order to retain membership status. This ensures that all referrals are backed up by a chain of well-established personal relationships.

Cedar Financial will provide the Institution with:

- ✓ On Line Portal Access
- ✓ Instant Updates on Account Information
- ✓ Global Management Dashboard
- ✓ Real Time Reporting
- ✓ At-a-glance Liquidations by Country
- ✓ Everything Translated to English

The screenshot displays a web dashboard with two main sections. The top section, titled "Liquidations by Country", features a world map where different countries are shaded in various shades of blue, representing liquidation data. A tooltip over the United Kingdom shows a "Cumulative - 5.9%". The bottom section, titled "Liquidation Details", provides a comprehensive overview of a specific account.

Liquidation Details		Account Information	
Name	Hampers Auto Loans	Client Listed Date	11 Feb 2011
DBA	asof	Listed Date	7 May 2012
Contact	Tracy Downing	Last Worked Date	31 Oct 2012
Address	1400 Main Street	Phone	2568670555 x 1
City	Angolona Town	Fax	2568670553 x 1
State	GA	Listed	\$ 710 043 64
		Paid	\$ 14 227 40
		Closed	\$ 0 00
		Owing	\$ 945 515 28
		Principal	\$ 712 043 64
		Interest	\$ 87 025 00

Customer Info		Account Details	
First Name	Priscilla	Account number	23471256530
Middle Name		User 2	
Last Name	Parkes	Charged Date	
Contact	Priscilla Parkes	Delinquent Date	
Address	6924 Storm Ness Place	Principal	\$ 21 867 0
Address 2		Fees	\$ 0 00
City	Shreveport	Original Interest	\$ 6 706 2
State	LA	Interest Rate	18.5%
Country	United States		
ZIP	70504-1267		

Phone Numbers		Extra Information	
Home	508 555 5474	Email	
Cell		Place of Employment	
Work		Social Security No.	
Other		Drivers License	
		Birthdate	29 Sep 1971

Notes - Transactions			
No.	Category	Status	Date
101	Post Transaction 101 Payment By Check \$797.01	ACN	30 Oct 2012 4:17 pm

Local Offices Globally***African Offices & Countries***

Algeria

Angola Botswana Cameroon Egypt Ethiopia Ghana Kenya Lesotho Madagascar Malawi Morocco
Mozambique Namibia Nigeria South Africa Swaziland Tunisia Uganda Zambia Zimbabwe

Asian Countries & Offices

Bangladesh China

Republic of China(Taiwan)

Georgia India Indonesia Israel Japan Malaysia

Nepal Pakistan Philippines Singapore South Korea Sri Lanka Thailand Vietnam

European Countries & Offices

Austria Belarus Belgium Bulgaria Croatia Cypress

Czech Republic Denmark

Estonia Finland France Germany Greece Hungary Iceland Ireland Italy Lithuania

Luxembourg Malta Netherlands Norway Poland Portugal Romania Russia

Serbia Spain Sweden Switzerland Turkey Ukraine

United Kingdom

North American Country & Office

Canada

United States

Middle East

Bahrain Jordan Lebanon Saudi Arabia Kuwait

The United Arab Emirates

Oceania

Australia Guam

New Zealand Northern Marina Islands

Caribbean

Anguilla Antigua & Barbuda Aruba

Bahamas Barbados Belize Bermuda

British Virgin Islands Cayman Islands Dominica

Grenada Haiti Jamaica Martinique

Saint Kitts & Nevis Saint Lucia

Saint Vincent & Grenadines Trinidad & Tobago

US Virgin Islands

Central & South America

Argentina Bolivia Brazil Chile Columbia

Costa Rica Dominican Republic Ecuador

El Salvador Guatemala Guyana Honduras Mexico Paraguay Peru Puerto Rico Suriname Uruguay Venezuela

27. Provide the names of any professional organization that your firm belongs to.

Cedar Financial is certified, rated, and continues to meet the strictest industry compliance standards. We continuously perform according to the highest business standards. We are proud of our affiliations with numerous certification and rating industries that carefully monitor business practices of agencies such as ours.

CERTIFIED

- Cedar Financial is currently one of 14 agencies certified with the IACC for international debt collections.
- We have an “A” rating with the Better Business Bureau.
- We are certified with the Commercial Collection Agency Association.
- We are a proud member of the Association of Credit and Collection Professionals.

28. Specify if your firm has been purchased/merged within the last five years. Specify any plans to purchase or merge with another company.

Cedar Financial has not been involved in any business related purchase or mergers over the last five years and we have no plans to purchase or merge with another company.

29. Specify if your firm has been cited for any audit exceptions within the last five years. If so, provide dates, reasons, and resolution for each exception.

Cedar Financial has not been cited for any past or previous audit issues.

30. Specify if your firm has had or has any litigation issues. If so, provide dates, reasons, and resolution for each issue.

Cedar Financial currently has no litigation issues and we have had no litigation issues in the past.

31. Describe your business structure to include the relationship between any parent company and subsidiaries. Specify any business relationships with loan billing agents.

Cedar Financial is a proud member and major stakeholder of the exclusive TCM Group, a global international network of debt collection agencies and law firms with local operation centers in over 100 countries. Featuring local, “on the ground” professional debt collectors and creditor rights attorneys.



TCM Group’s members are required to participate in annual meetings in order to retain membership status. This ensures that all referrals are backed up by a chain of well-established personal relationships.

32. Describe your firm’s qualifications and experience in providing collection services to institutes of higher education. Provide the contact information and qualifications of the person who will be the primary point of contact to VASCUPP institutions.

We believe our experience with Higher Education Institutions and our Higher Education Department Staff dedicated to student consumer collections, that we are uniquely qualified to meet and exceed the requirements outlined in this proposal.

We understand the need, we prepare our staff and we deliver solutions to colleges and universities every day.

Specific to Higher Education

Higher Education clients have specific needs and are governed by additional rules and regulations pertaining to student consumers. This is the reason Cedar Financial has a dedicated Higher Education Department where additional staff training can be conducted and requirements specific to individual universities can be met.

When working with Higher Education consumers, agencies must have adequately trained staff. FERPA Laws pertaining to specific consumer rights and requirements for collections of Perkins Loans are specific to this group of consumers. Through our Cedar University, we can guarantee that Cedar Financial representatives are adequately prepared to work with this unique group of consumers.

Compliant Collections

Cedar Financial is licensed throughout the United States and works with a vetted network of global collection affiliates in over 150 countries to ensure that everything we do is compliant with local, regional, national, and international debt collection laws. Our team adheres strictly to the Family Educational Rights and Privacy Act (FERPA), The Fair Debt Collection Practice Act (FDCPA), The Fair Credit Reporting Act (FCRA), The Gramm- Leach-Bliley Act (GLBA), The Telephone Consumer Protection Act (TCPA) and unfair, deceptive, or abusive acts or practices (UDAAP) regulations and our international affiliates are licensed in their respective countries.



33. Provide an overview of your firm's financial status to include financial statements, bank references, Dun & Bradstreet or equivalent rating, and any other information that is relevant to your firm's financial stability and solvency.

Financially Stable and Commercially Certified: Cedar Financial is a financially stable, established company that has provided successful debt collection services since 1991. Our current profit growth rate is steady at an average of 34% year over year for the past three years. Our sound financial history and quality, compliant collection practices earned us the International Association of Commercial Collectors (IACC) Certified Commercial Collection Agency certification for commercial debt collectors. We are one of only 14 agencies nationwide to hold this certification.

34. Provide three (3) references of higher education institutions where your firm currently provides collection services. Each reference should include name of the institution, a brief summary of the scope, mailing address, and the name and contact information of a primary contact person.

Harvard University

Tom Murphy
VP of Operations 781-439-3139
617-495-1720
tom_murphy@harvard.edu
16 Dunster Street
Cambridge, MA 02138
Currently working student collections Number of years working together: 5 1/2

Duke University - Bursar Office

Ann Giehl 919-684-3531
ann.giehl@duke.edu
DURHAM, NC 27701
Attn: Ann Giehl
Currently working student collections Number of years working together: 6

Duke University - Financial Aid

Sherrie Clayton 919-684-2200
Sherrie.clayton@duke.edu
2127 Campus Drive
Box 90755
Durham, NC 27708
Currently working student collections Number of years working together: 6

Purdue University

Carol Robbins 765-494-0917

carobbin@purdue.edu 475 Stadium Mall Dr Schleman Hall Room 350

West Lafayette, IN 47907

Currently working student collections Number of years working together: 3 1/2

Valparaiso University

Sharie Palmer

Director of Collection/Planned Giving Coordinator

sharie.palmer@valpo.edu

219-464-5221 ext. 3

1700 Chapel Drive

Valparaiso, IN 46383

Currently working student collections Number of years working together: 4

University of Michigan

Patrick Brettschneider

Student Loan Collections

spidy@umich.edu

734-647-3181

3003 S. State Street

6000 Wolverine Tower

Ann Arbor, MI 48109

Currently working student collections Number of years working together: 4

35. Discuss the success rate of your firm in collecting outstanding debt and the length of time to collect accounts, including quantitative data. Provide an explanation for how calculations were determined.

Cedar Financial calculates recovery using the calculation (dollars assigned -minus cancellations-/ dollars collected. The recovery rate for:

First referrals - under 12 months	48.%
Second referrals	18.%
Third referrals	We currently do not have enough data to calculate Institutional loans
	52.%

Cedar Financial understands the importance of early contact. Statistics show that the earlier a consumer is contacted the greater the rate of return is for our client. We begin collection activities almost immediately after referrals are received. While notices are mailed to the consumer, a telephone campaign is initiated with attempts to contact the consumer at all available listed phone numbers. The initial call is placed within 24 hours of verification and is followed by a minimum of one phone call per week. A progressive asset analysis is performed with each

phone call. Our automatic dialer is used to ensure that maximum contact attempts are made within state and FDCPA regulations. Every collector's performance and account progress are reviewed regularly by his or her supervisor. The calling campaign continues throughout the life cycle of the account until a successful resolution is achieved or the statute of limitations expires.

Cedar Financial offers a comprehensive, automated, collection program that is designed to yield maximum recoveries while maintaining the highest level of compliance, data security, and quality. We are well prepared to provide all services associated with this contract and all tasks of this proposal. These tasks will include, but not be limited to, mailing past-due notices that highlight progressive collection efforts, skip tracing to locate consumers out of state and/or out of the country, filing delinquent notifications with credit bureaus, telephone contact campaigns using auto dialers, and communicating with consumers regarding their debt and options for payment.

Performance Reports

Cedar Performance Reports give an in-depth look at the portfolio. These reports can be provided upon request and are generated during our regularly scheduled client Check-Point calls.

PURDUE UNIVERSITY				
	Number of Accounts Placed	Dollar Amount of Accounts placed	Dollar Amount Collected	Recovery Rate
International Loans 1st Placements	28	\$ 155,059.20	\$ 17,315.92	11.17%
International Loans 2nd Placements	283	\$ 936,303.90	\$ 386,729.44	41.30%
DUKE UNIVERSITY				
	Number of Accounts Placed	Dollar Amount of Accounts placed	Dollar Amount Collected	Recovery Rate
Tuition Loans	273	\$ 712,215.90	\$ 310,442.70	43.59%
International Student Loans	84	\$ 2,121,046.00	\$ 463,646.20	21.86%
Perkins	121	\$ 362,983.20	\$ 51,031.58	14.06%
UNIVERSITY OF CENTRAL MISSOURI				
	Number of Accounts Placed	Dollar Amount of Accounts placed	Dollar Amount Collected	Recovery Rate
International Tuition Loans	587	\$ 1,093,425.40	\$ 313,033.00	28.63%
Domestic Tuition Loans	73	\$ 418,929.80	\$ 140,191.29	33.46%

Client 2203

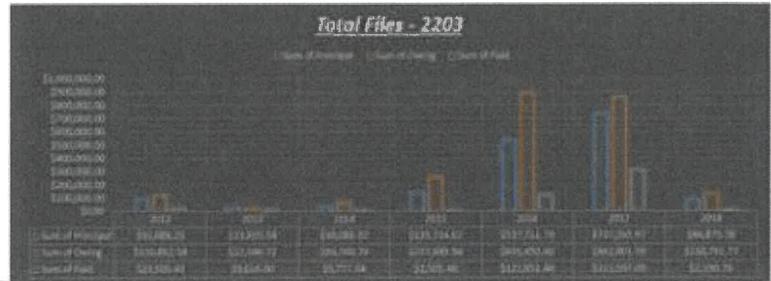
Report Time:	Report Date:
03/20/2018	3/21/2018

Audit Report: Client- 2203

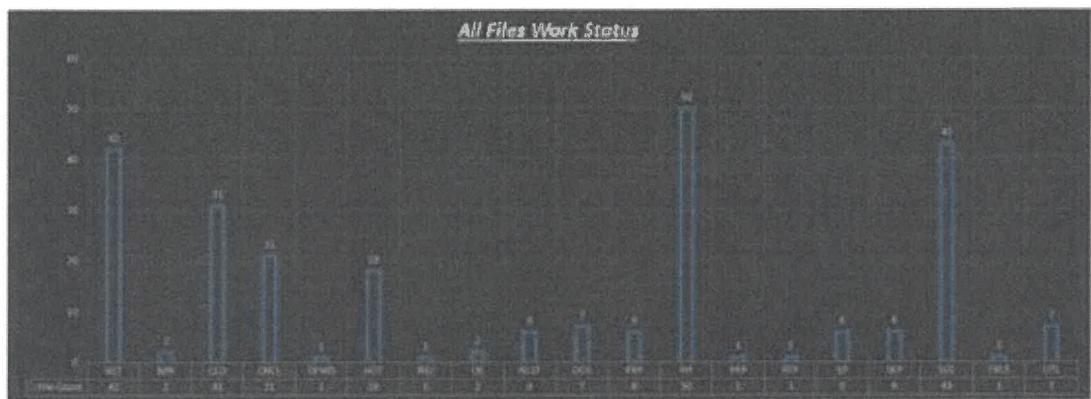
Client Working With Cedar Financial Since: 10/11/2012
 Success Rate Overall: 40.889 (A) per Client Profile
 Success Rate According to Active Files: 43.788%

Total Accounts: 252 Closed Accounts: 125 Active accounts: 127

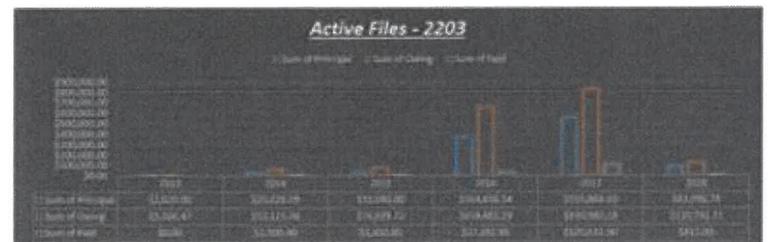
United Year	Count of File	Sum of Principal	Sum of Owing	Sum of Paid	Percentage
2013	37	\$93,088.23	\$130,862.38	\$21,505.43	25.000%
2014	3	\$21,875.54	\$22,346.72	\$9,624.00	44.075%
2014	9	\$36,086.82	\$60,760.20	\$5,777.04	10.000%
2015	27	\$135,714.62	\$257,489.94	\$2,505.46	1.000%
2016	80	\$537,711.79	\$891,450.80	\$122,851.48	22.847%
2017	83	\$737,265.87	\$862,801.98	\$311,597.09	42.264%
2018	13	\$84,875.78	\$130,791.77	\$2,190.78	2.581%
Grand Total	252	\$1,647,178.75	\$2,346,504.30	\$478,051.28	29.022%



Status	File Count
ACT	62
SPR	2
CLO	81
CHG	21
DPWD	1
HGT	18
RES	1
UE	2
BLST	6
OCB	7
PAY	6
YR	10
OSP	1
STP	1
SR	6
SAP	6
SUS	63
UNCD	1
UPL	7
Grand Total	252



United Year	Count of File	Sum of Principal	Sum of Owing	Sum of Paid	Percentage
2013	3	\$2,630.00	\$5,506.97	\$0.00	0.000%
2014	3	\$25,028.00	\$38,215.04	\$1,500.00	5.993%
2015	14	\$33,090.00	\$78,899.72	\$1,450.00	4.583%
2016	48	\$364,438.54	\$658,482.29	\$37,383.85	10.218%
2017	49	\$551,848.63	\$830,980.18	\$105,633.90	19.008%
2018	12	\$83,996.78	\$130,791.77	\$811.00	0.968%
Grand Total	127	\$1,064,432.94	\$1,755,575.47	\$146,778.75	13.789%



Client 2301

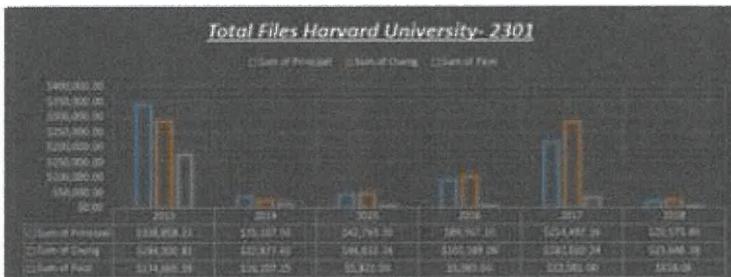
Report Time	Report Date
12:00PM	1/22/2018

Audit Report: Harvard University- 2301

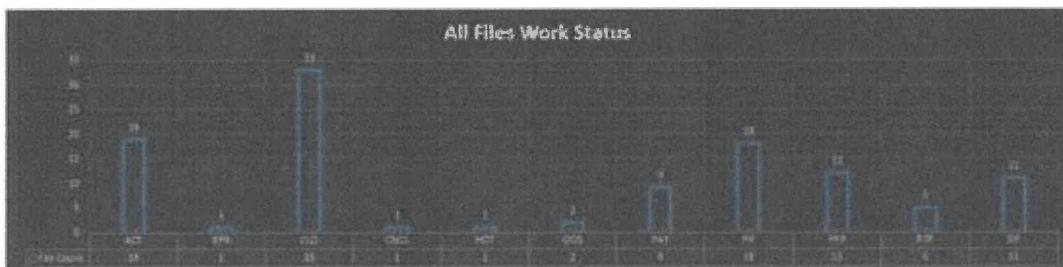
Client Working With Cedar Financial Since: 05/16/2013
 Success Rate Overall: 20.205% (As per Client Profile)

Total Accounts: 112 Closed Accounts: 70 Active accounts: 42

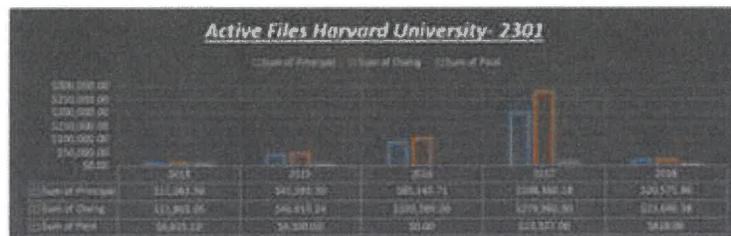
Total Files Harvard University- 2301					
United Year	Count of File	Sum of Principal	Sum of Owing	Sum of Paid	Percentage
2013	57	\$28,858.22	\$284,300.82	\$178,645.79	51.540%
2014	9	\$45,167.50	\$22,877.82	\$18,207.25	46.340%
2015	11	\$42,793.30	\$46,633.24	\$3,821.00	11.600%
2016	5	\$85,767.13	\$203,389.08	\$5,980.00	6.560%
2017	22	\$234,487.16	\$282,020.34	\$43,081.00	34.950%
2018	8	\$20,575.86	\$23,648.18	\$618.00	3.004%
Grand Total	112	\$741,599.19	\$762,847.18	\$275,172.70	11.739%



All Files Work Status	
Status	File Count
ACT	19
BPM	1
CLO	23
CRCA	1
MOY	1
OCX	2
PAV	9
PH	18
PHB	12
RTP	3
SF	11
Grand Total	112



Active Files Harvard University- 2301					
United Year	Count of File	Sum of Principal	Sum of Owing	Sum of Paid	Percentage
2013	3	\$11,083.56	\$11,803.05	\$6,415.30	59.702%
2015	9	\$41,393.30	\$46,633.24	\$4,300.00	10.388%
2016	4	\$85,143.71	\$203,389.08	\$0.00	0.000%
2017	18	\$236,360.18	\$279,960.90	\$13,327.00	6.719%
2018	8	\$20,575.86	\$23,648.18	\$618.00	3.004%
Grand Total	42	\$756,536.61	\$465,432.61	\$24,860.30	6.973%



36. Describe your firm’s ability to work with and accommodate the different needs of various VASCUPP institutions (*remittance timelines, inactive account returns, payment processes, etc*).

Our collection process is fully customizable, and we agree to create a custom collection services plan and reporting functions to accommodate the individual needs of every institution.

37. Describe all methods for processing payments from debtors.

Cedar Financial will always request the balance-in-full whenever possible. We will provide a monthly payment report of all consumers with active and inactive

payment plans. Cedar Financial can incorporate an approved payment plan that meets all the Institution's requirements into our account handling procedures.

Cedar Financial has a well-developed program for establishing and managing consumer payment arrangements for many of our current clients. Account representatives first review the consumer's financial information, determine the consumer's ability to pay and work with them to develop a reliable payment schedule.

Payment arrangements vary but are designed to incorporate a down payment based on the consumer's financial situation followed by equal monthly, bimonthly, or weekly installments. Our assigned collector team will work with the Institution to define acceptable payment plan parameters and will work to obtain a faster resolution of the debt without placing an undue strain on the consumer.

Cedar Financial will immediately document and contact the Institution if a repayment may need to extend beyond the agreed upon repayment schedule. If this happens, Cedar Financial will gather detailed information from the consumer and provide all documentation to the Institution explaining the situation and proposed repayment schedule.

Cedar Financial will not deviate from, or offer an alternative to, the agreed upon repayment schedule without the receipt of prior written approval from the Institution. Once a payment arrangement has been agreed upon and the plan enacted, consumers are provided with regularly scheduled notifications and billing statements sent prior to the payment date to remind them of the agreements that they have made, and the schedule of payments due.

Follow-Up

Cedar Financials' collection representative calls consumers who are meeting their obligations monthly as a courtesy reminder for payment. Statements of account balances and payments received are also sent to consumers.

Broken Arrangements

Our state-of-the-art collection system will automatically flag an account and immediately notify collection the representative the day after a scheduled payment has been missed. The account will be electronically prioritized to the top of the account list of the collector work queue for immediate handling. The Cedar Financial collection representative will then attempt to contact the consumer by phone and request prompt payment. This contact is important because the account representatives is trained to re-assess the financial condition of the consumer. If new arrangements need to be made, they will be negotiated at this time to maintain consistent payments or accelerate payments if possible. The new promised payment date is then entered into the system for monitoring and it is made clear that all future payments are still due on the established date(s). If

contact is not successful over the phone other methods are employed such as a text, or letter. A letter is sent requesting the installment payment and future payments on schedule. If all avenues of follow-up are exhausted without success the collection representative reviews the account for account closure.

Once contact is established with the consumer, the collectors are trained to classify the consumer into one of the four categories:

- ✓ Willing and unable to pay
- ✓ Willing and able to pay
- ✓ Unwilling and unable to pay
- ✓ Unwilling and able to pay

Cedar Financial collectors are qualified to evaluate each situation independently, and methodically and professionally overcome objections to repayment of the debt. We will work with the Institution to set repayment guidelines. With prior approval from the Institution, payment plans will be negotiated for consumers with financial hardship.

If consumers are unwilling to pay, we will follow up with credit reporting and legal action according to the Institution's guidelines. Cedar Financial's Legal team is responsible for initiating action on any Legal matters and will work closely within the Institution's guidelines. When court appearances are necessary by Cedar Financial staff, we will coordinate preparation of witnesses and court dates with the Institution's legal coordinator. Cedar Financial will provide the Institution with advance notice of hearing dates.

38. Provide the following if the proposed solution processes card holder data or redirects to a separate payment site:
- a. Up-to-date, signed documentation that the proposed solution and firm is compliant with all PCI-DSS requirements.
 - b. Documentation of your firm's most recent PCI system scan and the signature page from your Attestation of Compliance (AOC).
 - c. If your firm and/or the proposed solution is not PCI-DSS compliant, explain why your firm/solution falls outside PCI-DSS scope and provide the most recent SOC 1 or SSAE-16 report.

Cedar Financial is up-to-date and has attached signed documentation that the proposed solution and our firm is compliant with all PCI-DSS requirements.



Payment Card Industry (PCI) Data Security Standard

Attestation of Compliance for Onsite Assessments – Service Providers

Version 3.2

April 2016



Section 1: Assessment Information

Instructions for Submission

This Attestation of Compliance must be completed as a declaration of the results of the service provider's assessment with the *Payment Card Industry Data Security Standard Requirements and Security Assessment Procedures (PCI DSS)*. Complete all sections. The service provider is responsible for ensuring that each section is completed by the relevant parties, as applicable. Contact the requesting payment brand for reporting and submission procedures.

Part 1. Service Provider and Qualified Security Assessor Information

Part 1a. Service Provider Organization Information

Company Name:	USAePay	DBA (doing business as):	N/A
Contact Name:	Tim McEwan	Title:	Chief Technology Officer
Telephone:	(323) 370-6605	E-mail:	tim@usaepay.com
Business Address:	1833 Victory Blvd.	City:	Glendale
State/Province:	CA	Country:	USA
		Zip:	91201
URL:	http://www.usaepay.com		

Part 1b. Qualified Security Assessor Company Information (if applicable)

Company Name:	Trustwave		
Lead QSA Contact Name:	Steve Pratt	Title:	Senior Security Consultant
Telephone:	(312) 873-7500	E-mail:	spratt@trustwave.com
Business Address:	70 West Madison Ave Suite 800	City:	Chicago
State/Province:	IL	Country:	USA
		Zip:	60602
URL:	http://www.trustwave.com		



Part 2. Executive Summary

Part 2a. Scope Verification

Services that were INCLUDED in the scope of the PCI DSS Assessment (check all that apply)

Name of service(s) assessed: USAe!Pay payment gateway

Type of service(s) assessed:

Hosting Provider:

- Applications / software
- Hardware
- Infrastructure / Network
- Physical space (co-location)
- Storage
- Web
- Security services
- 3-D Secure Hosting Provider
- Shared Hosting Provider
- Other Hosting (specify):

Managed Services (specify):

- Systems security services
- IT support
- Physical security
- Terminal Management System
- Other services (specify):

Payment Processing:

- POS / card present
- Internet / e-commerce
- MOTO / Call Center
- ATM
- Other processing (specify):

Account Management

Back-Office Services

Billing Management

Clearing and Settlement

Network Provider

Others (specify):

Fraud and Chargeback

Issuer Processing

Loyalty Programs

Merchant Services

Payment Gateway/Switch

Prepaid Services

Records Management

Tax/Government Payments

Note: These categories are provided for assistance only, and are not intended to limit or predetermine an entity's service description. If you feel these categories don't apply to your service, complete "Others." If you're unsure whether a category could apply to your service, consult with the applicable payment brand.



Part 2a. Scope Verification *(continued)*

Services that are provided by the service provider but were NOT INCLUDED in the scope of the PCI DSS Assessment (check all that apply)

Name of service(s) not assessed: Not applicable

Type of service(s) not assessed:

Hosting Provider:

- Applications / software
- Hardware
- Infrastructure / Network
- Physical space (co-location)
- Storage
- Web
- Security services
- 3-D Secure Hosting Provider
- Shared Hosting Provider
- Other Hosting (specify)

Managed Services (specify):

- Systems security services
- IT support
- Physical security
- Terminal Management System
- Other services (specify):

Payment Processing:

- POS / card present
- Internet / e-commerce
- MOTO / Call Center
- ATM
- Other processing (specify)

Account Management

Back-Office Services

Billing Management

Clearing and Settlement

Network Provider

Others (specify)

Fraud and Chargeback

Issuer Processing

Loyalty Programs

Merchant Services

Payment Gateway/Switch

Prepaid Services

Records Management

Tax/Government Payments

Provide a brief explanation why any checked services were not included in the assessment: Not applicable

Part 2b. Description of Payment Card Business

Describe how and in what capacity your business stores, processes, and/or transmits cardholder data.

USAePay is a payment gateway. The USAePay payment gateway application stores and transmits cardholder data. Cardholder data (PAN, Expiration date) is stored in a MySQL database (Blowfish 256). Hashed PAN (SHA-256), tokens, and truncated PAN (first six and last four) are stored on a separate server. USAePay transmits cardholder data (PAN, expiration, cardholder name) to its processors using via private MPLS and TLS 1.2 (AES 256-bit encryption) connections.

Describe how and in what capacity your business is otherwise involved in or has the ability to impact the security of cardholder data.

N/A



Part 2c. Locations

List types of facilities (for example, retail outlets, corporate offices, data centers, call centers, etc.) and a summary of locations included in the PCI DSS review.

Type of facility:	Number of facilities of this type	Location(s) of facility (city, country):
Headquarters data centre	1	Glendale, CA USA
Co-located data centre	2	Somerville MA USA Agoura Hills, CA USA

Part 2d. Payment Applications

Does the organization use one or more Payment Applications? Yes No

Provide the following information regarding the Payment Applications your organization uses:

Payment Application Name	Version Number	Application Vendor	Is application PA-DSS Listed?	PA-DSS Listing Expiry date (if applicable)
FrontEnd	Internal Version	Bespoke	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Not applicable
BackEnd	Internal Version	Bespoke	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Not applicable

Part 2e. Description of Environment

Provide a high-level description of the environment covered by this assessment.

For example:

- Connections into and out of the cardholder data environment (CDE).
- Critical system components within the CDE, such as POS devices, databases, web servers, etc., and any other necessary payment components, as applicable.

USApay receives CHD via TLS 1.0 or higher from its merchant clients, and transmits CHD to payment processors via private MPLS and TLS 1.2 connections.

Critical systems include databases, web applications, back end applications, firewalls, and security applications.

Does your business use network segmentation to affect the scope of your PCI DSS environment? Yes No

(Refer to "Network Segmentation" section of PCI DSS for guidance on network segmentation)



Part 2f Third-Party Service Providers

Does your company have a relationship with a Qualified Integrator & Reseller (QIR) for the purpose of the services being validated? Yes No

If Yes:

Name of QIR Company:

QIR Individual Name:

Description of services provided by QIR:

Does your company have a relationship with one or more third-party service providers (for example, Qualified Integrator Resellers (QIR), gateways, payment processors, payment service providers (PSP), web-hosting companies, airline booking agents, loyalty program agents, etc.) for the purpose of the services being validated? Yes No

If Yes:

Name of service provider: Description of services provided:

Not applicable

Not applicable

Note: Requirement 12.8 applies to all entities in this list

Part 2g Summary of Requirements Tested

For each PCI DSS Requirement, select one of the following:

- **Full** – The requirement and all sub-requirements of that requirement were assessed, and no sub-requirements were marked as “Not Tested” or “Not Applicable” in the ROC.
- **Partial** – One or more sub-requirements of that requirement were marked as “Not Tested” or “Not Applicable” in the ROC.
- **None** – All sub-requirements of that requirement were marked as “Not Tested” and/or “Not Applicable” in the ROC.

For all requirements identified as either “Partial” or “None,” provide details in the “Justification for Approach” column, including:

- Details of specific sub-requirements that were marked as either “Not Tested” and/or “Not Applicable” in the ROC.
- Reason why sub-requirement(s) were not tested or not applicable.

Note: One table to be completed for each service covered by this AOC. Additional copies of this section are available on the PCI SSC website.

Name of Service Assessed: USAcPay payment gateway

PCI DSS Requirement	Details of Requirements Assessed			Justification for Approach (Required for all “Partial” and “None” responses. Identify which sub-requirements were not tested and the reason.)
	Full	Partial	None	
Requirement 1:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1.2.2 – routers not used in CDE 1.2.3 – no in-scope wireless
Requirement 2:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	2.1.1 – no in-scope wireless
Requirement 3:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	3.4.1 – disk encryption not used in CDE 3.5.1 – not required at this time
Requirement 4:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	4.1.1 – CHD not transmitted over wireless
Requirement 5:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	5.1 – no systems commonly affected by malicious software 5.1.1 – no systems commonly affected by malicious software 5.2 – no systems commonly affected by malicious software
Requirement 6:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	6.4.6 – not required at this time
Requirement 7:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Requirement 8:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	8.1.3 – no terminations during assessment period 8.1.4 – no inactive accounts during assessment period 8.1.5 – third parties not allowed to access CDE 8.2.2 – remote resets of passwords not permitted 8.3.1 – not required at this time



Requirement 9:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	9.5.1 - USAePay is not a shared hosting provider 9.6.1 - no backup media in scope 9.6.2 - no distributed media in scope 9.6.3 - no distributed or backup media in scope 9.8.1 - no hardcopy media in scope 9.9 - no PCI devices in scope
Requirement 10:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	10.8 - not required at this time
Requirement 11:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	11.2.3 - no significant changes during the assessment period 11.3.4.1 - not required at this time
Requirement 12:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	12.3.9 - 3 rd parties are prohibited from accessing the CDE 12.9.5 - no service providers used to meet PCI requirements 12.11 - not required at this time
Appendix A1:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Not applicable. USAePay is not a shared hosting provider
Appendix A2:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Not applicable. USAePay does not use SSL or early TLS in its environment.



Section 2: Report on Compliance

This Attestation of Compliance reflects the results of an onsite assessment, which is documented in an accompanying Report on Compliance (ROC)

The assessment documented in this attestation and in the ROC was completed on	March 29, 2017
Have compensating controls been used to meet any requirement in the ROC?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Were any requirements in the ROC identified as being not applicable (N/A)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Were any requirements not tested?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Were any requirements in the ROC unable to be met due to a legal constraint?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No



Section 3: Validation and Attestation Details

Part 3. PCI DSS Validation

This AOC is based on results noted in the ROC dated *March 29, 2017*.

Based on the results documented in the ROC noted above, the signatories identified in Parts 3b-3d, as applicable, assert(s) the following compliance status for the entity identified in Part 2 of this document (check one):

- Compliant:** All sections of the PCI DSS ROC are complete, all questions answered affirmatively, resulting in an overall **COMPLIANT** rating; thereby USAePay has demonstrated full compliance with the PCI DSS.
- Non-Compliant:** Not all sections of the PCI DSS ROC are complete, or not all questions are answered affirmatively, resulting in an overall **NON-COMPLIANT** rating; thereby (Service Provider Company Name) has not demonstrated full compliance with the PCI DSS.

Target Date for Compliance:

An entity submitting this form with a status of Non-Compliant may be required to complete the Action Plan in Part 4 of this document. *Check with the payment brand(s) before completing Part 4.*

- Compliant but with Legal exception:** One or more requirements are marked "Not in Place" due to a legal restriction that prevents the requirement from being met. This option requires additional review from acquirer or payment brand.

If checked, complete the following:

Affected Requirement	Details of how legal constraint prevents requirement being met
----------------------	--

Part 3a. Acknowledgement of Status

Signatory(s) confirms:

(Check all that apply)

- The ROC was completed according to the *PCI DSS Requirements and Security Assessment Procedures, Version 3.2*, and was completed according to the instructions therein.
- All information within the above-referenced ROC and in this attestation fairly represents the results of my assessment in all material respects.
- I have confirmed with my payment application vendor that my payment system does not store sensitive authentication data after authorization.
- I have read the PCI DSS and I recognize that I must maintain PCI DSS compliance, as applicable to my environment, at all times.
- If my environment changes, I recognize I must reassess my environment and implement any additional PCI DSS requirements that apply.



Part 3a. Acknowledgement of Status (continued)

- No evidence of full track data¹, CAV2, CVC2, CID, or CVV2 data², or PIN data³ storage after transaction authorization was found on ANY system reviewed during this assessment.
- ASV scans are being completed by the PCI SSC Approved Scanning Vendor SecurityMetrics

¹ Data encoded in the magnetic stripe or equivalent data on a chip used for authorization during a card-present transaction. Entities may not retain full track data after transaction authorization. The only elements of track data that may be retained are primary account number (PAN), expiration date, and cardholder name.

² The three- or four-digit value printed by the signature panel or on the face of a payment card used to verify card-not-present transactions.

³ Personal identification number entered by cardholder during a card-present transaction, and/or encrypted PIN block present within the transaction message.



Part 3b. Service Provider Attestation

S. Curran
Signature of Service Provider Executive Officer ↑
Service Provider Executive Officer Name *Steve Prall* Date: *3/24/17*
Title: *CEO*

Part 3c. Qualified Security Assessor (QSA) Acknowledgement (if applicable)

If a QSA was involved or assisted with this assessment, describe the role performed: Steve Prall performed documentation reviews, evidence reviews, on-site assessment and interview of client employees as well as wrote the report

Michael Aminzade

Signature of Duty Authorized Officer of QSA Company ↑ Date: *March 29, 2017*
Duty Authorized Officer Name: *Michael Aminzade* QSA Company: *Trustwave*

Part 3d. Internal Security Assessor (ISA) Involvement (if applicable)

If an ISA(s) was involved or assisted with this assessment, identify the ISA personnel and describe the role performed: Not applicable



Part 4. Action Plan for Non-Compliant Requirements

Select the appropriate response for "Compliant to PCI DSS Requirements" for each requirement. If you answer "No" to any of the requirements, you may be required to provide the date your Company expects to be compliant with the requirement and a brief description of the actions being taken to meet the requirement. Check with the applicable payment brand(s) before completing Part 4.

PCI DSS Requirement	Description of Requirement	Compliant to PCI DSS Requirements <i>(Select One)</i>		Remediation Date and Actions <i>(If "NO" selected for any Requirement)</i>
		YES	NO	
1	Install and maintain a firewall configuration to protect cardholder data	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
2	Do not use vendor-supplied defaults for system passwords and other security parameters	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
3	Protect stored cardholder data	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
4	Encrypt transmission of cardholder data across open, public networks	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
5	Protect all systems against malware and regularly update anti-virus software or programs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
6	Develop and maintain secure systems and applications	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
7	Restrict access to cardholder data by business need to know	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
8	Identify and authenticate access to system components	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
9	Restrict physical access to cardholder data	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
10	Track and monitor all access to network resources and cardholder data	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
11	Regularly test security systems and processes	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
12	Maintain a policy that addresses information security for all personnel	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Appendix A1	Additional PCI DSS Requirements for Shared Hosting Providers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Appendix A2	Additional PCI DSS Requirements for Entities using SSL/TLS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	



DISCOVER



VISA

Offeror Data Sheet Attachment A & B

ATTACHMENT A

OFFEROR DATA SHEET

TO BE COMPLETED BY OFFEROR

- 1. QUALIFICATIONS OF OFFEROR:** Offerors must have the capability and capacity in all respects to fully satisfy the contractual requirements.

Cedar Financial has the capability and capacity in all respects to fully satisfy all contractual requirements.

- 2. YEARS IN BUSINESS:** Indicate the length of time you have been in business providing these types of goods and services.

Years 27 Months _____

- 3. REFERENCES:** Indicate below a listing of at least five (5) organizations, either commercial or governmental/educational, that your agency is servicing. Include the name and address of the person the purchasing agency has your permission to contact.

CLIENT	LENGTH OF SERVICE	ADDRESS	CONTACT PERSON/PHONE #
Harvard University	5.5 YRS	16 Dunster Street, Cambridge, MA 02138	Tom Murphy VP of Operations 781-439-3139
Duke University - Bursar	6 YRS	DURHAM, NC 27701	Ann Giehl 919-684-3531
Duke University - Financial Aid	6 YRS	2127 Campus Drive, Box 90755 Durham, NC 27708	Sherrie Clayton 919-684-2200
Purdue University	3.5 YRS	West Lafayette, IN 47907	Carol Robbins 765-494-0917
Valparaiso University	4 YRS	1700 Chapel Drive Valparaiso, IN 46383	Sharie Palmer sharie.palmer@valpo.edu 219-464-5221 ext. 3

- 4. List full names and addresses of Offeror and any branch offices which may be responsible for administering the contract.**

Cedars Business Services, LLC - DBA Cedar Financial 5230 Las Virgenes Road, Suite 210 Calabasas, CA 91302

- 5. RELATIONSHIP WITH THE COMMONWEALTH OF VIRGINIA:** Is any member of the firm an employee of the Commonwealth of Virginia who has a personal interest in this contract pursuant to the [CODE OF VIRGINIA, SECTION 2.2-3100 - 3131](#)?

YES NO

IF YES, EXPLAIN: _____

ATTACHMENT B

Small, Women and Minority-owned Businesses (SWaM) Utilization Plan
Offeror Name: Cedar Financial **Preparer Name:** Dell Holden

Date: August 15, 2018

Is your firm a **Small Business Enterprise** certified by the Department of Small Business and Supplier Diversity (SBSD)? Yes No

If yes, certification number: _____ Certification date: _____

Is your firm a **Woman-owned Business Enterprise** certified by the Department of Small Business and Supplier Diversity (SBSD)? Yes No

If yes, certification number: _____ Certification date: _____

Is your firm a **Minority-Owned Business Enterprise** certified by the Department of Small Business and Supplier Diversity (SBSD)? Yes No

If yes, certification number: _____ Certification date: _____

Is your firm a **Micro Business** certified by the Department of Small Business and Supplier Diversity (SBSD)? Yes No

If yes, certification number: 1757071 Certification date: 05/15/2017 – 5/31/2019

Instructions: *Populate the table below to show your firm's plans for utilization of small, women-owned and minority-owned business enterprises in the performance of the contract. Describe plans to utilize SWaMs businesses as part of joint ventures, partnerships, subcontractors, suppliers, etc.*

Small Business: "Small business " means a business, independently owned or operated by one or more persons who are citizens of the United States or non-citizens who are in full compliance with United States immigration law, which, together with affiliates, has 250 or fewer employees, or average annual gross receipts of \$10 million or less averaged over the previous three years.

Woman-Owned Business Enterprise: A business concern which is at least 51 percent owned by one or more women who are U.S. citizens or legal resident aliens, or in the case of a corporation, partnership or limited liability company or other entity, at least 51 percent of the equity ownership interest in which is owned by one or more women, and whose management and daily business operations are controlled by one or more of such individuals. For purposes of the SWAM Program, all certified women-owned businesses are also a small business enterprise.

Minority-Owned Business Enterprise: A business concern which is at least 51 percent owned by one or more minorities or in the case of a corporation, partnership or limited liability company or other entity, at least 51 percent of the equity ownership interest in which is owned by one or more minorities and whose management and daily business operations are controlled by one or more of such individuals. For purposes of the SWAM Program, all certified minority-owned businesses are also a small business enterprise.

Micro Business is a certified Small Business under the SWaM Program and has no more than twenty-five (25) employees AND no more than \$3 million in average annual revenue over the three-year period prior to their certification.

All small, women, and minority owned businesses must be certified by the Commonwealth of Virginia Department of Small Business and Supplier Diversity (SBSD) to be counted in the SWAM program. Certification applications are available through SBSBD at 800-223-0671 in Virginia, 804-786-6585 outside Virginia, or online at <http://www.sbsd.virginia.gov/> (Customer Service).

RETURN OF THIS PAGE IS REQUIRED

Small Business Subcontracting Plan Attachment B

ATTACHMENT B (CNT'D)

Small, Women and Minority-owned Businesses (SWM) Utilization Plan

Procurement Name and Number: LBS-997

Date Form Completed: August 15, 2018

Listing of Sub-Contractors, to include, Small, Woman Owned and Minority Owned Businesses
for this Proposal and Subsequent Contract

Offeror / Proposer:

Cedar Financial
Firm

5230 Las Virgenes Road, Suite 210, Calabasas, CA 91302
Address

Dell Holden
Contact Person/No.

Sub-Contractor's Name and Address	Contact Person & Phone Number	SBSD Certification Number	Services or Materials Provided	Total Subcontractor Contract Amount (to include change orders)	Total Dollars Paid Subcontractor to date (to be submitted with request for payment from JMF)
We do not intend to utilize subcontractors.					

(Form shall be submitted with proposal and if awarded, again with submission of each request for payment)
RETURN OF THIS PAGE IS REQUIRED

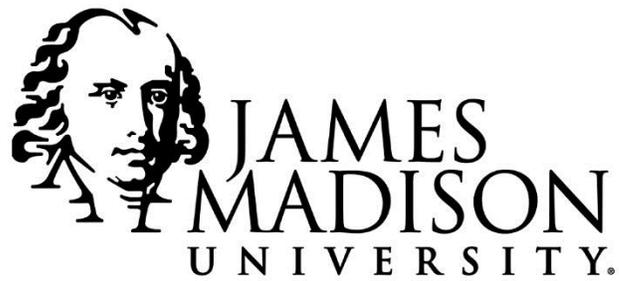
Sales with VASCUPP Members

Cedar Financial has not had any sales with VASCUPP members in the past.

Proposed Cost

Cedar Financial is proposing the following rates to James Madison in response to Debt Collection Services:

<i>1st Placements</i>	<i>18%</i>
<i>2nd Placements</i>	<i>18%</i>
<i>3rd Placements</i>	<i>18%</i>
<i>Legal</i>	<i>25%</i>



Request for Proposal

RFP# LBS-997

Collection Services

6/22/18



REQUEST FOR PROPOSAL
RFP# LBS-997

Issue Date: 6/22/18
Title: Collection Services
Issuing Agency: Commonwealth of Virginia
James Madison University
Procurement Services MSC 5720
752 Ott Street, Wine Price Building
First Floor, Suite 1023
Harrisonburg, VA 22807

Period of Contract: From Date of Award Through One Year (Renewable)

Sealed Proposals Will Be Received Until 2:00 PM on August 16, 2018 for Furnishing The Services Described Herein.

SEALED PROPOSALS MAY BE MAILED, EXPRESS MAILED, OR HAND DELIVERED DIRECTLY TO THE ISSUING AGENCY SHOWN ABOVE.

All Inquiries For Information And Clarification Should Be Directed To: LeeAnne Beatty Smith, Buyer Senior, Procurement Services, smith2LB@jmu.edu; 540-568-7523; (Fax) 540-568-7935 not later than five business days before the proposal closing date.

NOTE: THE SIGNED PROPOSAL AND ALL ATTACHMENTS SHALL BE RETURNED.

In compliance with this Request for Proposal and to all the conditions imposed herein, the undersigned offers and agrees to furnish the goods/services in accordance with the attached signed proposal or as mutually agreed upon by subsequent negotiation.

Name and Address of Firm:

By: _____
(Signature in Ink)

Name: _____
(Please Print)

Date: _____

Title: _____

Web Address: _____

Phone: _____

Email: _____

Fax #: _____

ACKNOWLEDGE RECEIPT OF ADDENDUM: #1 _____ #2 _____ #3 _____ #4 _____ #5 _____ (please initial)

SMALL, WOMAN OR MINORITY OWNED BUSINESS:

YES; NO; *IF YES* ⇒ SMALL; WOMAN; MINORITY ***IF MINORITY***: AA; HA; AsA; NW; Micro

Note: This public body does not discriminate against faith-based organizations in accordance with the Code of Virginia, § 2.2-4343.1 or against an offeror because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment.

REQUEST FOR PROPOSAL

RFP # LBS-997

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I. PURPOSE

The purpose of this Request for Proposal (RFP) is to solicit sealed proposals from qualified sources to enter into a contract to provide Collection Services on an as needed basis at any of the eleven (11) institutions of higher education known as the Virginia Association of State and College and University Purchasing Professionals (“VASCUPP”). Initial contract shall be for two (2) year with an option to renew for three (3) additional two-year periods.

II. BACKGROUND

A. VASCUPP Background:

The mission of the Virginia Association of State College and University Purchasing Professionals (“VASCUPP”) is:

- to recognize and effectively use the common procurement principles, knowledge, experience, challenges, support and resources of all decentralized higher education member institutions;
- to be a united group with common goals of addressing the complexities of the Commonwealth of Virginia procurement processes;
- enhance the ability of each individual member institution to effectively provide efficient and responsive customer service in facilitating the purchase of goods and services for their Institution; and
- to support diversified vendor advocacy to enhance the capability of each member institution in seeking open competition for the highest valued products and services.

More information about each VASCUPP member institution can be located at the following website: <https://vascupp.org>.

B. George Mason University (“GMU”) Background

George Mason University (“GMU”) is setting the gold standard for the modern, public university. Its dynamic culture and innovative academic programs prepare Mason’s hard-working students for 21st century careers. Its commitment to teaching excellence combines with cutting-edge research that enriches the academic experience and is literally changing the world. Mason is affordable, yet offers high value. Ideally located in the National Capital region, students enjoy terrific cultural experiences and access to the most sought-after internships and employers in the country.

GMU’s prime location just outside Washington, D.C. makes Mason the destination for students from all over the world. As the largest public research university in Virginia, Mason offers all the experiences of a large research institution, yet embodies a community approach as close work with students both inside and outside the classroom is a priority. The GMU student body represents more than 130 countries and has more than 34,000 students on campus, creating an organically diverse environment. More information can be found at <https://www2.gmu.edu/>.

GMU’s office of Account and Loan Management works with revenue departments to guide collection efforts and assist as necessary; receive referrals for collection; and handle the collection efforts. Revenue departments are asked to refer accounts that remain unpaid for greater than 59 days to the Account and Loan Management Office for additional processing.

GMU contracts with a billing agent, Heartland/ECSI, for Federal Perkins Loan payments. GMU’s current collection service providers interface with Heartland/ECSI (*at no additional cost to the University*) in collection of Federal Perkins Loan accounts. GMU’s current collection service providers are Williams & Fudge and Todd, Bremer & Lawson.

The total aggregate amount turned over for collection by GMU during previous calendar years:

		Amount Placed	Amount Collected
2013			
Perkins	1st Placement	\$236,064.63	\$177,320.92
Perkins	2nd Placement	\$68,141.68	\$17,565.02
Tuition/Instit./AR	1st Placement	\$4,627,460.22	\$2,697,330.63
Miscellaneous		\$11,233.00	\$5,471.00
2014			
Perkins	1st Placement	\$261,324.00	\$195,255.00
Perkins	2nd Placement	\$88,106.74	\$14,428.27
Tuition/Instit./AR	1st Placement	\$3,657,746.00	\$2,545,223.00
Tuition/Instit./AR	2nd Placement	\$1,008,055.98	\$75,196.30
Miscellaneous		\$41,303.00	\$10,668.00
2015			
Perkins	1st Placement	\$178,242.46	\$135,042.73
Perkins	2nd Placement	\$80,613.19	\$11,361.63
Tuition/Instit./AR	1st Placement	\$1,762,095.39	\$992,258.64
Tuition/Instit./AR	2nd Placement	\$123,498.78	\$35,673.74
Miscellaneous		\$30,455.00	\$20,687.00
2016			
Perkins	1st Placement	\$185,179.21	\$111,916.82
Perkins	2nd Placement	\$50,227.08	\$18,243.15
Tuition/Instit./AR	1st Placement	\$1,836,714.00	\$1,355,788.00
Tuition/Instit./AR	2nd Placement	\$1,278,707.31	\$10,231.57
Miscellaneous		\$14,487.00	\$3,740.00
2017			
Perkins	1st Placement	\$258,486.82	\$178,447.12
Perkins	2nd Placement	\$117,135.18	\$16,954.36
Tuition/Instit./AR	1st Placement	\$3,753,578.12	\$1,729,731.93
Tuition/Instit./AR	2nd Placement	\$12,724.67	\$0.00
Miscellaneous		\$19,611.58	\$7,940.54

C. James Madison University (“JMU”) Background

James Madison University (“JMU”) is a comprehensive public institution in Harrisonburg, Virginia with an enrollment of approximately 22,000 students and more than 3,000 faculty and staff. There are over 600 individual departments on campus that support seven (7) academic divisions. The University offers over 120 majors, minors, and concentrations. Further information about the University can be found at the following website: www.jmu.edu.

The University Business Office (“UBO”) at JMU is committed to quality customer service in order to prepare students to be financially responsible, to provide support and payment options for their families, and to protect the assets of the university with accurate and timely financial procedures.

The UBO is responsible for managing collections of student loan accounts. When student account payments are past due the UBO will attempt to contact the student by mailing two (2) letters to the home address and making two (2) phone calls. Once an account is 60 days past due, the delinquent balance is subject to transfer to a collection agency. Once accounts are placed with a collection agency, account holders must make repayment directly to the collection agency, and the account holder is responsible for the additional fees associated with collection efforts on Perkins loans.

JMU contracts with a billing agent, Heartland ECSI, for Federal Perkins loan payments. JMU’s current collection service providers interface with Heartland ECSI (*at no additional cost to the University*) in collection of Federal Perkins Loan Accounts. JMU’s current collection service providers are Williams & Fudge and Todd, Bremer & Lawson.

The total aggregate amount turned over for collection by JMU during previous calendar years:

		Amount Placed	Amount Collected
2013			
Perkins	1st Placement	\$102,550	\$58,469.83
Perkins	2nd Placement	\$3,544.05	\$450.00
Perkins	3rd Placement	\$5,816.00	\$5,816.00
Tuition/Instit./AR	1st Placement	\$151,971.29	\$62,956.60
Tuition/Instit./AR	2nd Placement	\$72,690.48	\$24,385.61
2014			
Perkins	1st Placement	\$57,172.17	\$29,540.40
Perkins	2nd Placement	\$14,116.00	\$5,935.00
Perkins	3rd Placement	\$668.00	\$550.00
Tuition/Instit./AR	1st Placement	\$175,840.45	\$97,072.07
Tuition/Instit./AR	2nd Placement	\$60,557.20	\$7,888.54
2015			
Perkins	1st Placement	\$57,527.50	\$31,879.46
Perkins	2nd Placement	\$10,262.83	\$8,362.94
Tuition/Instit./AR	1st Placement	\$422,283.42	\$136,761.50
Tuition/Instit./AR	2nd Placement	\$73,310.65	\$8,688.95
2016			
Perkins	1st Placement	\$73,337.21	\$39,186.68
Perkins	2nd Placement	\$43,554.19	\$8,136.53
Tuition/Instit./AR	1st Placement	\$416,971.75	\$156,646.45
Tuition/Instit./AR	2nd Placement	\$225,551.50	\$15,217.74
2017			
Perkins	1st Placement	\$41,889.72	\$15,237.59
Perkins	2nd Placement	\$38,395.69	\$22,178.34
Tuition/Instit./AR	1st Placement	\$300,932.51	\$101,448.91
Tuition/Instit./AR	2nd Placement	\$212,211.42	\$23,224.21

D. Longwood University Background

Founded in 1839 as the Farmville Female Seminary Association, Longwood’s history has been one of constant growth and evolution. The institution had a series of names over its early history, becoming Longwood College in 1949, turning fully co-ed in 1976, and in 2002, becoming Longwood University. Longwood is a public 4-year institution offering more than 100 majors, minors and concentrations in the arts and sciences, business, education, and nursing. Graduate programs include business, communication sciences and disorders, education, English, and sociology. Longwood’s current enrollment is 5,096 students from 25 states and 20 foreign countries. For more information about Longwood University, please visit the University’s website at <http://www.longwood.edu>.

The Bursar’s Office at Longwood is committed to quality customer service in order to prepare students to be financially responsible, to provide support and payment options for their families, and to protect the assets of the university with accurate and timely financial procedures. The Bursar’s Office is responsible for managing collections of student’s accounts and any other miscellaneous debt as well as any past due Longwood University Federal Perkins loans.

At the end of each semester, the Bursar’s Office sends a paper Pre-Collection letter to the home address of all past due account holders. Additional emails are sent to all past due students encouraging them to pay without transfer to a collection agency. If no response, an attempt is made to connect with a phone call.

If all attempts fail, the delinquent balance is subject to transfer to a collection agency inclusive of the Office of the Attorney General. Once accounts are placed with a collection agency, account holders must make repayment directly to the collection agency and the account holder is responsible for the additional fees associated with collection efforts. The accounts may be reported to the credit bureau(s) and listed with the Virginia Department of Taxation for inclusion in the Debt Set-off Program.

Longwood University contracts with a billing agent, Heartland ECSI, for Federal Perkins loan payments. Longwood’s current collection service providers interface with Heartland ECSI (*at no additional cost to the University*) in collection of Federal Perkins Loan Accounts.

Longwood participates in the Early Intervention Program with Heartland ECSI at a cost of \$10 per debtor to send four additional (7 total) past due notices, and 6 (7 total) additional phone calls. Longwood opts to auto-place 1st placement Perkins loans at 120 days past due.

Longwood University’s current collection service providers are Todd, Bremer & Lawson, Williams & Fudge, Alltran, Recovery Management Services and ConServe. LU chooses to rotate all accounts auto returned to the university after 12 months of inactivity to our other agencies to maximize recovery.

The total aggregate amount turned over for collection by Longwood during previous calendar years:

		Amount Placed	Amount Collected
2014			
Perkins	1st Placement	\$75,960.00	\$57,229.00

Perkins	2nd Placement	\$57,603.02	\$9,169.17
Tuition/Instit./AR	1st Placement	\$110,928.25	\$43,983.01
Tuition/Instit./AR	2nd Placement	\$610,898.38	\$50,158.73
2015			
Perkins	1st Placement	\$84,590.00	\$60,574.00
Perkins	2nd Placement	\$56,620.15	\$17,447.95
Tuition/Instit./AR	1st Placement	\$121,132.03	\$40,817.25
Tuition/Instit./AR	2nd Placement	\$482,789.38	\$31,771.65
2016			
Perkins	1st Placement	\$77,054.61	\$48,544.93
Perkins	2nd Placement	\$42,470.29	\$18,356.73
Tuition/Instit./AR	1st Placement	\$18,337.00	50.00
Tuition/Instit./AR	2nd Placement	\$212,495.35	\$74,095.07
2017			
Perkins	1st Placement	\$88,156.27	\$55,341.64
Perkins	2nd Placement	\$44,764.99	\$2,876.58
Tuition/Instit./AR	1st Placement	\$11,088.00	\$0.00
Tuition/Instit./AR	2nd Placement	\$271,742.46	\$47,128.65

E. Old Dominion University (“ODU”) Background

Old Dominion University (“ODU”) is a state-assisted institution in Norfolk, Virginia, part of the metropolitan and historic Hampton Roads area with a population of 1.6 million people. Currently, university enrollment exceeds 24,000 students, including over 700 international students from 88 countries. Within eight colleges, ODU offers 70 baccalaureate programs, 54 master’s degree programs, 42 doctoral programs, and two education specialist programs. Additional information about Old Dominion University may be found at www.odu.edu.

The University pursues debt in accordance with the guidelines set forth by the Commonwealth of Virginia in the Virginia Debt Collection Act. Virginia State law requires that the university make every attempt to collect past due amounts owed to state agencies. If, after 120 days, full payment of a debt has not been received, the student account is placed with the University's collection agency, which is currently Todd, Bremer & Lawson.

The total aggregate amount turned over for collection by ODU during previous calendar years:

		Amount Placed	Amount Collected
2013			
Perkins Loan	1st Placement	\$371,442.00	\$296,605.00
Perkins Loan	2nd Placement	\$158,473.81	\$41,946.05
Institutional/AR	1st Placement	\$4,542,560.56	\$2,280,102.20
Library	1st Placement	\$17,315.35	\$2,326.87

2014			
Perkins Loan	1st Placement	\$408,361.00	\$337,446.00
Perkins Loan	2nd Placement	\$74,638.75	\$29,619.20
Institutional/AR	1st Placement	\$5,585,657.65	\$2,752,899.01
Library	1st Placement	\$20,374.13	\$6,063.78
2015			
Perkins Loan	1st Placement	\$342,931.00	\$266,655.00
Perkins Loan	2nd Placement	\$36,964.01	\$20,535.40
Institutional/AR	1st Placement	\$5,626,912.58	\$2,811,367.48
Library	1st Placement	\$16,789.63	\$6,677.49
2016			
Perkins Loan	1st Placement	\$770,156.00	\$300,538.00
Perkins Loan	2nd Placement	\$176,632.49	\$43,209.23
Institutional/AR	1st Placement	\$7,408,882.49	\$3,772,050.37
Institutional/AR	2nd Placement	\$32,471.39	\$6,689.39
Library	1st Placement	\$11,049.90	\$4,713.16
2017			
Perkins Loan	1st Placement	\$346,364.00	\$178,232.00
Perkins Loan	2nd Placement	\$705,907.74	\$15,119.84
Institutional/AR	1st Placement	\$7,552,448.58	\$3,068,945.65

F. Radford University (“RU”) Background

Radford University (RU) is a comprehensive public university of 9,400 students that has received national recognition for many of its undergraduate and graduate academic programs, as well as its sustainability initiatives. Radford University serves the Commonwealth of Virginia and the nation through a wide range of academic, cultural, human service and research programs. Well known for its strong faculty/student bonds, innovative use of technology in the learning environment and vibrant student life on a beautiful 204-acre American classical campus, Radford University offers students many opportunities to get involved and succeed in and out of the classroom. The University offers 67 degree programs in 38 disciplines and three certificates at the undergraduate level; 22 master's programs in 17 disciplines and three doctoral programs at the graduate level; 13 post-baccalaureate certificates and one post-master's certificate. A Division I member of the NCAA and Big South Athletic Conference, Radford University competes in 16 men's and women's varsity athletics. With over 270 clubs and organizations, Radford University offers many opportunities for student engagement, leadership development and community service. Total enrollment is 9,401. Undergraduate enrollment is 8,453 and graduate enrollment is 948. Learn more at www.radford.edu.

The Office of the Bursar at RU is committed to providing excellent customer service to students, parents and the campus community by providing a variety of services including the billing and collection of tuition and fee payments, administration of university payments plans, and the disbursement of financial aid funds.

The Office of the Bursar is responsible for overseeing the collection of all delinquent student accounts and institutional loans. When a student account becomes delinquent, the Office of the Bursar will send monthly billing statements to the student. Additionally, up to two (2) delinquency letters are sent to the student to inform them of their outstanding indebtedness. Once an account is 60 days past due, the delinquent balance is eligible to be transferred to a state-approved collections agency. If accounts are placed with a collection agency, account

holders must submit their payment(s) directly to the collection agency and also pay the additional fees associated with the increased collection efforts.

RU has contracted the billing services of Heartland ECSI, for its Federal Perkins Loan Program. This partnership encompasses loan payments, collection services, interface with Heartland ECSI, and collection agency placements. RU currently utilizes the collection services of ConServe and Williams & Fudge.

The total aggregate amount turned over for collection by RU during previous calendar years:

		Amount Placed	Amount Collected
2013			
Perkins	1st Placement	\$157,287.30	\$72,169.91
Tuition/Insttit./AR	1st Placement	\$77,463.93	\$26,705.56
Tuition/Insttit./AR	2nd Placement	\$48,173.58	\$10,745.50
Nursing/HPSL	1st Placement	\$21,739.53	\$7,931.16
2014			
Perkins	1st Placement	\$55,594.76	\$28,321.15
Tuition/Insttit./AR	2nd Placement	\$91,169.74	\$31,877.58
2015			
Perkins	1st Placement	\$439,278.44	\$119,065.86
Tuition/Insttit./AR	1st Placement	\$164,560.18	\$44,229.39
Tuition/Insttit./AR	2nd Placement	\$67,194.88	\$7,344.50
2016			
Perkins	1st Placement	\$239,165.05	\$111,898.26
Perkins	2nd Placement	\$33,388.00	\$0.00
Tuition/Insttit./AR	1st Placement	\$221,698.07	\$65,393.57
2017			
Perkins	1st Placement	\$316,340.56	\$154,537.21
Perkins	2nd Placement	\$90,934.00	\$17,793.00
Tuition/Insttit./AR	1st Placement	\$267,705.22	\$52,436.82
Tuition/Insttit./AR	2nd Placement	\$62,655.80	\$3,642.84
Nursing/HPSL	1st Placement	\$12,603.63	\$4,871.68

G. University of Mary Washington (“UMW”) Background

The University of Mary Washington (UMW) is a premier, selective, coeducational, public institution located in Fredericksburg, VA within an hour’s drive of both Washington, D.C., and Richmond, VA. We have approximately 4,000 undergraduate students from about 34 states and many foreign countries. Further information about the University can be found at the following website: www.umw.edu.

The Office of Student Accounts is dedicated to providing all customers with excellent service, in a friendly and timely manner while maintaining internal controls to ensure transactions are accurately processed and records are properly maintained. The Office of Student Accounts is responsible for: the assessment and billing of tuition, housing fees, dining charges, and other University fees; invoicing third-party payers; processing refunds to eligible students; and handling all inquiries concerning tuition transactions. As an agency of the Commonwealth of Virginia, UMW has a public obligation to ensure that all expenditures are essential and reasonable and to ensure all revenues due are timely collected

in support of the mission of the University.

When student account payments are past due the Office of Student Accounts will attempt to contact the student by emails, phone calls and if the balance still goes unpaid, two (2) letters are mailed to the home address. Once an account is 60 days past due, the delinquent balance is subject to transfer to a private collection agency or the Attorney General’s Office for collection, as well as credit bureau reporting. Once accounts are placed with a collection agency, account holders must make repayment directly to the collection agency. The University will recover all collection fees and attorney’s fees from delinquent debtors. UMW’s current collection service providers are Williams & Fudge, ConServe and The Office of Attorney General.

		Amount Placed	Amount Collected
2013			
Perkins	1st Placement	\$59,141.76	\$25,522.29
Tuition/Instit./AR	1st Placement	\$329,815.53	\$155,780.36
Tuition/Instit./AR	2nd Placement	\$6,346.43	\$0.00
2014			
Perkins	1st Placement	\$68,701.52	\$65,612.04
Tuition/Instit./AR	1st Placement	\$504,797.49	\$206,752.51
Tuition/Instit./AR	2nd Placement	\$137,672.94	\$11,997.33
2015			
Perkins	1st Placement	\$26,794.09	\$13,503.60
Tuition/Instit./AR	1st Placement	\$81,398.71	\$36,928.79
Tuition/Instit./AR	2nd Placement	\$25,988.66	\$0.00
2016			
Perkins	1st Placement	\$133,190.99	\$26,073.00
Perkins	2nd Placement	\$9,776.00	\$0.00
Tuition/Instit./AR	1st Placement	\$108,614.71	\$50,871.55
Tuition/Instit./AR	2nd Placement	\$166,261.62	\$3,541.27
2017			
Perkins	1st Placement	\$33,729.54	\$13,543.22
Perkins	2nd Placement	\$84,909.98	\$19,295.25
Tuition/Instit./AR	1st Placement	\$93,581.32	\$40,337.80
Tuition/Instit./AR	2nd Placement	\$32,390.10	\$2,234.10

H. University of Virginia (“UVA”) Background

The total aggregate amount turned over for collection by UVA during previous calendar years:

		Amount Placed	Amount Collected
2013			
Perkins	1st Placement	\$65,124.71	\$61,342.70
Perkins	2nd Placement	\$147,236.06	\$9,002.30
Perkins	3rd Placement	\$170,131.00	\$31,118.00
Tuition/Instit./AR	1st Placement	\$1,352,927.88	\$126,713.50

Tuition/Instit./AR	2nd Placement	\$130,033.90	\$10,229.37
Tuition/Instit./AR	3rd Placement	\$32,841.03	\$1,565.00
Nursing/HPSL	1st Placement	\$6,998.57	\$2,716.74
Nursing/HPSL	2nd Placement	\$5,820.99	\$0.00
2014			
Perkins	1st Placement	\$41,975.52	\$21,804.38
Perkins	2nd Placement	\$303,060.32	\$74,395.48
Perkins	3rd Placement	\$19,358.00	\$4,585.00
Tuition/Instit./AR	1st Placement	\$435,634.39	\$69,668.44
Tuition/Instit./AR	2nd Placement	\$365,196.25	\$2,606.03
Tuition/Instit./AR	3rd Placement	\$360,085.22	\$1,507.70
Nursing/HPSL	1st Placement	\$2,164.40	\$950.00
Nursing/HPSL	2nd Placement	\$23,262.33	\$7,615.40
Nursing/HPSL	3rd Placement	\$9,329.31	\$3,423.71
2015			
Perkins	1st Placement	\$44,143.29	\$27,677.96
Perkins	2nd Placement	\$91,929.64	\$32,793.94
Perkins	3rd Placement	\$19,358.00	\$15,748.88
Tuition/Instit./AR	1st Placement	\$411,990.05	\$91,504.41
Tuition/Instit./AR	2nd Placement	\$489,878.41	\$64,098.82
Tuition/Instit./AR	3rd Placement	\$9,857.00	\$0.00
Nursing/HPSL	1st Placement	\$788.89	\$669.00
Nursing/HPSL	2nd Placement	\$3,274.57	\$2,152.10
2016			
Perkins	1st Placement	\$68,211.44	\$35,372.41
Perkins	2nd Placement	\$72,228.27	\$22,586.26
Tuition/Instit./AR	1st Placement	\$338,958.43	\$55,244.70
Tuition/Instit./AR	2nd Placement	\$239,867.49	\$7,940.14
Tuition/Instit./AR	3rd Placement	\$398,002.64	\$4,486.00
Nursing/HPSL	1st Placement	\$4,306.25	\$2,177.17
Nursing/HPSL	2nd Placement	\$1,355.00	\$1,000.00
2017			
Perkins	1st Placement	\$55,474.40	\$34,112.16
Perkins	2nd Placement	\$207,917.19	\$60,020.45
Tuition/Instit./AR	1st Placement	\$466,678.25	\$72,150.33
Tuition/Instit./AR	2nd Placement	\$204,982.26	\$10,348.69
Nursing/HPSL	1st Placement	\$2,025.29	\$733.69
Nursing/HPSL	2nd Placement	\$12,615.33	\$0.00

I. Virginia Commonwealth University (“VCU”) Background

Located on two downtown campuses in Richmond, VCU enrolls more than 31,000 students in 216 certificate and degree programs in the arts, sciences and humanities. Sixty-nine of the programs are unique in Virginia, and 28 graduate and professional programs are ranked among the best in the nation in U.S. News & World Report’s “America’s Best Graduate Schools,” including the No. 1 ranked sculpture and nurse anesthesia programs. As one of the nation’s top research universities, VCU attracts more than \$255 million a year in sponsored research funding.

VCU Medical Center is one of the nation's leading and Central Virginia's only academic medical center. It includes the 865-bed MCV Hospitals and outpatient clinics, MCV Physicians - a practice of more than 600-physician-faculty, and the health sciences schools of VCU.

VCU is an urban leader, forging ties with business, industry and government in such innovative projects as the collocation of the schools of Business and Engineering, the da Vinci Center for Innovation in Product Design and Development and the Virginia BioTechnology Research Park.

The university and its medical center are the largest-single employer in the Richmond area, with more than 18,650 employees, including almost 2,000 full-time instructional faculty, and many of them nationally and internationally recognized in their fields. VCU's direct economic impact to Virginia is estimated to be \$3.6 billion in annual spending that supports 43,705 jobs.

VCU's Student Accounting Department begins notifying students who have a balance for the current semester by email notification after 30 days has occurred and continues to send a billing statement to the student electronically generally every 30 days during the semester. A final written notice is sent to their permanent address along with an electronic notice after the semester ends. If all collection attempts fail, the outstanding balance is referred to the VCU Collections Unit.

The VCU Collections Unit sends two (2) written notices to the address provided by Student Accounting and if no response, VCU litigates on the student's account and lists the student's tuition and fees balance with the Virginia Department of Taxation for inclusion in the Debt Set-off Program. VCU contracts with a billing agent, Heartland ECSI, for Federal Perkins loans, Medical Profession Loans and University loans. VCU's current collection service providers interface with Heartland ECSI (*at no additional cost to the University*) in collection of these loans. VCU's current collection service providers are Williams & Fudge, Alltran and ConServe.

The total aggregate amount turned over for collection by VCU during previous calendar years:

		Amount Placed	Amount Collected
2013			
Perkins	1st Placement	\$879,139.38	\$289,733.62
2014			
Perkins	1 st Placement	\$414,823.19	\$224,080.12
Nursing HPSL	2 nd Placement	\$5,167.48	\$0.00
2015			
Perkins	1st Placement	\$327,228.37	\$217,069.74
2016			
Perkins	1st Placement	\$126,425.30	\$65,514.33
Perkins	2nd Placement	\$119,003.72	\$119,003.72
Nursing/HPSL	2 nd Placement	\$35,991.38	\$0.00
2017			
Perkins	1st Placement	\$8,186.34	\$7,224.84
Perkins	2nd Placement	\$162,206.68	\$106,727.71

J. Virginia Military Institute (“VMI”) Background

Virginia Military Institute (“VMI”) is a wholly undergraduate public institution in Lexington, Virginia with an enrollment of approximately 1700 students and more than 600 faculty and staff. The Institute has 15 academic departments that offer 48 majors, minors, and concentrations. Further information about the Institute can be found at the following website: www.vmi.edu/about/.

The Comptroller’s Office at VMI is committed to quality customer service in order to prepare students to be financially responsible, to provide support and payment options for their families, and to protect the assets of the institute with accurate and timely financial procedures.

The Comptroller’s Office is responsible for managing collections of student accounts, as well as Perkins loan accounts. When student account payments are past due the Comptroller’s Office will attempt to contact the student by mailing three (3) letters to the home address and making one (1) phone call. Once an account is 60 days past due, the delinquent balance is subject to transfer to a collection agency. Once accounts are placed with a collection agency, account holders must make repayment directly with to the collection agency, and the account holder is responsible for the additional fees associated with collection efforts on cadet accounts.

VMI contracts with a billing agent, Heartland ECSI, for Federal Perkins loan payments. VMI’s current collection service providers interface with Heartland ECSI (*at no additional cost to the University*) in collection of Federal Perkins Loan Accounts. VMI’s current collection service providers are Williams & Fudge and Todd, Bremer & Lawson.

The total aggregate amount turned over for collection by VMI during previous calendar years:

		Amount Placed	Amount Collected
2013			
Perkins	1st Placement	\$141,463.98	\$77,616.65
Tuition/Insttit./AR	1st Placement	\$16,009.72	\$1,740.98
2014			
Perkins	1st Placement	\$75,721.41	\$56,605.08
Tuition/Insttit./AR	1st Placement	\$18,260.84	\$2,027.25
2015			
Perkins	1st Placement	\$93,130.24	\$64,877.41
Tuition/Insttit./AR	1st Placement	\$5,186.64	\$3,679.44
2016			
Perkins	1st Placement	\$33,367.34	\$17,693.50
Tuition/Insttit./AR	1st Placement	\$5,421.13	\$1,907.45
2017			
Perkins	1st Placement	\$27,520.23	\$0.00
Tuition/Insttit./AR	1st Placement	\$8,073.91	\$296.09

K. Virginia Polytechnic Institute and State University (“Virginia Tech”) Background

Virginia Polytechnic Institute and State University (“Virginia Tech”) is located in Blacksburg, Virginia, approximately 40 miles southwest of Roanoke, Virginia, the major commercial hub of the area. In addition to the university’s main campus in Blacksburg, major off campus locations include twelve agriculture experiment research stations, the Marion duPont Scott Equine Medical Center and graduate centers in Roanoke and Fairfax, Virginia. Regularly scheduled air service is provided at the Roanoke Regional Airport.

Dedicated to its motto, Ut Prosim (That I May Serve), Virginia Tech takes a hands-on, engaging approach to education, preparing scholars to be leaders in their fields and communities. As the Commonwealth’s most comprehensive university and its leading research institution, Virginia Tech offers 240 undergraduate degree programs to more than 31,000 students and manages a research portfolio of nearly \$513 million. The university fulfills its land-grant mission of transforming knowledge to practice through technological leadership and by fueling economic growth and job creation locally, regionally, and across Virginia

The Office of the University Bursar (OUB) at Virginia Tech is responsible for managing the collections of student loan accounts. When a student loan account is past due OUB attempts to contact the student twice before sending the account to collection. The student is sent an email and a letter. At approximately 90 days past due the past due balance is sent to a collection agency. The account will remain in collection for one year or until it is brought up to date, whichever comes first. The account holder is responsible for the additional fees associated with collection efforts.

Virginia Tech contracts with a billing agent, Heartland ECSI for student loan account payments. Virginia Tech’s current collection service providers interface with Heartland ECSI (*at no cost to the University*) in the collection of student loan accounts. Currently, Williams & Fudge and Alltran are collection service providers for Virginia Tech.

The Office of the University Bursar is also responsible for collection of all AR account receivables. This includes AR, Vet Med, Equine Medical Center, Center for Family Services, VT Electric, and Parking service. The clients are sent past due emails at 30 and 60 days with a final demand letter at 60+ days. This advises of the collection date and the collection fees associated with the collection agency. If no payments are made the accounts are coded for collections within a 60-90 day time frame depending on the original charge. Departmental charges are billed and contacted by the origination department prior to being sent to OUB for collection purposes.

The total aggregate amount turned over for collection by Virginia Tech during previous calendar years:

		Amount Placed	Amount Collected
2013			
Perkins	1st Placement	\$24,490.84	\$13,902.29
Tuition/Instit./AR	1st Placement	\$1,372,395.30	\$459,517.76
Tuition/Instit./AR	2nd Placement	\$81,591.45	\$5,475.81
2014			
Perkins	1st Placement	\$35,643.94	\$18,995.12
Tuition/Instit./AR	1st Placement	\$1,125,704.82	\$457,585.29

Nursing/HPSL	1st Placement	\$1,151.93	\$1,151.93
Tuition/Insttit./AR	2nd Placement	\$59,305.63	\$7,095.86
2015			
Perkins	1st Placement	\$66,286.11	\$21,475.20
Perkins	2nd Placement	\$8,528.49	\$6,460.67
Tuition/Insttit./AR	1st Placement	\$876,646.16	\$271,335.72
Tuition/Insttit./AR	2nd Placement	\$91,148.85	\$16,332.65
Nursing/HPSL	1st Placement	\$614.50	\$614.50
2016			
Perkins	1st Placement	\$49,560.19	\$26,758.83
Perkins	2nd Placement	\$27,318.22	\$10,249.15
Tuition/Insttit./AR	1st Placement	\$1,168,907.12	\$357,684.83
Tuition/Insttit./AR	2nd Placement	\$149,586.89	\$16,238.13
Nursing/HPSL	1st Placement	\$2,103.03	\$2,103.03
2017			
Perkins	1st Placement	\$26,767.82	\$20,440.40
Perkins	2nd Placement	\$7,305.81	\$2,576.72
Tuition/Insttit./AR	1st Placement	\$1,129,330.03	\$243,128.63
Tuition/Insttit./AR	2nd Placement	\$55,809.50	\$19,332.78
Nursing/HPSL	1st Placement	\$450.23	\$0.00

L. The College of William & Mary (“W&M”) Background

The College of William & Mary (“W&M”) is the second oldest institution of higher learning in America and the first to become a university. W&M has 6,285 undergraduates, 2,455 graduate students, 687 full-time faculty members with more than 40 undergraduate degree programs and more than 40 graduate and professional degree programs. Degrees conferred include: B.A., B.B.A., B.S., Ed.D., J.D., LL.M., M.A., M.A.C., M.B.A., M.Ed., M.P.P., M.S., M.S.B.A., Ph.D. See www.wm.edu for more details on W&M.

The Bursar’s Office at W&M is committed to quality customer service in order to prepare students to be financially responsible, to provide support and payment options for their families, and to protect the assets of the university with accurate and timely financial procedures.

The Bursar’s Office is responsible for student accounting, cashiering and receivables and collections activities for the college. The office manages billings, collections, deposits and accounts for the revenue. When account payments are past due the Bursar’s Office, after 2-3 previous mailings, will attempt to contact the student by mailing a final demand letter to the mailing address on file and other attempts are made to contact by phone and/or email. Once an account is 60 days past due, the delinquent balance is subject to transfer to a collection agency. Once accounts are placed with a collection agency, account holders must make repayment directly to the collection agency, and the account holder is responsible for the additional fees associated with collection efforts on any outstanding debt owed the college and also on Perkins loans.

W&M contracts with a billing agent, Heartland ECSI, for Federal Perkins loan payments. W&M’s current collection service providers interface with Heartland ECSI (*at no additional cost to the University*) in collection of Federal Perkins Loan Accounts. W&M’s current collection service providers are Todd, Bremer, & Lawson and Alltran.

The total aggregate amount turned over for collection by W&M during previous calendar years:

		Amount Placed	Amount Collected
2013			
Perkins	1st Placement	\$15,916.03	\$12,146.00
Perkins	2nd Placement	\$15,624.49	\$3,227.26
Perkins	3rd Placement	\$0.00	\$0.00
Tuition/Instit./AR	1st Placement	\$31,902.56	\$23,353.99
Tuition/Instit./AR	2nd Placement	\$31,648.53	\$0.00
2014			
Perkins	1st Placement	\$35,801.15	\$22,751.33
Perkins	2nd Placement	\$11,487.22	\$0.00
Perkins	3rd Placement	\$7,500.06	\$0.00
Tuition/Instit./AR	1st Placement	\$48,961.37	\$36,265.98
Tuition/Instit./AR	2nd Placement	\$9,217.52	\$113.16
2015			
Perkins	1st Placement	\$53,685.13	\$28,816.87
Perkins	2nd Placement	\$224.47	\$0.00
Tuition/Instit./AR	1st Placement	\$51,783.63	\$40,212.70
Tuition/Instit./AR	2nd Placement	\$2,243.16	\$2,152.91
2016			
Perkins	1st Placement	\$52,810.77	\$41,878.00
Perkins	2nd Placement	\$4,649.82	\$0.00
Perkins	3rd Placement	\$6,547.80	\$1,121.05
Tuition/Instit./AR	1st Placement	\$74,521.14	\$53,276.00
Tuition/Instit./AR	2nd Placement	\$6,063.82	\$0.00
2017			
Perkins	1st Placement	\$52,451.00	\$31,639.00
Perkins	2nd Placement	\$4,449.68	\$0.00
Perkins	3rd Placement	\$2,536.45	\$0.00
Tuition/Instit./AR	1st Placement	\$62,453.32	\$53,069.33
Tuition/Instit./AR	2nd Placement	\$7,689.29	\$1,685.96

III. SMALL, WOMAN-OWNED AND MINORITY PARTICIPATION

It is the policy of the Commonwealth of Virginia to contribute to the establishment, preservation, and strengthening of small businesses and businesses owned by women and minorities, and to encourage their participation in State procurement activities. The Commonwealth encourages contractors to provide for the participation of small businesses and businesses owned by women and minorities through partnerships, joint ventures, subcontracts, and other contractual opportunities. Attachment B contains information on reporting spend data with subcontractors.

IV. STATEMENT OF NEEDS

James Madison University (JMU) seeks a Contractor that is an established industry leader in providing debt collection services that achieves the maximum recovery of debt for institutions of higher education. Specifically, the Contractor shall provide debt collection services for the following types of unpaid accounts: tuition and fees; student loans; returned checks; and miscellaneous receivable accounts.

A. The Contractor **shall be responsible for the following:**

- Providing collection services to the VASCUPP institution in accordance with all regulations and laws to include, but not limited to, the following:
 - Federal Regulations for Perkins loans
 - Fair Debt Collection Practice Act
 - Virginia Debt Collection Act (§ 2.2-4800 et seq.),
 - Consumer Credit Protection Act
 - National Defense Education Act of 1958, Title II,
 - Public Health Service Act Titles VII and VIII,
 - Gramm-Leach-Bliley Act
- Maintaining licenses as required by law, and in states necessary, to provide collection services.
- Undertaking the collection of all accounts referred by the VASCUPP institution without regard to the amount.
- Accepting cancellations, deferments, or postponements for any referred collection and Contractor agrees that no fees shall be charged to the VASCUPP institution in this event. The VASCUPP institution reserves the right to request the return of an account for any reason.
- Maintaining detailed and accurate accounting ledgers of all collected and disbursed monies throughout the contract period and providing a detailed accounting report at any time upon request by the VASCUPP institution.
- Providing a copy of the firm's Attestation Audit Letter annually to the VASCUPP institution.
- Remitting to the VASCUPP institution each month the net total of funds collected (*after debtor check payments have cleared*) in the previous month, with the exception of the funds collected for Federal Perkins Loans. Federal Perkins Loan account collections shall be remitted directly to the billing agent designated by the VASCUPP institution. The VASCUPP institution agrees to remit collection fees to Contractor in the event payments are made directly to the institution or the Billing Agent.
- Reporting to a minimum of one (1) national credit bureau each account referred by the VASCUPP institution, with the exception of Federal Perkins loans (*Federal Perkins loans are reported to the credit bureau by separate loan billing agents*). The accounts shall be placed with a credit bureau within sixty (60) days of placement with the Contractor. Contractor will make the necessary corrections when an account is reported in error.

- Designating a primary point of contact for the VASCUPP institution and provide a toll free phone number for debtors.
- Maintaining a fidelity bond that names the Commonwealth of Virginia as the beneficiary in the amount of one hundred thousand (\$100,000) dollars throughout the term of the contract.
- Submitting a report with each monthly remittance check that includes the following information at a minimum for each account:
 - Name of the debtor
 - Account number
 - Date of payment by the debtor
 - Payment amount
 - Total amount paid for collection services
 - Total amount paid to VASCUPP institution

B. The Contractor **shall not:**

- Have authority to file suit on any account referred by the VASCUPP institution.
- Settle any account balance or agree to a compromise without the prior written agreement of the VASCUPP institution.
- Share in funds collected by the VASCUPP institution as a result of exercising authority for the Commonwealth Debt right of set-off granted by the Code of Virginia. The VASCUPP institution will notify the Contractor of any set-off monies received.
- Refer an account placed with the Contractor to another collection agency without prior approval by the VASCUPP institution.
- Perform services on an account that is subject to bankruptcy proceedings. The Contractor shall notify the VASCUPP institution immediately in writing of any bankruptcy notices.

C. **Describe in detail your firm's approach to each of the following items. Failure to provide responses to the items below may result in rejection of the proposal.**

1. Describe in detail the types of accounts for which your company performs and provides debt collection services.
2. Describe the standard methodologies employed to maximize the collection of account receivables. Include the minimum number of telephone calls to debtors and the maximum number of telephone calls to debtors.
3. Describe any differences in your firm's processes for 1st placement recovery services vs 2nd placement recovery services.
4. Describe communication process with debtors. Provide examples of templates used.
5. Describe in detail the proposed approach (*work plan*) for performing and providing collection services and for communicating with the VASCUPP institution in regards.

6. Provide an example of the remittance report that will be included within each payment to the VASCUPP institution.
7. Describe how cancelled, postponed, or deferred accounts will be handled.
8. Specify all options/methods of placing accounts (*e.g., paper, email, fax, secure website, etc.*)
9. Describe your firm's process for remaining compliant with all current laws and regulations.
10. Provide a copy of your firm's most recent federally required Student Financial Assistance compliance (*attestation*) audit letter.
11. Discuss your firm's compliance with the Federal Fair Debt Collection Practices Act (*FDCPA*). Specify any areas of previous non-compliance and corrective actions taken.
12. The Contractor shall comply with the Gramm-Leach Bliley Act by implementing and maintaining appropriate safeguards to protect and prevent unauthorized release of student, faculty, and staff nonpublic information. Nonpublic information is defined as social security numbers, or financial transactions, bank, credit, and tax information. Provide a copy of your firm's Gramm-Leach-Bliley Act Safeguard Policy and describe how your firm maintains best industry practices as it relates to compliance with this act.
13. Specify if your firm rules on the Code of Virginia for collection fee regulations or the codes of the residing state of the debtor.
14. Describe your firm's process for reporting referred accounts (*with the exception of Federal Perkins Loans*) to national credit bureau(s). Describe the process for making necessary corrections when an account is reported in error.
15. Describe how your firm will work with Billing Agents that are responsible for Perkins Loan Payments.
16. Describe your firm's cash-handling procedures and controls.
17. Describe in detail your firm's process in the event a Non-Sufficient Funds (NSF) check is returned from a debtor's payment.
18. Describe your process of pursuing collections on accounts that are disputed by either the debtor or the debtor's attorney.
19. Describe in detail the administrative services and support services (*to include automated support/collection software*) provided.
20. Describe the process and timeline for returning unpaid accounts to the VASCUPP institution.
21. Describe how your firm would handle the transition from another Contractor to your firm. Identify issues to be addressed and describe the steps your firm would take to minimize the impact on the VASCUPP institution.

22. Describe in detail all reports that will be provided to the VASCUPP institution and the frequency for providing them. Submit a sample of each standard report.
23. Describe how different types of accounts will be classified for reporting purposes.
24. Describe your company's ability to customize reports and reporting timelines at the VASCUPP institution's request.
25. Describe how your firm can assist VASCUPP institutions with the Fiscal Operations Report and Application to Participate (FISAP).
26. Describe your firm's ability and qualifications to provide international collection services.
27. Provide the names of any professional organization that your firm belongs to.
28. Specify if your firm has been purchased/merged within the last five years. Specify any plans to purchase or merge with another company.
29. Specify if your firm has been cited for any audit exceptions within the last five years. If so, provide dates, reasons, and resolution for each exception.
30. Specify if your firm has had or has any litigation issues. If so, provide dates, reasons, and resolution for each issue.
31. Describe your business structure to include the relationship between any parent company and subsidiaries. Specify any business relationships with loan billing agents.
32. Describe your firm's qualifications and experience in providing collection services to institutes of higher education. Provide the contact information and qualifications of the person who will be the primary point of contact to VASCUPP institutions.
33. Provide an overview of your firm's financial status to include financial statements, bank references, Dun & Bradstreet or equivalent rating, and any other information that is relevant to your firm's financial stability and solvency.
34. Provide three (3) references of higher education institutions where your firm currently provides collection services. Each reference should include name of the institution, a brief summary of the scope, mailing address, and the name and contact information of a primary contact person.
35. Discuss the success rate of your firm in collecting outstanding debt and the length of time to collect accounts, including quantitative data. Provide an explanation for how calculations were determined.
36. Describe your firm's ability to work with and accommodate the different needs of various VASCUPP institutions (*remittance timelines, inactive account returns, payment processes, etc*).
37. Describe all methods for processing payments from debtors.

38. Provide the following if the proposed solution processes card holder data or redirects to a separate payment site:
 - a. Up-to-date, signed documentation that the proposed solution and firm is compliant with all PCI-DSS requirements.
 - b. Documentation of your firm's most recent PCI system scan and the signature page from your Attestation of Compliance (AOC).
 - c. If your firm and/or the proposed solution is not PCI-DSS compliant, explain why your firm/solution falls outside PCI-DSS scope and provide the most recent SOC 1 or SSAE-16 report.

V. PROPOSAL PREPARATION AND SUBMISSION

A. GENERAL INSTRUCTIONS

To ensure timely and adequate consideration of your proposal, offerors are to limit all contact, whether verbal or written, pertaining to this RFP to the James Madison University Procurement Office for the duration of this Proposal process. Failure to do so may jeopardize further consideration of Offeror's proposal.

1. RFP Response: In order to be considered for selection, the **Offeror shall submit a complete response to this RFP**; and shall submit to the issuing Purchasing Agency:
 - a. **One (1) original and five (5) copies** of the entire proposal, INCLUDING ALL ATTACHMENTS. Any proprietary information should be clearly marked in accordance with 3.f. below.
 - b. **One (1) electronic copy in WORD format or searchable PDF (CD or flash drive)** of the entire proposal, INCLUDING ALL ATTACHMENTS. Any proprietary information should be clearly marked in accordance with 3.f. below.
 - c. Should the proposal contain **proprietary information**, provide **one (1) redacted hard copy** of the proposal and all attachments with **proprietary portions removed or blacked out**. This copy should be clearly marked "*Redacted Copy*" on the front cover. The classification of an entire proposal document, line item prices, and/or total proposal prices as proprietary or trade secrets is not acceptable. JMU shall not be responsible for the Contractor's failure to exclude proprietary information from this redacted copy.

No other distribution of the proposal shall be made by the Offeror.

2. The version of the solicitation issued by JMU Procurement Services, as amended by an addenda, is the mandatory controlling version of the document. Any modification of, or additions to, the solicitation by the Offeror shall not modify the official version of the solicitation issued by JMU Procurement services unless accepted in writing by the University. Such modifications or additions to the solicitation by the Offeror may be cause for rejection of the proposal; however, JMU reserves the right to decide, on a case-by-case basis in its sole discretion, whether to reject such a proposal. If the modification or additions are not identified until after the award of the contract, the controlling version of

the solicitation document shall still be the official state form issued by Procurement Services.

3. Proposal Preparation

- a. Proposals shall be signed by an authorized representative of the Offeror. All information requested should be submitted. Failure to submit all information requested may result in the purchasing agency requiring prompt submissions of missing information and/or giving a lowered evaluation of the proposal. Proposals which are substantially incomplete or lack key information may be rejected by the purchasing agency. Mandatory requirements are those required by law or regulation or are such that they cannot be waived and are not subject to negotiation.
- b. Proposals shall be prepared simply and economically, providing a straightforward, concise description of capabilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of content.
- c. Proposals should be organized in the order in which the requirements are presented in the RFP. All pages of the proposal should be numbered. Each paragraph in the proposal should reference the paragraph number of the corresponding section of the RFP. It is also helpful to cite the paragraph number, sub letter, and repeat the text of the requirement as it appears in the RFP. If a response covers more than one page, the paragraph number and sub letter should be repeated at the top of the next page. The proposal should contain a table of contents which cross references the RFP requirements. Information which the offeror desires to present that does not fall within any of the requirements of the RFP should be inserted at the appropriate place or be attached at the end of the proposal and designated as additional material. Proposals that are not organized in this manner risk elimination from consideration if the evaluators are unable to find where the RFP requirements are specifically addressed.
- d. As used in this RFP, the terms “must”, “shall”, “should” and “may” identify the criticality of requirements. “Must” and “shall” identify requirements whose absence will have a major negative impact on the suitability of the proposed solution. Items labeled as “should” or “may” are highly desirable, although their absence will not have a large impact and would be useful, but are not necessary. Depending on the overall response to the RFP, some individual “must” and “shall” items may not be fully satisfied, but it is the intent to satisfy most, if not all, “must” and “shall” requirements. The inability of an offeror to satisfy a “must” or “shall” requirement does not automatically remove that offeror from consideration; however, it may seriously affect the overall rating of the offeror’ proposal.
- e. Each copy of the proposal should be bound or contained in a single volume where practical. All documentation submitted with the proposal should be contained in that single volume.

- f. Ownership of all data, materials and documentation originated and prepared for the State pursuant to the RFP shall belong exclusively to the State and be subject to public inspection in accordance with the Virginia Freedom of Information Act. Trade secrets or proprietary information submitted by the offeror shall not be subject to public disclosure under the Virginia Freedom of Information Act; however, the offeror must invoke the protection of Section 2.2-4342F of the Code of Virginia, in writing, either before or at the time the data is submitted. The written notice must specifically identify the data or materials to be protected and state the reasons why protection is necessary. The proprietary or trade secret materials submitted must be identified by some distinct method such as highlighting or underlining and must indicate only the specific words, figures, or paragraphs that constitute trade secret or proprietary information. The classification of an entire proposal document, line item prices and/or total proposal prices as proprietary or trade secrets is not acceptable and will result in rejection and return of the proposal.
4. Oral Presentation: Offerors who submit a proposal in response to this RFP may be required to give an oral presentation of their proposal to James Madison University. This provides an opportunity for the Offeror to clarify or elaborate on the proposal. This is a fact-finding and explanation session only and does not include negotiation. James Madison University will schedule the time and location of these presentations. Oral presentations are an option of the University and may or may not be conducted. Therefore, proposals should be complete.

B. SPECIFIC PROPOSAL INSTRUCTIONS

Proposals should be as thorough and detailed as possible so that James Madison University may properly evaluate your capabilities to provide the required services. Offerors are required to submit the following items as a complete proposal:

1. Return RFP cover sheet and all addenda acknowledgements, if any, signed and filled out as required.
2. Responses to Section IV. Statement of Needs of this RFP.
3. Offeror Data Sheet, included as *Attachment A* to this RFP.
4. Small Business Subcontracting Plan, included as *Attachment B* to this RFP. Offeror shall provide a Small Business Subcontracting plan which summarizes the planned utilization of Department of Small Business and Supplier Diversity (SBSD)-certified small businesses which include businesses owned by women and minorities, when they have received Department of Small Business and Supplier Diversity (SBSD) small business certification, under the contract to be awarded as a result of this solicitation. This is a requirement for all prime contracts in excess of \$100,000 unless no subcontracting opportunities exist.
5. Identify the amount of sales your company had during the last twelve months with each VASCUPP Member Institution. A list of VASCUPP Members can be found at: www.VASCUPP.org.
6. Proposed Cost. See Section X. Pricing Schedule of this Request for Proposal.

VI. EVALUATION AND AWARD CRITERIA

A. EVALUATION CRITERIA

Proposals shall be evaluated by James Madison University using the following criteria:

	<u>Points</u>
1. Quality of products/services offered and suitability for intended purposes	20
2. Qualifications and experience of Offeror in providing the goods/services	25
3. Specific plans or methodology to be used to perform the services	25
4. Participation of Small, Women-Owned, & Minority (SWaM) Businesses	10
5. Cost	20
	<hr/> 100

- B. AWARD TO MULTIPLE OFFERORS: Selection shall be made of two or more offerors deemed to be fully qualified and best suited among those submitting proposals on the basis of the evaluation factors included in the Request for Proposals, including price, if so stated in the Request for Proposals. Negotiations shall be conducted with the offerors so selected. Price shall be considered, but need not be the sole determining factor. After negotiations have been conducted with each offeror so selected, the agency shall select the offeror which, in its opinion, has made the best proposal, and shall award the contract to that offeror. The Commonwealth reserves the right to make multiple awards as a result of this solicitation. The Commonwealth may cancel this Request for Proposals or reject proposals at any time prior to an award, and is not required to furnish a statement of the reasons why a particular proposal was not deemed to be the most advantageous. Should the Commonwealth determine in writing and in its sole discretion that only one offeror is fully qualified, or that one offeror is clearly more highly qualified than the others under consideration, a contract may be negotiated and awarded to that offeror. The award document will be a contract incorporating by reference all the requirements, terms and conditions of the solicitation and the contractor's proposal as negotiated.
- C. AWARD OF CONTRACT: Award of a contract to perform services as described in this RFP does not obligate VASCUPP schools to use the contract and individual VASCUPP institutions will have the option of utilizing or not utilizing a particular contractor that has been awarded a contract.

VII. GENERAL TERMS AND CONDITIONS

- A. PURCHASING MANUAL: This solicitation is subject to the provisions of the Commonwealth of Virginia's Purchasing Manual for Institutions of Higher Education and Their Vendors and any revisions thereto, which are hereby incorporated into this contract in their entirety. A copy of the manual is available for review at the purchasing office. In addition, the manual may be accessed electronically at <http://www.jmu.edu/procurement> or a copy can be obtained by calling Procurement Services at (540) 568-3145.
- B. APPLICABLE LAWS AND COURTS: This solicitation and any resulting contract shall be governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect thereto shall be brought in the courts of the Commonwealth. The Contractor shall comply with applicable federal, state and local laws and regulations.
- C. ANTI-DISCRIMINATION: By submitting their proposals, offerors certify to the Commonwealth that they will conform to the provisions of the Federal Civil Rights Act of 1964, as amended, as well as the Virginia Fair Employment Contracting Act of 1975, as amended, where applicable, the Virginians With Disabilities Act, the Americans With Disabilities Act and §10 of the Rules Governing Procurement, Chapter 2, Exhibit J, Attachment 1 (available for review at <http://www.jmu.edu/procurement>). If the award is made to a faith-based organization, the organization shall not discriminate against any recipient of goods, services, or disbursements made pursuant to the contract on the basis of the recipient's religion, religious belief, refusal to participate in a religious practice, or on the basis of race, age, color, gender or national origin and shall be subject to the same rules as other organizations that contract with public bodies to account for the use of the funds provided; however, if the faith-based organization segregates public funds into separate accounts, only the accounts and programs funded with public funds shall be subject to audit by the public body. (*§6 of the Rules Governing Procurement*).

In every contract over \$10,000 the provisions in 1. and 2. below apply:

1. During the performance of this contract, the contractor agrees as follows:
 - a. The contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the contractor. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
 - b. The contractor, in all solicitations or advertisements for employees placed by or on behalf of the contractor, will state that such contractor is an equal opportunity employer.
 - c. Notices, advertisements, and solicitations placed in accordance with federal law, rule, or regulation shall be deemed sufficient for the purpose of meeting these requirements.
2. The contractor will include the provisions of 1. Above in every subcontract or purchase order over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

- D. ETHICS IN PUBLIC CONTRACTING: By submitting their proposals, offerors certify that their proposals are made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other offeror, supplier, manufacturer or subcontractor in connection with their proposal, and that they have not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged.
- E. IMMIGRATION REFORM AND CONTROL ACT OF 1986: By entering into a written contract with the Commonwealth of Virginia, the Contractor certifies that the Contractor does not, and shall not during the performance of the contract for goods and services in the Commonwealth, knowingly employ an unauthorized alien as defined in the federal Immigration Reform and Control Act of 1986.
- F. DEBARMENT STATUS: By submitting their proposals, offerors certify that they are not currently debarred by the Commonwealth of Virginia from submitting proposals on contracts for the type of goods and/or services covered by this solicitation, nor are they an agent of any person or entity that is currently so debarred.
- G. ANTITRUST: By entering into a contract, the contractor conveys, sells, assigns, and transfers to the Commonwealth of Virginia all rights, title and interest in and to all causes of action it may now have or hereafter acquire under the antitrust laws of the United States and the Commonwealth of Virginia, relating to the particular goods or services purchased or acquired by the Commonwealth of Virginia under said contract.
- H. MANDATORY USE OF STATE FORM AND TERMS AND CONDITIONS RFPs: Failure to submit a proposal on the official state form provided for that purpose may be a cause for rejection of the proposal. Modification of or additions to the General Terms and Conditions of the solicitation may be cause for rejection of the proposal; however, the Commonwealth reserves the right to decide, on a case by case basis, in its sole discretion, whether to reject such a proposal.
- I. CLARIFICATION OF TERMS: If any prospective offeror has questions about the specifications or other solicitation documents, the prospective offeror should contact the buyer whose name appears on the face of the solicitation no later than five working days before the due date. Any revisions to the solicitation will be made only by addendum issued by the buyer.
- J. PAYMENT:
1. To Prime Contractor:
 - a. Invoices for items ordered, delivered and accepted shall be submitted by the contractor directly to the payment address shown on the purchase order/contract. All invoices shall show the state contract number and/or purchase order number; social security number (for individual contractors) or the federal employer identification number (for proprietorships, partnerships, and corporations).
 - b. Any payment terms requiring payment in less than 30 days will be regarded as requiring payment 30 days after invoice or delivery, whichever occurs last. This shall not affect offers of discounts for payment in less than 30 days, however.

- c. All goods or services provided under this contract or purchase order, that are to be paid for with public funds, shall be billed by the contractor at the contract price, regardless of which public agency is being billed.
 - d. The following shall be deemed to be the date of payment: the date of postmark in all cases where payment is made by mail, or the date of offset when offset proceedings have been instituted as authorized under the Virginia Debt Collection Act.
 - e. Unreasonable Charges. Under certain emergency procurements and for most time and material purchases, final job costs cannot be accurately determined at the time orders are placed. In such cases, contractors should be put on notice that final payment in full is contingent on a determination of reasonableness with respect to all invoiced charges. Charges which appear to be unreasonable will be researched and challenged, and that portion of the invoice held in abeyance until a settlement can be reached. Upon determining that invoiced charges are not reasonable, the Commonwealth shall promptly notify the contractor, in writing, as to those charges which it considers unreasonable and the basis for the determination. A contractor may not institute legal action unless a settlement cannot be reached within thirty (30) days of notification. The provisions of this section do not relieve an agency of its prompt payment obligations with respect to those charges which are not in dispute (*Rules Governing Procurement, Chapter 2, Exhibit J, Attachment 1 § 53; available for review at <http://www.jmu.edu/procurement>*).
2. To Subcontractors:
- a. A contractor awarded a contract under this solicitation is hereby obligated:
 - (1) To pay the subcontractor(s) within seven (7) days of the contractor's receipt of payment from the Commonwealth for the proportionate share of the payment received for work performed by the subcontractor(s) under the contract; or
 - (2) To notify the agency and the subcontractors, in writing, of the contractor's intention to withhold payment and the reason.
 - b. The contractor is obligated to pay the subcontractor(s) interest at the rate of one percent per month (unless otherwise provided under the terms of the contract) on all amounts owed by the contractor that remain unpaid seven (7) days following receipt of payment from the Commonwealth, except for amounts withheld as stated in (2) above. The date of mailing of any payment by U. S. Mail is deemed to be payment to the addressee. These provisions apply to each sub-tier contractor performing under the primary contract. A contractor's obligation to pay an interest charge to a subcontractor may not be construed to be an obligation of the Commonwealth.
3. Each prime contractor who wins an award in which provision of a SWAM procurement plan is a payment, evidence and certification of compliance (subject only to insubstantial shortfalls and to shortfalls arising from subcontractor default) with the SWAM procurement plan. Final payment under the contract in question may be withheld until such certification is delivered and, if necessary, confirmed by the agency or institution, or other appropriate penalties may be assessed in lieu of withholding such payment.
4. The Commonwealth of Virginia encourages contractors and subcontractors to accept electronic and credit card payments.

- K. PRECEDENCE OF TERMS: Paragraphs A through J of these General Terms and Conditions and the Commonwealth of Virginia Purchasing Manual for Institutions of Higher Education and their Vendors, shall apply in all instances. In the event there is a conflict between any of the other General Terms and Conditions and any Special Terms and Conditions in this solicitation, the Special Terms and Conditions shall apply.
- L. QUALIFICATIONS OF OFFERORS: The Commonwealth may make such reasonable investigations as deemed proper and necessary to determine the ability of the offeror to perform the services/furnish the goods and the offeror shall furnish to the Commonwealth all such information and data for this purpose as may be requested. The Commonwealth reserves the right to inspect offeror's physical facilities prior to award to satisfy questions regarding the offeror's capabilities. The Commonwealth further reserves the right to reject any proposal if the evidence submitted by, or investigations of, such offeror fails to satisfy the Commonwealth that such offeror is properly qualified to carry out the obligations of the contract and to provide the services and/or furnish the goods contemplated therein.
- M. TESTING AND INSPECTION: The Commonwealth reserves the right to conduct any test/inspection it may deem advisable to assure goods and services conform to the specifications.
- N. ASSIGNMENT OF CONTRACT: A contract shall not be assignable by the contractor in whole or in part without the written consent of the Commonwealth.
- O. CHANGES TO THE CONTRACT: Changes can be made to the contract in any of the following ways:
1. The parties may agree in writing to modify the scope of the contract. An increase or decrease in the price of the contract resulting from such modification shall be agreed to by the parties as a part of their written agreement to modify the scope of the contract.
 2. The Purchasing Agency may order changes within the general scope of the contract at any time by written notice to the contractor. Changes within the scope of the contract include, but are not limited to, things such as services to be performed, the method of packing or shipment, and the place of delivery or installation. The contractor shall comply with the notice upon receipt. The contractor shall be compensated for any additional costs incurred as the result of such order and shall give the Purchasing Agency a credit for any savings. Said compensation shall be determined by one of the following methods:
 - a. By mutual agreement between the parties in writing; or
 - b. By agreeing upon a unit price or using a unit price set forth in the contract, if the work to be done can be expressed in units, and the contractor accounts for the number of units of work performed, subject to the Purchasing Agency's right to audit the contractor's records and/or to determine the correct number of units independently; or
 - c. By ordering the contractor to proceed with the work and keep a record of all costs incurred and savings realized. A markup for overhead and profit may be allowed if provided by the contract. The same markup shall be used for determining a decrease in price as the result of savings realized. The contractor shall present the Purchasing Agency with all vouchers and records of expenses incurred and savings realized. The Purchasing Agency shall have the right to audit the records of the contractor as it deems necessary to determine costs or savings. Any claim for an adjustment in price under this provision must be asserted by written notice to the Purchasing Agency within thirty

(30) days from the date of receipt of the written order from the Purchasing Agency. If the parties fail to agree on an amount of adjustment, the question of an increase or decrease in the contract price or time for performance shall be resolved in accordance with the procedures for resolving disputes provided by the Disputes Clause of this contract or, if there is none, in accordance with the disputes provisions of the Commonwealth of Virginia Purchasing Manual for Institutions of Higher Education and their Vendors. Neither the existence of a claim nor a dispute resolution process, litigation or any other provision of this contract shall excuse the contractor from promptly complying with the changes ordered by the Purchasing Agency or with the performance of the contract generally.

- P. DEFAULT: In case of failure to deliver goods or services in accordance with the contract terms and conditions, the Commonwealth, after due oral or written notice, may procure them from other sources and hold the contractor responsible for any resulting additional purchase and administrative costs. This remedy shall be in addition to any other remedies which the Commonwealth may have.
- Q. INSURANCE: By signing and submitting a proposal under this solicitation, the offeror certifies that if awarded the contract, it will have the following insurance coverage at the time the contract is awarded. For construction contracts, if any subcontractors are involved, the subcontractor will have workers' compensation insurance in accordance with § 25 of the Rules Governing Procurement – Chapter 2, Exhibit J, Attachment 1, and 65.2-800 et. Seq. of the Code of Virginia (available for review at <http://www.jmu.edu/procurement>) The offeror further certifies that the contractor and any subcontractors will maintain these insurance coverage during the entire term of the contract and that all insurance coverage will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission.

MINIMUM INSURANCE COVERAGES AND LIMITS REQUIRED FOR MOST CONTRACTS:

1. Workers' Compensation: Statutory requirements and benefits. Coverage is compulsory for employers of three or more employees, to include the employer. Contractors who fail to notify the Commonwealth of increases in the number of employees that change their workers' compensation requirement under the Code of Virginia during the course of the contract shall be in noncompliance with the contract.
 2. Employer's Liability: \$100,000
 3. Commercial General Liability: \$1,000,000 per occurrence and \$2,000,000 in the aggregate. Commercial General Liability is to include bodily injury and property damage, personal injury and advertising injury, products and completed operations coverage. The Commonwealth of Virginia must be named as an additional insured and so endorsed on the policy.
 4. Automobile Liability: \$1,000,000 combined single limit. *(Required only if a motor vehicle not owned by the Commonwealth is to be used in the contract. Contractor must assure that the required coverage is maintained by the Contractor (or third party owner of such motor vehicle.)*
- R. ANNOUNCEMENT OF AWARD: Upon the award or the announcement of the decision to award a contract over \$50,000, as a result of this solicitation, the purchasing agency will publicly post such notice on the DGS/DPS eVA web site (www.eva.virginia.gov) for a minimum of 10 days.

- S. DRUG-FREE WORKPLACE: During the performance of this contract, the contractor agrees to (i) provide a drug-free workplace for the contractor's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the contractor that the contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

For the purposes of this section, "drug-free workplace" means a site for the performance of work done in connection with a specific contract awarded to a contractor, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the contract.

- T. NONDISCRIMINATION OF CONTRACTORS: An offeror, or contractor shall not be discriminated against in the solicitation or award of this contract because of race, religion, color, sex, national origin, age, disability, faith-based organizational status, any other basis prohibited by state law relating to discrimination in employment or because the offeror employs ex-offenders unless the state agency, department or institution has made a written determination that employing ex-offenders on the specific contract is not in its best interest. If the award of this contract is made to a faith-based organization and an individual, who applies for or receives goods, services, or disbursements provided pursuant to this contract objects to the religious character of the faith-based organization from which the individual receives or would receive the goods, services, or disbursements, the public body shall offer the individual, within a reasonable period of time after the date of his objection, access to equivalent goods, services, or disbursements from an alternative provider.

- U. eVA BUSINESS TO GOVERNMENT VENDOR REGISTRATION, CONTRACTS, AND ORDERS: The eVA Internet electronic procurement solution, website portal www.eVA.virginia.gov, streamlines and automates government purchasing activities in the Commonwealth. The eVA portal is the gateway for vendors to conduct business with state agencies and public bodies. All vendors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet eprocurement solution by completing the free eVA Vendor Registration. All offerors must register in eVA and pay the Vendor Transaction Fees specified below; failure to register will result in the proposal being rejected. Vendor transaction fees are determined by the date the original purchase order is issued and the current fees are as follows:

Vendor transaction fees are determined by the date the original purchase order is issued and the current fees are as follows:

1. For orders issued July 1, 2014 and after, the Vendor Transaction Fee is:
 - a. Department of Small Business and Supplier Diversity (SBSD) certified Small Businesses: 1% capped at \$500 per order.
 - b. Businesses that are not Department of Small Business and Supplier Diversity (SBSD) certified Small Businesses: 1% capped at \$1,500 per order.

- 2. For orders issued prior to July 1, 2014 the vendor transaction fees can be found at www.eVA.virginia.gov.
- 3. The specified vendor transaction fee will be invoiced by the Commonwealth of Virginia Department of General Services approximately 60 days after the corresponding purchase order is issued and payable 30 days after the invoice date. Any adjustments (increases/decreases) will be handled through purchase order changes.
- V. **AVAILABILITY OF FUNDS:** It is understood and agreed between the parties herein that the Commonwealth of Virginia shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this agreement.
- W. **PRICING CURRENCY:** Unless stated otherwise in the solicitation, offerors shall state offered prices in U.S. dollars.
- X. **E-VERIFY REQUIREMENT OF ANY CONTRACTOR:** Any employer with more than an average of 50 employees for the previous 12 months entering into a contract in excess of \$50,000 with James Madison University to perform work or provide services pursuant to such contract shall register and participate in the E-Verify program to verify information and work authorization of its newly hired employees performing work pursuant to any awarded contract.
- Y. **TAXES:** Sales to the Commonwealth of Virginia are normally exempt from State sales tax. State sales and use tax certificates of exemption, Form ST-12, will be issued upon request. Deliveries against this contract shall usually be free of Federal excise and transportation taxes. The Commonwealth's excise tax exemption registration number is 54-73-0076K.

VIII. SPECIAL TERMS AND CONDITIONS

- A. **AUDIT:** The Contractor hereby agrees to retain all books, records, systems, and other documents relative to this contract for five (5) years after final payment, or until audited by the Commonwealth of Virginia, whichever is sooner. The Commonwealth of Virginia, its authorized agents, and/or State auditors shall have full access to and the right to examine any of said materials during said period.
- B. **CANCELLATION OF CONTRACT:** James Madison University reserves the right to cancel and terminate any resulting contract, in part or in whole, without penalty, upon 60 days written notice to the contractor. In the event the initial contract period is for more than 12 months, the resulting contract may be terminated by either party, without penalty, after the initial 12 months of the contract period upon 60 days written notice to the other party. Any contract cancellation notice shall not relieve the contractor of the obligation to deliver and/or perform on all outstanding orders issued prior to the effective date of cancellation.
- C. **IDENTIFICATION OF PROPOSAL ENVELOPE:** The signed proposal should be returned in a separate envelope or package, sealed and identified as follows:

From: _____

Name of Offeror	Due Date	Time
Street or Box No.	RFP #	
City, State, Zip Code	RFP Title	

Name of Purchasing Officer: _____

The envelope should be addressed as directed on the title page of the solicitation.

The Offeror takes the risk that if the envelope is not marked as described above, it may be inadvertently opened and the information compromised, which may cause the proposal to be disqualified. Proposals may be hand-delivered to the designated location in the office issuing the solicitation. No other correspondence or other proposals should be placed in the envelope.

- D. LATE PROPOSALS: To be considered for selection, proposals must be received by the issuing office by the designated date and hour. The official time used in the receipt of proposals is that time on the automatic time stamp machine in the issuing office. Proposals received in the issuing office after the date and hour designated are automatically non responsive and will not be considered. The University is not responsible for delays in the delivery of mail by the U.S. Postal Service, private couriers, or the intra university mail system. It is the sole responsibility of the Offeror to ensure that its proposal reaches the issuing office by the designated date and hour.
- E. UNDERSTANDING OF REQUIREMENTS: It is the responsibility of each offeror to inquire about and clarify any requirements of this solicitation that is not understood. The University will not be bound by oral explanations as to the meaning of specifications or language contained in this solicitation. Therefore, all inquiries deemed to be substantive in nature must be in writing and submitted to the responsible buyer in the Procurement Services Office. Offerors must ensure that written inquiries reach the buyer at least five (5) days prior to the time set for receipt of offerors proposals. A copy of all queries and the respective response will be provided in the form of an addendum to all offerors who have indicated an interest in responding to this solicitation. Your signature on your Offer certifies that you fully understand all facets of this solicitation. These questions may be sent by Fax to 540/ 568-7936 or 540/568-7935.
- F. RENEWAL OF CONTRACT: This contract may be renewed by the Commonwealth for a period of three (3) successive two year periods under the terms and conditions of the original contract except as stated in 1. and 2. below. Price increases may be negotiated only at the time of renewal. Written notice of the Commonwealth's intention to renew shall be given approximately 90 days prior to the expiration date of each contract period.
1. If the Commonwealth elects to exercise the option to renew the contract for an additional one-year period, the contract price(s) for the additional one year shall not exceed the contract price(s) of the original contract increased/decreased by no more than the percentage increase/decrease of the other services category of the CPI-W section of the Consumer Price Index of the United States Bureau of Labor Statistics for the latest twelve months for which statistics are available.
 2. If during any subsequent renewal periods, the Commonwealth elects to exercise the option to renew the contract, the contract price(s) for the subsequent renewal period shall not exceed the contract price(s) of the previous renewal period increased/decreased by more than the percentage increase/decrease of the other services category of the CPI-W section of the Consumer Price Index of the United States Bureau of Labor Statistics for the latest twelve months for which statistics are available.

- G. SUBMISSION OF INVOICES: All invoices shall be submitted within sixty days of contract term expiration for the initial contract period as well as for each subsequent contract renewal period. Any invoices submitted after the sixty day period will not be processed for payment.
- H. OPERATING VEHICLES ON JAMES MADISON UNIVERSITY CAMPUS: Operating vehicles on sidewalks, plazas, and areas heavily used by pedestrians is prohibited. In the unlikely event a driver should find it necessary to drive on James Madison University sidewalks, plazas, and areas heavily used by pedestrians, the driver must yield to pedestrians. For a complete list of parking regulations, please go to www.jmu.edu/parking; or to acquire a service representative parking permit, contact Parking Services at 540.568.3300. The safety of our students, faculty and staff is of paramount importance to us. Accordingly, violators may be charged.
- I. COOPERATIVE PURCHASING / USE OF AGREEMENT BY THIRD PARTIES: It is the intent of this solicitation and resulting contract(s) to allow for cooperative procurement. Accordingly, any public body, (to include government/state agencies, political subdivisions, etc.), cooperative purchasing organizations, public or private health or educational institutions or any University related foundation and affiliated corporations may access any resulting contract if authorized by the Contractor.

Participation in this cooperative procurement is strictly voluntary. If authorized by the Contractor(s), the resultant contract(s) will be extended to the entities indicated above to purchase goods and services in accordance with contract terms. As a separate contractual relationship, the participating entity will place its own orders directly with the Contractor(s) and shall fully and independently administer its use of the contract(s) to include contractual disputes, invoicing and payments without direct administration from the James Madison University. No modification of this contract or execution of a separate agreement is required to participate; however, the participating entity and the Contractor may modify the terms and conditions of this contract to accommodate specific governing laws, regulations, policies, and business goals required by the participating entity. Any such modification will apply solely between the participating entity and the Contractor.

The Contractor will notify the University in writing of any such entities accessing this contract. The Contractor will provide semi-annual usage reports for all entities accessing the contract. The University shall not be held liable for any costs or damages incurred by any other participating entity as a result of any authorization by the Contractor to extend the contract. It is understood and agreed that the University is not responsible for the acts or omissions of any entity and will not be considered in default of the contract no matter the circumstances.

Use of this contract(s) does not preclude any participating entity from using other contracts or competitive processes as needed.

- J. SMALL BUSINESS SUBCONTRACTING AND EVIDENCE OF COMPLIANCE:
1. It is the goal of the Commonwealth that 42% of its purchases are made from small businesses. This includes discretionary spending in prime contracts and subcontracts. All potential offerors are required to submit a Small Business Subcontracting Plan. Unless the offeror is registered as a Department of Small Business and Supplier Diversity (SBSD)-certified small business and where it is practicable for any portion of the awarded contract to be subcontracted to other suppliers, the contractor is encouraged to offer such subcontracting opportunities to SBSBD-certified small businesses. This shall not exclude SBSBD-certified women-owned and minority-owned businesses when they have received

SBSD small business certification. No offeror or subcontractor shall be considered a Small Business, a Women-Owned Business or a Minority-Owned Business unless certified as such by the Department of Small Business and Supplier Diversity (SBSD) by the due date for receipt of proposals. If small business subcontractors are used, the prime contractor agrees to report the use of small business subcontractors by providing the purchasing office at a minimum the following information: name of small business with the SBSD certification number or FEIN, phone number, total dollar amount subcontracted, category type (small, women-owned, or minority-owned), and type of product/service provided. **This information shall be submitted to: JMU Office of Procurement Services, Attn: SWAM Subcontracting Compliance, MSC 5720, Harrisonburg, VA 22807.**

2. Each prime contractor who wins an award in which provision of a small business subcontracting plan is a condition of the award, shall deliver to the contracting agency or institution with every request for payment, evidence of compliance (subject only to insubstantial shortfalls and to shortfalls arising from subcontractor default) with the small business subcontracting plan. **This information shall be submitted to: JMU Office of Procurement Services, SWAM Subcontracting Compliance, MSC 5720, Harrisonburg, VA 22807.** When such business has been subcontracted to these firms and upon completion of the contract, the contractor agrees to furnish the purchasing office at a minimum the following information: name of firm with the Department of Small Business and Supplier Diversity (SBSD) certification number or FEIN number, phone number, total dollar amount subcontracted, category type (small, women-owned, or minority-owned), and type of product or service provided. Payment(s) may be withheld until compliance with the plan is received and confirmed by the agency or institution. The agency or institution reserves the right to pursue other appropriate remedies to include, but not be limited to, termination for default.
3. Each prime contractor who wins an award valued over \$200,000 shall deliver to the contracting agency or institution with every request for payment, information on use of subcontractors that are not Department of Small Business and Supplier Diversity (SBSD)-certified small businesses. When such business has been subcontracted to these firms and upon completion of the contract, the contractor agrees to furnish the purchasing office at a minimum the following information: name of firm, phone number, FEIN number, total dollar amount subcontracted, and type of product or service provided. **This information shall be submitted to: JMU Office of Procurement Services, Attn: SWAM Subcontracting Compliance, MSC 5720, Harrisonburg, VA 22807.**

K. AUTHORIZATION TO CONDUCT BUSINESS IN THE COMMONWEALTH: A contractor organized as a stock or nonstock corporation, limited liability company, business trust, or limited partnership or registered as a registered limited liability partnership shall be authorized to transact business in the Commonwealth as a domestic or foreign business entity if so required by Title 13.1 or Title 50 of the Code of Virginia or as otherwise required by law. Any business entity described above that enters into a contract with a public body shall not allow its existence to lapse or its certificate of authority or registration to transact business in the Commonwealth, if so required under Title 13.1 or Title 50, to be revoked or cancelled at any time during the term of the contract. A public body may void any contract with a business entity if the business entity fails to remain in compliance with the provisions of this section.

L. PUBLIC POSTING OF COOPERATIVE CONTRACTS: James Madison University maintains a web-based contracts database with a public gateway access. Any resulting cooperative contract/s to this solicitation will be posted to the publicly accessible website. Contents identified as proprietary information will not be made public.

- M. CRIMINAL BACKGROUND CHECKS OF PERSONNEL ASSIGNED BY CONTRACTOR TO PERFORM WORK ON JMU PROPERTY: The Contractor shall obtain criminal background checks on all of their contracted employees who will be assigned to perform services on James Madison University property. The results of the background checks will be directed solely to the Contractor. The Contractor bears responsibility for confirming to the University contract administrator that the background checks have been completed prior to work being performed by their employees or subcontractors. The Contractor shall only assign to work on the University campus those individuals whom it deems qualified and permissible based on the results of completed background checks. Notwithstanding any other provision herein, and to ensure the safety of students, faculty, staff and facilities, James Madison University reserves the right to approve or disapprove any contract employee that will work on JMU property. Disapproval by the University will solely apply to JMU property and should have no bearing on the Contractor's employment of an individual outside of James Madison University.
- N. INDEMNIFICATION: Contractor agrees to indemnify, defend and hold harmless the Commonwealth of Virginia, its officers, agents, and employees from any claims, damages and actions of any kind or nature, whether at law or in equity, arising from or caused by the use of any materials, goods, or equipment of any kind or nature furnished by the contractor/any services of any kind or nature furnished by the contractor, provided that such liability is not attributable to the sole negligence of the using agency or to failure of the using agency to use the materials, goods, or equipment in the manner already and permanently described by the contractor on the materials, goods or equipment delivered.
- O. ADDITIONAL GOODS AND SERVICES: The University may acquire other goods or services that the supplier provides than those specifically solicited. The University reserves the right, subject to mutual agreement, for the Contractor to provide additional goods and/or services under the same pricing, terms, and conditions and to make modifications or enhancements to the existing goods and services. Such additional goods and services may include other products, components, accessories, subsystems, or related services that are newly introduced during the term of this Agreement. Such additional goods and services will be provided to the University at favored nations pricing, terms, and conditions.
- P. ADVERTISING: In the event a contract is awarded for supplies, equipment, or services resulting from this proposal, no indication of such sales or services to James Madison University will be used in product literature or advertising without the express written consent of the University. The contractor shall not state in any of its advertising or product literature that James Madison University has purchased or uses any of its products or services, and the contractor shall not include James Madison University in any client list in advertising and promotional materials without the express written consent of the University.
- Q. PRIME CONTRACTOR RESPONSIBILITIES: The contractor shall be responsible for completely supervising and directing the work under this contract and all subcontractors that he may utilize, using his best skill and attention. Subcontractors who perform work under this contract shall be responsible to the prime contractor. The contractor agrees that he is as fully responsible for the acts and omissions of his subcontractors and of persons employed by them as he is for the acts and omissions of his own employees.
- R. SUBCONTRACTS: No portion of the work shall be subcontracted without prior written consent of the purchasing agency. In the event that the contractor desires to subcontract some part of the work specified herein, the contractor shall furnish the purchasing agency the names,

qualifications and experience of their proposed subcontractors. The contractor shall, however, remain fully liable and responsible for the work to be done by its subcontractor(s) and shall assure compliance with all requirements of the contract.

- S. CONFIDENTIALITY OF PERSONALLY IDENTIFIABLE INFORMATION: The contractor assures that information and data obtained as to personal facts and circumstances related to faculty, staff, students, and affiliates will be collected and held confidential, during and following the term of this agreement, and will not be divulged without the individual's and the agency's written consent and only in accordance with federal law or the Code of Virginia. This shall include FTI, which is a term of art and consists of federal tax returns and return information (*and information derived from it*) that is in contractor/agency possession or control which is covered by the confidentiality protections of the Internal Revenue Code (*IRC*) and subject to the IRC 6103(p)(4) safeguarding requirements including IRS oversight. FTI is categorized as sensitive but unclassified information and may contain personally identifiable information (*PII*). Contractors who utilize, access, or store personally identifiable information as part of the performance of a contract are required to safeguard this information and immediately notify the agency of any breach or suspected breach in the security of such information. Contractors shall allow the agency to both participate in the investigation of incidents and exercise control over decisions regarding external reporting. Contractors and their employees working on this project may be required to sign a confidentiality statement.
- T. CONTINUITY OF SERVICES:
- a) The Contractor recognizes that the services under this contract are vital to the Agency and must be continued without interruption and that, upon contract expiration, a successor, either the Agency or another contractor, may continue them. The Contractor agrees:
 - (i) To exercise its best efforts and cooperation to effect an orderly and efficient transition to a successor;
 - (ii) To make all Agency owned facilities, equipment, and data available to any successor at an appropriate time prior to the expiration of the contract to facilitate transition to successor; and
 - (iii) That the Agency Contracting Officer shall have final authority to resolve disputes related to the transition of the contract from the Contractor to its successor.
 - b) The Contractor shall, upon written notice from the Contract Officer, furnish phase-in/phase-out services for up to ninety (90) days after this contract expires and shall negotiate in good faith a plan with the successor to execute the phase-in/phase-out services. This plan shall be subject to the Contract Officer's approval.
 - c) The Contractor shall be reimbursed for all reasonable, pre-approved phase-in/phase-out costs (i.e., costs incurred within the agreed period after contract expiration that result from phase-in, phase-out operations) and a fee (profit) not to exceed a pro rata portion of the fee (profit) under this contract. All phase-in/phase-out work fees must be approved by the Contract Officer in writing prior to commencement of said work.
- U. PCI DSS COMPLIANCE: James Madison University requires that the contractor shall at all times maintain compliance with the most current Payment Card Industry Data Security Standards (PCI DSS). The contractor will be required to provide written confirmation of compliance. Contractor acknowledges responsibility for the security of cardholder data as defined within the PCI DSS. Contractor acknowledges and agrees that cardholder data may only be used for completing the contracted services as described in the full text of this

document, or as required by the PCI DSS, or as required by applicable law. In the event of a breach or intrusion or otherwise unauthorized access to cardholder data stored at or for the contractor, contractor shall immediately notify the Assistant Vice President for Finance at: (540) 568-6433, MSC 5719, Harrisonburg, VA 22807 (fax (540) 568-3346) to allow the proper PCI DSS compliant breach notification process to commence. The contractor shall provide appropriate payment card companies, acquiring financial institutions and their respective designees access to the contractor's facilities and all pertinent records to conduct a review of the contractor's compliance with the PCI DSS requirements.

In the event of a breach or intrusion the contractor acknowledges any/all costs related to breach or intrusion or unauthorized access to cardholder data entrusted to the contractor deemed to be the fault of the contractor shall be the liability of the contractor. Vendor agrees to assume responsibility for informing all such individuals in accordance with applicable law and to indemnify and hold harmless the Commonwealth of Virginia, James Madison University and its officers and employees from and against any claims, damages or other harm related to such breach.

- V. STANDARDS OF CONDUCT: Contractor and Contractor's personnel shall exercise a particularly high level of discipline, safety and cooperation at all times while performing work on behalf of the University. The Contractor shall be responsible for controlling employee conduct, for assuring that its employees are not boisterous or rude, and assuring that they are not engaging in any destructive or criminal activity.

- W. BLANKET FIDELITY BOND: Contractor shall maintain a blanket fidelity bond obtained from an insurance company licensed to conduct fidelity business in the home state of the Contractor and which has earned an A.M. Best Company, Inc. rating of A or better, as reflected in their most current publication, covering all personnel under contract to the Commonwealth of Virginia, with a penalty amount of not less than **\$100,000** naming the Commonwealth of Virginia as co-obligee. Certificate of such protection must be presented to the purchasing agency prior to the start of the service showing name of surety, limit and type of coverage, term of coverage, co-obligee provision and name and address of licensed Virginia insurance agent. The Contractor agrees to maintain such bond until one year after the completion of the contract.

- X. INSURANCE, MONEY AND SECURITIES: Contractor shall maintain a Broad Form Money and Securities Insurance Policy obtained from an insurance company licensed to conduct crime insurance business in the home state of the contractor and which has earned an A.M. Best Company, Inc. rating of A or better, as reflected in their most current publication, covering all money and property entrusted to the contractor by the Commonwealth of Virginia, with limits of coverage of not less than **\$ 100,000** for Loss Inside the Premises Coverage and not less than **\$ 100,000** for Loss Outside the Premises Coverage, naming the Commonwealth of Virginia as additional named insured with respect to this contract. Certificate of such protection must be presented to James Madison University prior to the start of the service showing name of insurance company, limits and type of coverage, term of coverage, additional insured provision and name and address of licensed insurance agent. The contractor agrees to maintain such policy until the completion of the contract and all money and property of the Commonwealth is remitted to the Commonwealth.

IX. METHOD OF PAYMENT

The contractor will be paid on the basis of invoices submitted in accordance with the solicitation and any negotiations. James Madison University recognizes the importance of expediting the payment process for our vendors and suppliers. We are asking our vendors and suppliers to enroll in the Wells Fargo Bank single use Commercial Card Number process or electronic deposit (ACH) to your bank account so that future payments are made electronically. Contractors signed up for the Wells Fargo Bank single use Commercial Card Number process will receive the benefit of being paid in Net 15 days. Additional information is available online at: <http://www.jmu.edu/financeoffice/accounting-operations-disbursements/cash-investments/vendor-payment-methods.shtml>

Other VASCUPP institutions may have different methodologies regarding invoicing. Each entity is responsible for negotiating their invoicing options and payment terms.

X. PRICING SCHEDULE

1. Contractor shall provide a **Total Fixed Collection Fee (% of Collected Amount)**, which shall include all costs associated with providing collection services. There shall be no additional charges allowed. The Total Fixed Collection Fee shall apply to collections on all accounts regardless of type of account or placement.
2. Provide any additional incentives/cost reductions offered if multiple VASCUPP institutions utilize a resulting contract with your firm.

XI. ATTACHMENTS

Attachment A: Offeror Data Sheet

Attachment B: Small, Women, and Minority-owned Business (SWaM) Utilization Plan

Attachment C: Standard Contract Sample

ATTACHMENT A

OFFEROR DATA SHEET

TO BE COMPLETED BY OFFEROR

- 1. QUALIFICATIONS OF OFFEROR: Offerors must have the capability and capacity in all respects to fully satisfy the contractual requirements.
- 2. YEARS IN BUSINESS: Indicate the length of time you have been in business providing these types of goods and services.

Years _____ Months _____

- 3. REFERENCES: Indicate below a listing of at least five (5) organizations, either commercial or governmental/educational, that your agency is servicing. Include the name and address of the person the purchasing agency has your permission to contact.

CLIENT	LENGTH OF SERVICE	ADDRESS	CONTACT PERSON/PHONE #
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- 4. List full names and addresses of Offeror and any branch offices which may be responsible for administering the contract.

- 5. RELATIONSHIP WITH THE COMMONWEALTH OF VIRGINIA: Is any member of the firm an employee of the Commonwealth of Virginia who has a personal interest in this contract pursuant to the [CODE OF VIRGINIA](#), SECTION 2.2-3100 – 3131?

YES NO

IF YES, EXPLAIN: _____

ATTACHMENT B

Small, Women and Minority-owned Businesses (SWaM) Utilization Plan

Offeror Name: _____ Preparer Name: _____

Date: _____

Is your firm a **Small Business Enterprise** certified by the Department of Small Business and Supplier Diversity (SBSD)? Yes _____ No _____

If yes, certification number: _____ Certification date: _____

Is your firm a **Woman-owned Business Enterprise** certified by the Department of Small Business and Supplier Diversity (SBSD)? Yes _____ No _____

If yes, certification number: _____ Certification date: _____

Is your firm a **Minority-Owned Business Enterprise** certified by the Department of Small Business and Supplier Diversity (SBSD)? Yes _____ No _____

If yes, certification number: _____ Certification date: _____

Is your firm a **Micro Business** certified by the Department of Small Business and Supplier Diversity (SBSD)? Yes _____ No _____

If yes, certification number: _____ Certification date: _____

Instructions: *Populate the table below to show your firm's plans for utilization of small, women-owned and minority-owned business enterprises in the performance of the contract. Describe plans to utilize SWAMs businesses as part of joint ventures, partnerships, subcontractors, suppliers, etc.*

Small Business: "Small business " means a business, independently owned or operated by one or more persons who are citizens of the United States or non-citizens who are in full compliance with United States immigration law, which, together with affiliates, has 250 or fewer employees, or average annual gross receipts of \$10 million or less averaged over the previous three years.

Woman-Owned Business Enterprise: A business concern which is at least 51 percent owned by one or more women who are U.S. citizens or legal resident aliens, or in the case of a corporation, partnership or limited liability company or other entity, at least 51 percent of the equity ownership interest in which is owned by one or more women, and whose management and daily business operations are controlled by one or more of such individuals. **For purposes of the SWAM Program, all certified women-owned businesses are also a small business enterprise.**

Minority-Owned Business Enterprise: A business concern which is at least 51 percent owned by one or more minorities or in the case of a corporation, partnership or limited liability company or other entity, at least 51 percent of the equity ownership interest in which is owned by one or more minorities and whose management and daily business operations are controlled by one or more of such individuals. **For purposes of the SWAM Program, all certified minority-owned businesses are also a small business enterprise.**

Micro Business is a certified Small Business under the SWaM Program and has no more than twenty-five (25) employees AND no more than \$3 million in average annual revenue over the three-year period prior to their certification.

All small, women, and minority owned businesses must be certified by the Commonwealth of Virginia Department of Small Business and Supplier Diversity (SBSD) to be counted in the SWAM program. Certification applications are available through SBSDB at 800-223-0671 in Virginia, 804-786-6585 outside Virginia, or online at <http://www.sbsd.virginia.gov/> (Customer Service).

RETURN OF THIS PAGE IS REQUIRED

ATTACHMENT B (CNT'D)
 Small, Women and Minority-owned Businesses (SWaM) Utilization Plan

Procurement Name and Number: _____

Date Form Completed: _____

Listing of Sub-Contractors, to include, Small, Woman Owned and Minority Owned Businesses
 for this Proposal and Subsequent Contract

Offeror / Proposer: _____

_____ Firm _____ Address _____ Contact Person/No. _____

Sub-Contractor's Name and Address	Contact Person & Phone Number	SBSD Certification Number	Services or Materials Provided	Total Subcontractor Contract Amount (to include change orders)	Total Dollars Paid Subcontractor to date (to be submitted with request for payment from JMU)

(Form shall be submitted with proposal and if awarded, again with submission of each request for payment)

RETURN OF THIS PAGE IS REQUIRED

ATTACHMENT C



COMMONWEALTH OF VIRGINIA
STANDARD CONTRACT

Contract No. _____

This contract entered into this _____ day of _____ 20____, by _____ hereinafter called the "Contractor" and Commonwealth of Virginia, James Madison University called the "Purchasing Agency".

WITNESSETH that the Contractor and the Purchasing Agency, in consideration of the mutual covenants, promises and agreements herein contained, agree as follows:

SCOPE OF CONTRACT: The Contractor shall provide the services to the Purchasing Agency as set forth in the Contract Documents.

PERIOD OF PERFORMANCE: From _____ through _____

The contract documents shall consist of:

- (1) This signed form;
- (2) The following portions of the Request for Proposals dated _____:
 - (a) The Statement of Needs,
 - (b) The General Terms and Conditions,
 - (c) The Special Terms and Conditions together with any negotiated modifications of those Special Conditions;
 - (d) List each addendum that may be issued
- (3) The Contractor's Proposal dated _____ and the following negotiated modification to the Proposal, all of which documents are incorporated herein.
 - (a) Negotiations summary dated _____.

IN WITNESS WHEREOF, the parties have caused this Contract to be duly executed intending to be bound thereby.

CONTRACTOR:

PURCHASING AGENCY:

By: _____
(Signature)

By: _____
(Signature)

(Printed Name)

(Printed Name)

Title: _____

Title: _____



July 13, 2018

ADDENDUM NO. ONE

TO ALL OFFERORS:

REFERENCE: Request for Proposal No: **RFP# LBS-997**
RFP Issue Date: **June 22, 2018**
Commodity: **Collection Services**
RFP Closing On: **August 16, 2018 at 2:00 p.m. (Eastern)**

Please note the clarifications or change(s) made on this proposal:

Question: Who are the current vendors?

Answer: **VASCUPP currently has contracts for collection services with Alltran Education, Inc, ConServe., Recovery Management Services, Inc., Todd, Bremer, & Lawson, and Williams & Fudge. The contractors used by individual VASCUPP institutions can be found within the *Background* section of the RFP.**

Question: What are the rates of the current vendors?

Answer: **Contract rates can be found within the contract documents located at www.vascupp.org**

Question: An Attestation Audit is required. Due to the lack of Perkins placements in recent years, our firm has not performed this audit since 2014. Will our last audit report suffice? If awarded a contract we will resume obtaining this annual audit.

Answer: **Contracted firms are required to provide a copy of the firm's Attestation Audit Letter annually to the VASCUPP institution(s). Refer to Question IV.C.10: Provide a copy of your firm's most recent federally required Student Financial Assistance compliance (attestation) audit letter.**

Question: Are financials required to be submitted? If so, is the requirement reviewed or audited financials?

Answer: **Refer to Section IV, C, Question #33.**

Question: Within the Statement of Needs-Section A it states that "accounts shall be placed with a credit bureau within sixty (60) days of placement with the Contractor". Our firm credit reports at 90 days in order to provide the student with ample time to resolve their debt without credit impact. Will VASCUPP allow us to keep this at 90 days?

Answer: **As stated in RFP# LBS-997: Contractor shall report to a minimum of one (1) national credit bureau each account referred by the VASCUPP institution, with the exception of Federal Perkins loans (*Federal Perkins loans are reported to the credit bureau by separate loan billing agents*). The accounts shall be placed with a credit bureau within sixty (60) days of placement**

with the Contractor. Contractor will make the necessary corrections when an account is reported in error.

Question: Is the University aware of the new collection laws that took effect on July 1? Will this apply to institutional loans that the University may place for collection or possibly tuition accounts that may have a signed student financial services agreement in place?

Answer: We are aware of the new collection laws that took effect on July 1, 2018. As stated in the RFP, Contractors shall be responsible for providing collection services to the VASCUPP institution in accordance with all regulations and laws to include, but not limited to, the following:

- Federal Regulations for Perkins loans
- Fair Debt Collection Practice Act
- Virginia Debt Collection Act (§ 2.2-4800 et seq.),
- Consumer Credit Protection Act
- National Defense Education Act of 1958, Title II,
- Public Health Service Act Titles VII and VIII,
- Gramm-Leach-Bliley Act

Sincerely,



LeeAnne Beatty Smith, CPPB, VCA, CUPO
Buyer Senior, Contract Purchases
Phone: (540-568-7523)

PROCUREMENT SERVICES
MSC 5720
752 Ott Street
Wine-Price Building
Harrisonburg, VA 22807
540.568.7523 Phone



July 23, 2018

ADDENDUM NO. TWO

TO ALL OFFERORS:

REFERENCE: Request for Proposal No: **RFP# LBS-997**
RFP Issue Date: **June 22, 2018**
Commodity: **Collection Services**
RFP Closing On: **August 16, 2018 at 2:00 p.m. (Eastern)**

Please note the clarifications or change(s) made on this proposal:

Question: Why has VASCUPP decided to issue a RFP separate from the RFP currently being held by the Commonwealth of Virginia for statewide collection services?

Answer: VASCUPP currently has their own contracts for collection services due to the unique needs of higher education institutions for this service. This RFP seeks to replace those contracts.

Question: Which billing servicers do VASCUPP institutions use?

Answer: Billing servicers are detailed in the Background Statement of RFP# LBS-997.

Question: Does VASCUPP add collection costs to accounts? If so, please provide samples of student agreements/documentation that authorizes the addition of collection costs.

Answer: VASCUPP schools communicate how collection costs are assessed through various mechanisms (i.e. website, catalogs, pre-collection letters, etc). If awarded a contract and contacted by an individual VASCUPP institution to provide collection services, the Contractor may request to see examples of how/where that particular institution notifies students of how collection costs are assessed.

Question: Reference Part IV- Statement of Needs, Section C, Question #25 – Please provide more information on how VASCUPP wishes collection agencies to assist with FISAP. Are VASCUPP's current collection agencies providing this service?

Answer: We are simply interested in knowing if there are services that offerors could provide to assist with FISAP. We do not believe these services are being provided currently.

Question: Reference Part IV-Statement of Needs, Section C, Question #34- Three references are asked for here, at least five are sought on Attachment A. Is it ok to repeat references, or is the RFP seeking a total of 8+ distinct references?

Answer: Statement of Needs, Section C, Question #34 asks that offerors provide three (3) references of higher education institutions where their firm currently provides collection services. References provided in Section C, #34 may be repeated in Attachment A if so desired.

Question: Reference Part IV-Statement of Needs– Should proposals respond to Section IV. Statement of Needs in its entirety or only items listed in subsection C?

Answer: Offerors should respond to the questions in Section C. If the Offerors takes exception to any item in Section A or B this should be notated within their response.

Question: Reference Part V, Section A, #3.c – In lieu of labeling every paragraph of our response with the corresponding RFP requirement, will VASCUPP accept proposals that restate each response requirement in numerical order, immediately followed by our response? This, combined with a table of contents that cross references RFP requirements, will provide RFP evaluators with the most straightforward and easy to follow format.

Answer: Yes.

Question: Reference Part IV, Section A, #4 – How will scores for SWaM participation be calculated? Part VIII. Special Terms and Conditions, J. states that the Commonwealth has a goal of 42%. Is there a minimum percentage of the contract value that VASCUPP expects agencies to meet/subcontract?

Answer: Offerors that are SWaM certified by Virginia's Small Business and Supplier Diversity (SBSD) department on the day that the solicitation closes will receive the full 10 points; Offerors that submit a SWaM subcontractor plan (Attachment B) shall receive a percentage of the full 10 points based on the submitted SWaM subcontractor spend. Offerors are not required to be SWaM certified in order to submit a proposal.

Sincerely,



LeeAnne Beatty Smith, CPPB, VCA, CUPO
Buyer Senior, Contract Purchases
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August 3, 2018

ADDENDUM NO. THREE

TO ALL OFFERORS:

REFERENCE: Request for Proposal No: **RFP# LBS-997**
RFP Issue Date: **June 22, 2018**
Commodity: **Collection Services**
RFP Closing On: **August 16, 2018 at 2:00 p.m. (Eastern)**

Please note the clarifications or change(s) made on this proposal:

Question: Reference Part IV Statement of Needs, Section C, Question # 30: Can you provide more information on what would constitute an “issue”? What is the level of information that you are looking for?

Answer: **JMU defines an “issue” as any litigation. It is acceptable to provide dates, reasons, and resolution for each litigation issue within the previous five (5) years.**

Question: Is it possible to obtain copies of the proposals form the last solicitation?

Answer: **Successful proposals from previous VASCUPP institution solicitations are within the awarded contracts and may be viewed at www.vascupp.org . Unsuccessful proposals must be requested from the procurement department of the VASCUPP institution that issued the solicitation.**

Sincerely,

LeeAnne Beatty Smith, CPPB, VCA, CUPO
Buyer Senior, Contract Purchases
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August 13, 2018

ADDENDUM NO. FOUR

TO ALL OFFERORS:

REFERENCE: Request for Proposal No: **RFP# LBS-997**
RFP Issue Date: **June 22, 2018**
Commodity: **Collection Services**
RFP Closing On: **August 16, 2018 at 2:00 p.m. (Eastern)**
August 21, 2018 at 2:00 p.m. (Eastern)

Please note the clarifications or change(s) made on this proposal:

The closing date and time has been extended to August 21, 2018 at 2:00 p.m. Eastern.

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

Answer: State funded schools do not have a statute of limitation on their debts.

Question: Will collection costs be allowed and added to non-Perkins placements? If so, what authority does each university have to allow collection costs to be added to the amount placed?

Answer: Most VASCUPP schools add collection costs to non-Perkins placements and each school will communicate their process to selected Contractors. Authority is pursuant to Sec 2.2-4805 et seq., of the Code of Virginia, and in accordance with rules and regulations promulgated by the State Comptroller and Attorney General of the Commonwealth of Virginia.

Question: How will the collection costs to be imposed on an account be communicated by each university to us?

Answer: This is communicated at the time of placement.

Question: What are the schools' requirements regarding account retention?

Answer: This varies by university and will be communicated by the university to each new Contractor.

Question: Reference page 25, Letter J, Payment (d) of the RFP: This term and condition states that, "The following shall be deemed to be the date of payment: the date of postmark in all cases where payment is made by mail...". Please clarify if this statement is referring to the consumer payments received and posted in our office or is the statement referring to payments made to the client by the agency.

Answer: This refers to payments made by the university (agency) to Contractors.

Question: Reference Part IV Section of Needs, Section C, Question # 17: Will the client accept a 14 day hold on payments to avoid returned payments?

Answer: Offerors should describe the process used in the event that Non-Sufficient Funds (NSF) check is returned from a debtor's payment.

Question: Reference Part IV Statement of Needs, Section C, Question # 15: Please define what is being referred to as "billing agent"?

Answer: The billing agent for each VASCUPP school is listed within the background statement.

Question: What are the collection fees currently being paid?

Answer: The current collection fees are specified within the current contracts, which can be found at www.vascupp.org.

Question: What are the settlement parameters (the % that can be forgiven) or does everything go through the VASCUPP schools?

Answer: As specified within the Statement of Needs, "The Contractor shall not settle any balance or agree to a compromise within the prior written agreement of the VASCUPP institution."

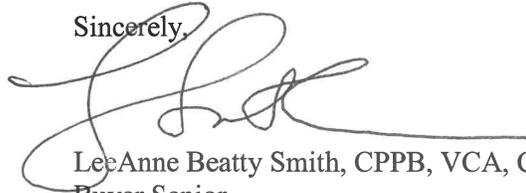
Question: How do we get the placements? Do the universities forward them?

Answer: VASCUPP institutions will deal directly with Contractor(s) after award and will forward any placements.

Question: How long do we keep the placements if we win the bid?

Answer: The length of the placement is determined by each VASCUPP institution.

Sincerely,



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