



COMMONWEALTH OF VIRGINIA  
STANDARD CONTRACT

Contract No. UCPJMU5388

This contract entered into this 14<sup>th</sup> day of January 2019, by Alltran Education 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 16, 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.

<del>Purchasing Agency</del> <del>CONTRACTOR:</del>	<del>Contractor</del> <del>PURCHASING AGENCY:</del>
By: <u></u>	By: <u></u>
(Signature)	(Signature)
<u>Lee Anne Beatty Smith</u>	<u>Sean Dickson</u>
(Printed Name)	(Printed Name)
Title: <u>Buyer Senior, Jmy</u>	Title: <u>COO</u>



**RFP # LBS-997, Collection Services  
Negotiation Summary for Alltran Education, 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*): 20% 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 15-day pre-collect letter 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 and/or the minimum dollar amount (\$500 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 state where the contract between the debtor and Purchasing Agency was entered. For VASCUPP Purchasing Agencies, Contractor shall collect student paid collection fees based upon the Code of Virginia.
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
  - c. Electronic signature
  - d. Online acknowledgement (click thru)



**RFP # LBS-997, Collection Services  
Negotiation Summary for Alltran Education, Inc.**

**January 7, 2019**

- e. Language posted online along with student handbooks and catalogs informing students of collections costs being added to debt collection.
8. Contractor agrees that each Purchasing Agency shall be treated as a separate client in terms of monies and data management.
9. 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.



LET'S SOLVE IT TOGETHER<sup>SM</sup>



## Alltran Education, Inc.



A Proposal to  
Provide Debt  
Collection Services  
on behalf of:

James Madison University  
Request for Proposal: RFP# LBS-997  
Collection Services

Submitted By:

Alltran Education, Inc.  
6506 S Lewis Street  
Tulsa, Oklahoma 74133  
P: 800.446.4377  
[www.alltran.com](http://www.alltran.com)

# 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](mailto: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:

Alltran Education, Inc.

6506 S Lewis Street  
Tulsa, Oklahoma 74133

By:



(Signature in Ink)

Name: Mr. Sean Dickson

(Please Print)

Date: 8/16/2018

Title: Chief Operations Officer

Web Address: [www.alltran.com](http://www.alltran.com)

Phone: 1-800-446-4377

Email: [sdickson@alltran.com](mailto:sdickson@alltran.com)

Fax #: (630) 574-0110

ACKNOWLEDGE RECEIPT OF ADDENDUM: #1 SD #2 SD #3 SD #4 SD #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.

Rev. 5/4/18 LMF

A Proposal to Provide  
Debt Recovery Services  
Prepared for:



**James Madison University**  
**Request for Proposal: RFP# LBS-997**  
**Collection Services**  
**Due Date: 2:00 PM on August 21, 2018**

Alltran Education, Inc.  
6506 S. Lewis Street  
Tulsa, Oklahoma 74133  
Toll-Free: 1-800-446-4377



Offeror Cover Sheet

Title Page

Table of Contents

Letter of Transmittal .....

Executive Summary ..... 1

I. PURPOSE..... 3

II. BACKGROUND ..... 5

III. SMALL, WOMAN-OWNED AND MINORITY PARTICIPATION ..... 17

IV. STATEMENT OF NEEDS..... 19

V. PROPOSAL PREPARATION AND SUBMISSION ..... 61

VI. EVALUATION AND AWARD CRITERIA ..... 65

VII. GENERAL TERMS AND CONDITIONS ..... 67

VIII. SPECIAL TERMS AND CONDITIONS..... 73

IX. METHOD OF PAYMENT ..... 79

X. PRICING SCHEDULE ..... 81

XI. ATTACHMENTS ..... 83

Summary ..... 85

    Attachment A: Offeror Data Sheet

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

    Attachment C: Standard Contract Sample

Exhibit I – Sample Scripts

Exhibit II – Statement of Account

Exhibit III – Attestation Audit

Exhibit IV – Sample Reports

Exhibit V – Audited Financial Statement (CONFIDENTIAL)

Exhibit VI – Dun & Bradstreet Report

Exhibit VII – PCI-DSS Compliance Scan

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## Letter of Transmittal

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

August 16, 2018

Dear Ms. Smith,

Alltran Education, Inc. formerly known as Enterprise Recovery Systems, Inc. (ERS), is pleased to submit the attached proposal in response to James Madison University (“University” and/or “JMU”) in conjunction and partnership with the Virginia Association of State and College and University Purchasing Professionals (“VASCUPP” and/or “Institutions”) Request for Proposal RFP# LBS-997 Collection Services. We pledge our continued commitment to provide the best Accounts Receivable Management (ARM) services available to the University and various VASCUPP entities. Alltran takes no exceptions or deviations from any term, condition, or requirement listed herein.

Since its inception in 1988, Alltran’s market focus has been in servicing the ARM requisites of the higher education community. We are proud to partner with several other institutions similar to this procurement, including VASCUPP schools; College of William and Mary, Longwood University, Old Dominion University, Virginia Polytechnic and State University and other schools in the State of Virginia including; Northern Virginia Community College, and Norfolk State University.

Our educational market focus has led to the development of a sophisticated recovery system with the capacity to manage contractual obligations, as well as the intricate timelines associated with both Federal and state laws and regulations. These contracts have also challenged Alltran to successfully develop and implement customized interfaces for the effective and efficient exchange of data.

Alltran understands that JMU and the Institutions of VASCUPP have delinquent and defaulted Student Receivables and Federal Loans that need to be resolved through the utilization of a third-party private collection agency. Alltran also acknowledges that the Institutions are looking for an agency that will maximize recoveries, minimize complaints, and has an integral knowledge of the higher education community while proving effective at the recovery of accounts receivable. **Alltran is that firm.**

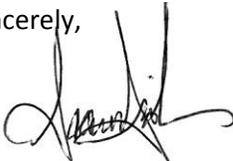
Alltran has consistently demonstrated superior results in the recovery and resolution of student accounts defaults over competing firms. Providing exceptional client relations, a fully automated receivables system, customized reporting and personalized attention are just some of the benefits of working with Alltran. Our extensive experience and specialty within the higher education industry demonstrate that Alltran will prove to be the premier partner for the Institutions.

Mr. Michael Robinson, VP of Business Development, is the primary contact for this RFP and will be responsible for responding to any questions, and negotiating any future contract. Upon award, Mr. Robinson will fulfill the role of Contract Manager for the Institutions. In his role as Contract Manager, he will ensure the scope of services are provided expeditiously; demonstrating our commitment to meet, and at times exceed, the timeline requirements set by the contract. Mr. Robinson has over twenty (20) years of Higher Education ARM experience working with institutions similar in size and scope. He has a reputation as an industry leader in creating customized recovery plans and for ensuring contractual compliance for all of his clients. Mr. Robinson is available by telephone, email, and for in-person meetings on a regular basis.

Mr. Michael Robinson  
(803) 493-4258  
[michael.robinson@alltran.com](mailto:michael.robinson@alltran.com)

Should you have any questions, require additional information or need further clarification, please do not hesitate to contact us at your convenience. We look forward to building a lasting partnership and the opportunity to provide exceptional service to James Madison University and the Institutions of VASCUPP.

Sincerely,



Sean Dickson, Chief Operations Officer  
(918) 636-6307  
[sdickson@alltran.com](mailto:sdickson@alltran.com)

## Executive Summary

Alltran was incorporated in 1988 and since our inception has specialized exclusively in higher education Accounts Receivables Management (ARM). In 2016, our College and University clients entrusted our organization with nearly 200,000 borrower accounts totaling more than \$800 million portfolio dollars. Working with hundreds of institutions, we have established a standard of success that is demonstrated not only through our balanced methodology in resolving defaulted accounts, but also through our dedication to quality assurance, commitment to corporate compliance, and exceptional customer service. At Alltran, our professional approach, veteran staff, proprietary technology and industry partnerships guarantee that we consistently achieve a higher rate of recovery over our competitors.

As a specialist in Higher Education, it is imperative that we are regulatory experts and maintain strict compliance with student loan regulations, the guidelines established by the Federal Trade Commission (FTC), and all consumer financial protection regulations mandated by the Consumer Financial Protection Bureau (CFPB). **Alltran understands these laws and maintains strict compliance with all Federal and State regulations as well as with the terms and conditions of the contract.**

At Alltran, we provide advanced, real-time, user-friendly technology for our clients and their students. Using our robust client portal, Navigate, our clients can obtain reports and student information, view activity, and upload accounts. Meanwhile, students can conveniently access our online bill pay website, HelpuPay.com, 24/7 to make payments via credit card or ACH or to set up personalized payment arrangements.

Alltran recognizes that each client has different receivables management needs. We feel it is critical to create a customized accounts receivable strategy aligned with our client's receivable goals and objectives in mind. Our areas of specialization include:

- Student Receivables
- Federal Loans
- NDSL / Perkins Loans
- Cohort Accounts
- Institutional Loans
- International Accounts
- General Accounts Receivable

### Engagement Team Expertise



Expertise has a tremendous impact on the value we bring to your institution and the efficiency with which we execute our service approach. The professional team of managers, and account representatives at Alltran, in conjunction with cutting edge technology, guarantees our clients a personalized recovery program engineered for success.

Our commitment to the Institutions, extends to a full investment of our people, processes and financial strength. Alltran offers the following areas of expertise:

### **Higher Education Expertise**

Alltran will assign a team of professionals with unmatched experience in the higher education industry to the Institutions contract. Our industry specialists have the depth of experience that can only result from years of serving prominent institutions in the student loan sector. We leverage this knowledgebase to provide the Institution's with insight, direction, and practical solutions to proactively address opportunities and ensure that contractual requirements are met.

### **Compliance and Regulatory Management**

Alltran institutes an effective governance of compliance through a framework that supports the activities of systematic reviews, assessments, tests, and audits. As regulatory changes occur, the Institutions will face a myriad of situations which will impact operations, technology, and finances; it is paramount to quickly analyze and implement changing requirements. Alltran enables our clients to capitalize on our position as an industry leader, with an understanding of regulatory complexities, and the ability to deploy the necessary resources to achieve the strictest of compliance standards. The proactive implementation of a compliance governance framework allows the business to endure and prosper.

### **Advanced Technology**

Immediate access to superior industry and technical resources will be leveraged to meet the Institutions requirements. As a private Accounts Receivable agency working on Federal Loans, Alltran is held to very strict standards in regard to communication, reporting, and compliance. In order to maintain internal principles, exceeding those we are contracted to, Alltran invests heavily in being an industry innovator through the advancement and development of cutting-edge systems and technology. We build and tailor our technology for our clients' advantage. With Alltran, you are given access to these resources without having to spend time or money with installations and updates to your internal systems.

### **Resolution Specialists**

Our highly trained Account Representatives provide a consultative approach to borrowers and nurture the resolution of financial challenges. At Alltran, we foster a culture of compassion, dignity, and respect. While increasing revenue and recovery is the fundamental core of our business, we understand the importance of cultivating a positive experience. Our "Best Possible Arrangement" strategy promotes a mutually determined repayment schedule that is reasonable based on the borrowers' financial position and also satisfies our client's desire for an expedited cash flow.

## 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.

Alltran has carefully reviewed, understands and agrees to the aforementioned contractual specifications, *I – Purpose*, as detailed herein.

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## 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 21<sup>st</sup> 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
<b>2013</b>			
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
<b>2014</b>			
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

<b>2015</b>			
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
<b>2016</b>			
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
<b>2017</b>			
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](http://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
<b>2013</b>			
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
<b>2014</b>			
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
<b>2015</b>			
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
<b>2016</b>			
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
<b>2017</b>			
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:

		<b>Amount Placed</b>	<b>Amount Collected</b>
<b>2014</b>			
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
<b>2015</b>			
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
<b>2016</b>			
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
<b>2017</b>			
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](http://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
<b>2013</b>			
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
<b>2014</b>			
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
<b>2015</b>			
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
<b>2016</b>			
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
<b>2017</b>			
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](http://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
<b>2013</b>			
Perkins	1st Placement	\$157,287.30	\$72,169.91
Tuition/Instit./AR	1st Placement	\$77,463.93	\$26,705.56
Tuition/Instit./AR	2nd Placement	\$48,173.58	\$10,745.50
Nursing/HPSL	1st Placement	\$21,739.53	\$7,931.16
<b>2014</b>			
Perkins	1st Placement	\$55,594.76	\$28,321.15
Tuition/Instit./AR	2nd Placement	\$91,169.74	\$31,877.58
<b>2015</b>			
Perkins	1st Placement	\$439,278.44	\$119,065.86
Tuition/Instit./AR	1st Placement	\$164,560.18	\$44,229.39
Tuition/Instit./AR	2nd Placement	\$67,194.88	\$7,344.50
<b>2016</b>			
Perkins	1st Placement	\$239,165.05	\$111,898.26
Perkins	2nd Placement	\$33,388.00	\$0.00
Tuition/Instit./AR	1st Placement	\$221,698.07	\$65,393.57
<b>2017</b>			
Perkins	1st Placement	\$316,340.56	\$154,537.21
Perkins	2nd Placement	\$90,934.00	\$17,793.00
Tuition/Instit./AR	1st Placement	\$267,705.22	\$52,436.82
Tuition/Instit./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](http://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
<b>2013</b>			
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
<b>2014</b>			
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
<b>2015</b>			
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
<b>2016</b>			
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
<b>2017</b>			
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
<b>2013</b>			
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
<b>2014</b>			
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
<b>2015</b>			
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
<b>2016</b>			
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
<b>2017</b>			
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
<b>2013</b>			
Perkins	1st Placement	\$879,139.38	\$289,733.62
<b>2014</b>			
Perkins	1st Placement	\$414,823.19	\$224,080.12
Nursing HPSL	2nd Placement	\$5,167.48	\$0.00
<b>2015</b>			
Perkins	1st Placement	\$327,228.37	\$217,069.74
<b>2016</b>			
Perkins	1st Placement	\$126,425.30	\$65,514.33
Perkins	2nd Placement	\$119,003.72	\$119,003.72
Nursing/HPSL	2nd Placement	\$35,991.38	\$0.00
<b>2017</b>			
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/](http://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
<b>2013</b>			
Perkins	1st Placement	\$141,463.98	\$77,616.65
Tuition/Instit./AR	1st Placement	\$16,009.72	\$1,740.98
<b>2014</b>			
Perkins	1st Placement	\$75,721.41	\$56,605.08
Tuition/Instit./AR	1st Placement	\$18,260.84	\$2,027.25
<b>2015</b>			
Perkins	1st Placement	\$93,130.24	\$64,877.41
Tuition/Instit./AR	1st Placement	\$5,186.64	\$3,679.44
<b>2016</b>			
Perkins	1st Placement	\$33,367.34	\$17,693.50
Tuition/Instit./AR	1st Placement	\$5,421.13	\$1,907.45
<b>2017</b>			
Perkins	1st Placement	\$27,520.23	\$0.00
Tuition/Instit./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
<b>2013</b>			
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
<b>2014</b>			
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/Instit./AR	2nd Placement	\$59,305.63	\$7,095.86
<b>2015</b>			
Perkins	1st Placement	\$66,286.11	\$21,475.20
Perkins	2nd Placement	\$8,528.49	\$6,460.67
Tuition/Instit./AR	1st Placement	\$876,646.16	\$271,335.72
Tuition/Instit./AR	2nd Placement	\$91,148.85	\$16,332.65
Nursing/HPSL	1st Placement	\$614.50	\$614.50
<b>2016</b>			
Perkins	1st Placement	\$49,560.19	\$26,758.83
Perkins	2nd Placement	\$27,318.22	\$10,249.15
Tuition/Instit./AR	1st Placement	\$1,168,907.12	\$357,684.83
Tuition/Instit./AR	2nd Placement	\$149,586.89	\$16,238.13
Nursing/HPSL	1st Placement	\$2,103.03	\$2,103.03
<b>2017</b>			
Perkins	1st Placement	\$26,767.82	\$20,440.40
Perkins	2nd Placement	\$7,305.81	\$2,576.72
Tuition/Instit./AR	1st Placement	\$1,129,330.03	\$243,128.63
Tuition/Instit./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](http://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, cashing 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
<b>2013</b>			
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
<b>2014</b>			
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
<b>2015</b>			
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
<b>2016</b>			
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
<b>2017</b>			
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

Alltran has carefully reviewed, understands and agrees to the aforementioned contractual specifications, *II – Background*, as detailed herein.

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### 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.

Alltran has carefully reviewed, understands and agrees to the aforementioned contractual specifications, *III – Small, Woman-Owned and Minority Participation*, as detailed herein.

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## 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

Alltran has carefully reviewed, understands and agrees to the aforementioned contractual requirements.

**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.

Alltran has carefully reviewed, understands and agrees to the aforementioned contractual requirements.

**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.**

Alltran has carefully reviewed, understands; please find outlined below detailed responses to the request.

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

## Expertise

Our experience within the Higher Education Industry includes over 200, Four Year Public Institutions, Four Year Private Institutions, Proprietary Schools, Community Colleges, etc. Our experience extends to accounts including; Federal Perkins including Cohort loans, Nursing Loans, Health Professional Student Loans (HPSL), Institutional loans, private loans, student receivables, Title IV overpayments, room and board charges, parking tickets, library fines, and all other such education related debt.



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.

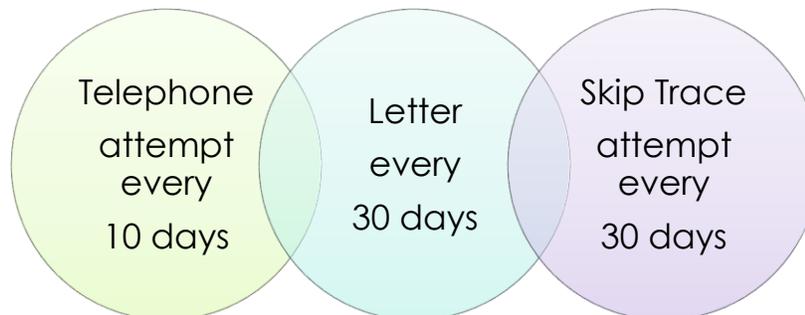
## Recovery Philosophy

At Alltran we believe ethical compliance and maximization of revenues are complementary activities. Alltran continues to thrive in a competitive landscape by demonstrating legal and contractual compliance and fair treatment of borrowers to resolve accounts in a manner that provides the best possible outcome for all stakeholders. Customer service goes beyond the service we provide our clients; it also extends to your customers as well. Our approach to borrowers utilizes counseling, coupled with the various payment options and our professional approach to recovering your funds, enables Alltran to generate higher returns to your institution, with less adverse borrower reaction.

### Due Diligence Safeguard Program (DDSP)

As an integral component of CMS, we have developed a Due Diligence Safeguard Program (DDSP). The programming modifications implemented in DDSP maintain that a minimum defined work effort is accomplished for each client. As each client is established, we control the maximum amount time allowed between attempts via DDSP.

It is important to note that Alltran's DDSP was designed and implemented as a "safeguard device". We utilize DDSP for the purpose of ensuring proper account compliance.



The Due Diligence Safeguard Program isolates each account as it approaches a "critical" due diligence time period. Account Representatives work queues are modified such that the Account Representative will not have access to the next account in their queue if the existing account in their queue is in a "critical" due diligence stage. Only after the appropriate letter is sent and phone attempt made, will the system allow the Account Representative to advance to the next account.

A Critical Accounts Report is generated daily, listing all accounts requiring due diligence by the Account Representative queue. This report is distributed to the specific Account Representative and reviewed daily by management to further ensure accounts are worked properly and timely. Accounts requiring due diligence work are also scheduled to appear as the first accounts in the Account Representative work queue at the beginning of the day.

Overall, the DDSP system was developed as a precautionary measure, not as a tool to obtain the optimum recovery results. We also find DDSP to be an efficient system for ensuring accounts are never carelessly assigned follow-up dates well off into the future. DDSP will override all Account Representative attempts to schedule advanced follow-up dates and/or bypass phone attempts, notice dissemination, return mail skip tracing requirements and past due payment procedures.

Alltran agrees to provide a **Due Diligence Report**, which details all resolution efforts taken on the account, the number of attempted phone contacts, frequency and dates of all letters, detail of phone contacts and current location information to aid the Institution's in future recovery activity.

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

Upon account placement, Alltran subscribes to receive Inquiry Analysis Information from TransUnion. TransUnion's CPE score to create a base value and make adjustments based on placement type and level. All loans are valued separately and then combined at the Borrower level. Based on the total valuation, the accounts are routed to their respective Tier; Tier 1, Tier 2 or Tier 3. For each Tier we create Targeted campaigns of accounts to present the best number to the account representatives to launch phone calls at the time prescribed.

Alltran will not differentiate our recovery efforts based on 1<sup>st</sup> or 2<sup>nd</sup> placement accounts. The Work Strategy is dependent upon the scoring measure, Tier 1 and Tier 2 base of expected value of account, balance, credit report scoring, as such;

- Tier 1 – lower ACR, more phone calls
- Tier 2 – higher ACR, fewer calls
- Tier 3 – highest ACR, fewest calls

Our team of professional account representatives will begin the initial telephone calling campaign within the first two (2) business days of placement. All accounts will remain eligible for telephone contact dependent on valid contact information, unless the account has been cancelled, queued for cancellation review, or set for follow-up on a future date.



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

### Scripts

Alltran Account Representatives utilize a number of scripts during our recovery campaigns. The various scripts were created by our Operations Team in partnership with Corporate Compliance. Scripts are vital to the ARM process. Our Account Representatives must be prepared for a variety of different situations and comfortable with the information in order to be effective. Account Representatives are also trained on successful techniques in how they approach each borrower, i.e. preparedness and confidence.

Please find included with our submission as Exhibit I – Sample Scripts.

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

## Work Strategy

Upon account placement, Alltran subscribes to receive Inquiry Analysis Information from TransUnion. TransUnion's CPE score to create a base value and make adjustments based on placement type and level. All loans are valued separately and then combined at the Borrower level. Based on the total valuation, the accounts are routed to their respective Tier; Tier 1, Tier 2 or Tier 3. For each Tier we create Targeted campaigns of accounts to present the best number to the account representatives to launch phone calls at the time prescribed.

The majority of campaigns utilized are Targeted campaigns, however we also utilize Specialty campaigns to present accounts to representatives to launch phone calls. Specialty campaigns include, "Previous Payer" accounts where the borrower had made a prior payment/payments and stopped, "Previous Borrower Contacted" accounts where we have not been able to resolve the account with the borrower, and "Client Specific" campaigns to meet a request or need of the client.

Our basic scoring model is flexible and adaptable to the needs of any client. The model can also be easily adapted to changes in regulation. The model is not only used upon placement, accounts are continually being re-evaluated. From our modeling, we segment portfolios based on differences in borrower past behavior, account value, and debt type. Alltran can suggest other means of segmenting the portfolio.

## Scrubs

Following account placement, all accounts at all balances are subject to the following 'scrubs':

- ✓ National Change of Address (NCOA)
- ✓ Banko (PACER bankruptcy information)
- ✓ Online Directory Assistance (if we don't possess a valid phone number)
- ✓ Servicemembers' Civil Relief Act (SCRA, for active duty debtors)
- ✓ Deaths
- ✓ Incarcerations

Immediately following the scrubbing and scoring process, our team of professional account representatives will begin the initial telephone calling campaign. Our standard operating procedure dictates all Tier 1 accounts with good addresses and phone numbers will have an initial attempt generated within the first two (2) business days of placement. All accounts will remain eligible for telephone contact dependent on valid contact information, unless the account has been cancelled, queued for cancellation review, or set for follow-up on a future date. The Work Strategy is dependent upon the scoring measure, Tier 1 and Tier 2 base of expected value of account, balance, credit report scoring, as such;

- Tier 1 – lower ACR, more phone calls
- Tier 2 – higher ACR, fewer calls
- Tier 3 – highest ACR, fewest calls

In the absence of good phone numbers, Alltran will utilize dedicated skip trace resources. Individual account representatives will search designated internet and web sites. These sites draw location information from hundreds of national databases. This search is a more in-depth skip trace attempt and is performed manually by the Representative.

- Accurint/LexisNexis – Address, POE, Voter Registration, Bankruptcy, Deceased verification
- CBCInnovis – Income and Employment verification, Social Security Verification
- Experian – Updated address/phone/employment file each time new information is received
- Talx (work#) – Employment information
- TLO – Address, Phone information, POE, Phones Plus, Voters Registration, People at Work

If, by fourteen (14) days after placement, we still have not obtained a valid phone number, we send the account out for another scrub.

Alltran will make all efforts on available numbers. Account numbers and phone numbers are placed before representatives at the right time. If, for instance, we know that the borrower is employed in a large metropolitan area, we will not call their home number until they have had an opportunity to get home from work. In some metropolitan areas that time is later than in others. Our logic makes such distinctions.

### Account Assignments

Below are average account queues, based upon scoring measurements;

Score	Accounts Receivable	Perkins
Tier 1	400-500	300-400
Tier 2	500-700	500-700
Tier 3	800-900	800-900

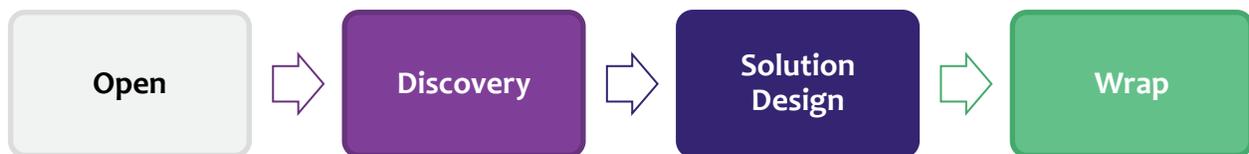
Currently, Alltran staffs roughly 100 account representatives in the College and University division.

Accounts are also assigned to representatives based on key performance indicators. A representative will be rewarded with more valuable accounts if they produce good results in contact rate, revenue produced, resolution rate, and compliance score. When assessing whether a representative has produced ‘good results,’ we look not at raw numbers but at the overall performance *against expectations*. A representative recovering high dollars will be further rewarded only if that dollar figure is higher than what was expected, based on the anticipated value of their accounts.

### The Consumer Success Model

When the account representative makes contact with the borrower, they follow the Consumer Success Model, which is taught during initial training and is continuously reinforced by their production manager. The model is a roadmap through a consumer interaction that incorporates the standards set forth at Alltran as well as client call quality standards. It helps establish a consistent and repeatable customer experience and a successful outcome for us, the borrower, and the client. The model has four (4) phases:

- **Open.** The representative follows the prescribed Opening Statement, which includes positive ID of the borrower and all required disclosures.
- **Discovery.** The representative and the borrower reach an understanding of the status and facts surrounding the account. Any compliance concerns (disputes, complaints, validation of debt) are addressed. Once the facts are understood by both parties, the representative proceeds to ask for the full amount due. Listening to the borrower's response to this question guides the process.
- **Solution Design.** In this phase, the representative presents available solutions to borrower and obtains their agreement on one of them.
- **Wrap.** A summary of the conversation, provides the borrower a to-do list, and tells the borrower what to expect next.



### Account Resolution

Within one (1) business day of account assignment, Alltran initiates a campaign of letters and phone calls to the borrower. Alltran has developed an Account Resolution Strategy that incorporates a series of borrower contacts with well-timed letters that inform the borrower of the remedies available to them to resolve their account.

### Letters

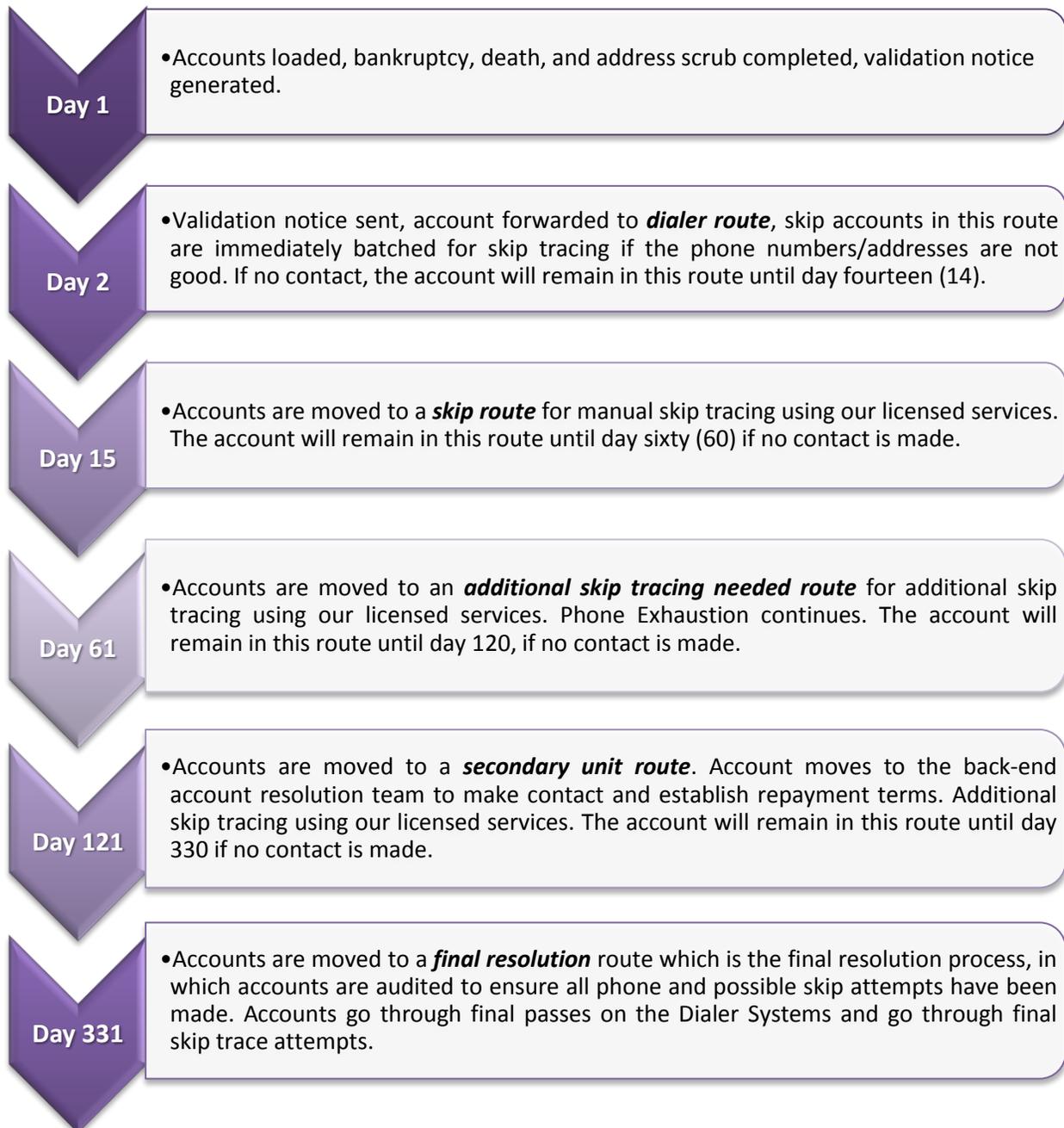
The following provides a sample description of a few standard letters Alltran has incorporated into our recovery process as well as illustrates the timeline and function of various letters.

- **First Notice to Borrower** – This letter meets the requirements for the Debt Validation under FDCPA. It is sent within the first twenty-four (24) hours of Alltran's acceptance of the account.
- **Second Notice** – Sent thirty (30) days after Debt Validation Notice.
- **Call Letter** – This letter is generated when we have a verified address for the borrower; however, we have been unable to reach the borrower by phone.
- **Financial Statement** – This letter is sent when a borrower agrees to a repayment plan but has not provided a financial statement.
- **Continuing Resolution Activity** – The borrower has not made any efforts to resolve the debt, and continuing recovery efforts may be forthcoming.
- **Validation of Dispute** – This is a cover letter sent with the requested verification of the debt, i.e., an itemized statement or promissory note.

Alltran sends a correspondence every thirty (30) days to accounts with a good address.

In addition to the letters above, Alltran has created additional communication materials that address unique circumstances presented by each account. Letters have been developed to deal directly with attorneys, bankruptcy situations, request for cease and desist and a variety of other situations.

### Workflow



## Resolution Strategies

Our corporate culture requires that each borrower be treated fairly and with compassion. Each account representative is trained extensively to gather financial information from each borrower to determine the best possible solution of repayment. As illustrated below, Alltran structures the resolution strategies of an account based on the following decision:



1. **Payment in Full**
2. **Rehabilitation**
3. **Consolidation**
4. **Payment Plan**
5. **Administrative Resolution**

Upon reaching a borrower by phone, our account representative will make a strong, professional presentation informing the borrower of their delinquency status and the ramifications of default. A financial statement is taken from the borrower in an effort to ascertain the following:

- Loan Rehabilitation Purposes
- Other types of debt obligations
- Fair and equitable payment terms
- Potential eligibility for administrative resolution

Based on a review of the financial statement and other information presented by the borrower, several courses of action are pursued to cure the account.

### 1. **Payment in Full**

If the borrower demonstrates strong financial resources (i.e., home equity, open lines of credit), an attempt is made to collect the account in full. This is the first course of action pursued by an Alltran Account Representative. Alltran account representatives provide the borrower with information regarding their debt and where they can send their payment. A follow-up call is scheduled for two (2) days later to ascertain the intentions of the borrower with their obligation.

### 2. **Rehabilitation Account Management**

Each account representative is trained extensively to gather financial information from each borrower to determine the best possible solution of repayment. A financial statement window on the Alltran CR Software system is used to store individual borrower financial data to assist the recovery staff in accumulating information that might assist in the decision-making process. As illustrated below, Alltran structures the resolution strategies of a Federal Perkins Cohort account based on the following options:

- Borrower voluntarily pays the loan in full in one payment, or through consolidation
- Six (6) Consecutive, monthly, voluntary payments made by the end of the fiscal year
- Borrower voluntarily brings loan current
- Retroactive deferment or forbearance
- Borrower rehabilitates loan
  - Rehabilitation occurs after a borrower has made nine (9) consecutive, on-time, monthly payments in an amount determined by the school
- Borrower's loan is cancelled
- Loans assigned to ED for Total & Permanent Disability

Alltran utilizes a specialized Perkins Unit that segments our recovery efforts. This specialization guarantees the quality and concentration of recovery efforts towards your most regulated accounts.

With the understanding that the Institution's rehabilitation program may not follow the same process, Alltran will customize a rehabilitation plan that will be specific to client requirements. We will specifically train all agents to the conditions of the client's program to achieve maximum recovery and provide the desired benefit to the borrower.

### 3. Loan Consolidation

With every Perkins Loan borrower Alltran always first attempt to engage the student in a dialogue that provides a Payment in Full, a down payment plus payments to resolve in eighteen (18) months or a straight payment plan to resolve in eighteen (18) months. However, for those borrowers with significant balances or multiple Title IV debts, the flexibility of the repayment schedules for consolidation may prove to be more manageable for borrowers than other repayment options. Borrowers are introduced to the availability of loan consolidation as an opportunity to remedy the balance of the account when the loan types dictate that this is a reasonable course of action or when the balance of the borrowers account is of the nature that it is more practical to consolidate into a reasonable repayment plan.

### 4. Payment Plan

If Alltran staff determines that the borrower cannot pay in full in a manner that is satisfactory to the client, Alltran has the borrower complete a financial statement. Using the information obtained from the financial statement, alternative options such as a repayment arrangement that is commensurate with the borrower's present financial condition are presented for consideration. Key indicators such as employment of the borrower and potential financial resources may direct the Account Representative to request a "good faith" down payment to assist in retiring the obligation. It is our primary objective in negotiating repayment agreements to resolve the account balance as quickly as possible.



A financial statement window on the Alltran system is used to store individual borrower financial data to assist the recovery staff in accumulating information that might assist in the decision-making process.

When an account representative negotiates a repayment plan with the borrower, this information is incorporated and assists in the recovery process.

A repayment screen feature allows for effective monitoring of established repayment schedules. Once a repayment schedule is established, monthly scheduled amounts and payment due dates are input into the system. By capturing this information, edit reports are generated to monitor compliance. The payment reminders are triggered off information that is contained in this system feature.

Borrowers may also opt to schedule postdated payments on a convenient date. Borrowers are sent notices ten (10) days prior to the agreed upon due date reminding them of the due amount/scheduled payment. Notices provide an updated balance amount to the borrower. Borrowers are able to receive an electronic confirmation of their payments via email if the opt to schedule postdated payments via ACH or Visa/MasterCard.

The disposition code of borrowers making voluntary payments is updated to indicate the account is in voluntary payment status. The disposition code isolates the account from general recovery activity aside from the reminder notices for the borrower's agreed upon payment due dates.

## 5. Administrative Resolution

Alltran administratively resolves accounts through various non-payment processes, these may include: bankruptcy, death, total and permanent disability, incarceration, and military service.

**Bankruptcy** – When a borrower states to have filed bankruptcy, Alltran attempts to obtain information regarding the date of filing, name of attorney and particular circumstances of the bankruptcy. Once the bankruptcy is confirmed, Alltran suspends all recovery activity. We will forward a notification of the bankruptcy along with a copy of the bankruptcy docket to your designee via overnight mail or facsimile within twenty-four (24) hours of receipt. As with other aspects of the recovery process, Alltran captures all information on the bankruptcy. These information pockets are specifically designated for reporting information to our clients.

**Death** – Alltran will scrub for deceased information at time of placement and will receive status updates from our vendors while the account is active. The Client Relations department assigns the role of processing deceased borrower notification to the Client Relations Administrator (CRA). The CRA pulls daily reports from CRS to identify potential deaths that may have been categorized as results of nightly system scrubs. Various methods including the Lexus/Nexus database, Accurant, and internet searches for obituaries and other verifiable means will be used to confirm if a borrower is deceased. Once confirmed, the CRA will email the deceased borrower confirmation to the Representative who is responsible for sending the documentation to the client. The account is then closed and returned to the client.

**Total and Permanent Disability** – If a loan allows for cancellation for Total and Permanent Disability, we will collect the appropriate paperwork from the borrower to facilitate your decision in granting a cancellation. It is understood that Alltran will not cancel any account without the proper documentation and subsequent verification from your office.

**Incarceration** – During our recovery efforts, Alltran may determine that a borrower recognizes their indebtedness and wishes to repay their obligation, but is unable to do so at the present time. Alltran may classify an account as "Inability to Pay at Present." Incarceration is an event that will qualify a borrower for "Inability to Pay at Present" status.

The status of all "Inability to Pay at Present" accounts is reviewed on an intermittent basis to determine if the borrower has acquired sufficient assets to pay voluntarily and/or satisfy a judgment or a substantial portion thereof. Mail and/or telephone perform the verification. In addition to verifying the borrower's current status, the address and telephone number are verified. Information pertinent to the borrower's incarceration is detailed in a window. When the account is tabbed for a review date, this information will be updated.

**Military** – Accounts which are identified to belong to a borrower who is in active duty service for the U.S. military are given a designated disposition code. The accounts are flagged for Account Representatives to provide necessary information, if requested by the borrower, regarding benefits provided under the Service Members Civil Relief Act (SCRA).



### **Service Cancellations, Deferments, and Forbearance**

Alltran account representatives working Perkins Loans have an extensive knowledge of the cancellations, deferments, and forbearance provisions available to your borrowers.

Once guidelines have been established for administrative resolution protocols, our representatives and client relations representatives will process the accounts exactly as contractually directed. Our staff will never imply that a borrower qualifies for administrative resolution without first being granted permission by your staff or that of your billing servicer. Many schools ask us to recover the amount that was due prior to the situation that enabled the borrower to qualify for administrative resolution.

Alltran understands that no fees are due to us for facilitating this flow of paperwork; rather, only for dollars recovered. We look at this as an additional service we provide to assist our clients (at no charge) in bringing accounts current and ensuring borrowers are aware of cancellations, deferments, or forbearances for which they may qualify.

Alltran staff is cognizant of the following cancellation provisions for Perkins Loans:

- Teaching
- Early Intervention services
- Nurse or medical technician
- Head Start
- Military
- Volunteer Service
- Law enforcement or corrections officer
- Child or family service agency
- Full time attorney employed in a defender organization
- Full time firefighter
- Full time faculty member at a Tribal College or University
- Librarians with a master's degree in library science

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

### University Funds – Automation

The onboarding of a client includes the setup of a hierarchal portfolio account coding structure that provides for a holistic view of all recovery activity for the client, but which can be segmented to provide departmental- or campus-based reporting.

Alltran will present a statement and remittance of recovered monies per Institution specifications. The corresponding funds will be deposited via ACH weekly. Monthly reports and invoices are available by the 5th of the following month and will include the amount of total payments recovered on behalf of the Institution's and the contingency fees charged listed separately by student. The statement will be separated by placement type as well as direct payments to the school will be invoiced separately in the same format. All invoices will be provided in the format and timeline specified by the Institutions. Alltran personnel will work closely with your personnel to determine the invoicing and billing process that works best.

Please find included with our submission as Exhibit II – Statement of Account.

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

### Service Cancellations, Deferments, and Forbearance

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Once each Institution's guidelines have been established for administrative resolution protocols, our account representatives and client relations representatives will process the accounts exactly as contractually directed. Our staff will never imply that a borrower qualifies for administrative resolution without first being granted permission by your staff or that of your billing servicer. Many schools ask us to recover the amount that was due prior to the situation that enabled the borrower to qualify for administrative resolution.



Alltran understands that no fees are due to us for facilitating this flow of paperwork; rather, only for dollars recovered. We look at this as an additional service we provide to assist our clients (at no charge) in bringing accounts current and ensuring borrowers are aware of cancellations, deferments, or forbearances for which they may qualify.

The Institutions will be provided with an Account Cancellation Report (Cancel Report) on a monthly basis listing accounts canceled during the previous calendar month, including accounts that have no payment activity within twelve (12) months. This report is sorted alphabetically with account number reference unless otherwise designated.

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

### Placement of Accounts with Agency

At Alltran, we see our company as an extension of your campus. We will ensure that placement of accounts for recovery is secure and easy. Our programming department can manipulate any file format to enable data to be uploaded into our collection system.

Many of our clients utilize the transmission of data files to our Secure File Transfer Protocol (SFTP) site and our secure download site on our client web portal (Navigate) to place accounts with Alltran. Our system has been configured to exchange files via SFTP site not only to place an account but also, balance updates, account closures, account suspensions and payment notifications, inventory reconciliations, interest rate updates and collection cost recalculations. All of these interfaces are specifically for file exchanges to and from Alltran and our clients. Alltran will remain flexible to manage file exchanges by other means, as necessitated by the Institution's.

The majority of our clients prepare a bulk portfolio load for account placements. File transmissions from our SFTP site, client web portal or billing servicer are encrypted, downloaded, and subsequently migrated into our collection management system. The practice is seamless and effortless for the Institution's; once your team has prepared the placement portfolio, our experienced staff will manage the process.

Our secure file transfer server contains transport layer and SSL layer security. The Alltran FTPS server is built on Solarwinds' Serv-U Gateway platform, which is Payment Card Industry Data Security Standards (PCI-DSS 2.0) compliant. When files are uploaded to our site, notification of file availability is communicated via email to our File Processing and Client Relations teams, who process the files accordingly.

Upon initial engagement, Alltran Client Relations team follows a formal protocol for onboarding clients that include initial set up, customized configuration, and training to ensure full access to required information. During this process an individual client profile for the Institutions which will map out the specifics on how information will be communicated including notifications regarding placements.

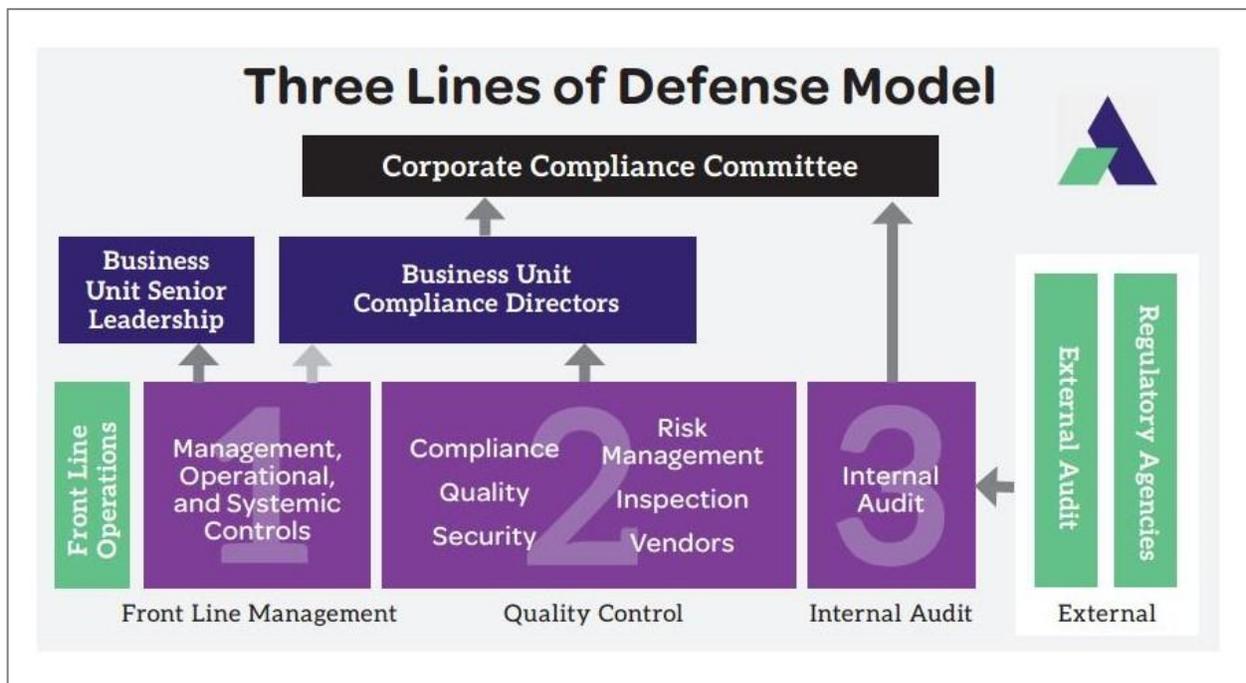
9. Describe your firm's process for remaining compliant with all current laws and regulations.

### Compliance

As a specialist in Higher Education, it is imperative that we are regulatory experts and maintain strict compliance not only with student loan regulations but also with guidelines established by the Federal Trade Commission (FTC), and all consumer financial protection regulations mandated by the Consumer Financial Protection Bureau (CFPB). In addition to the FDCPA, we adhere to the Electronic Fund Transfer Act (EFTA), Equal Credit Opportunity Act (ECOA), Unfair Deceptive or Abusive Acts or Practices (UDAAP), Telephone Consumer Protection Act (TCPA), Service-member Civil Relief Act (SCRA), Family Educational Rights and Privacy Act (FERPA), Federal Perkins Regulations 34 CFR 674, Fair Credit Reporting Act (FCRA), Gramm-Leach Bliley Act (GLBA), State Laws which are more restrictive than the FDCPA, the Statute of Limitations, etc. Alltran understands these laws and maintains strict compliance with all Federal and State regulations.

### Compliance Governance Framework

Alltran institutes an effective governance of compliance through a framework which supports the activities of systematic reviews, assessments, tests and audits. The **Three Lines of Defense** model, originated by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), provides the framework for this model. COSO is a globally recognized leader in risk management and internal controls. The Three Lines of Defense model is universally accepted, widely utilized standard across multiple industries, and the CFPB recommended Compliance Framework Model. Emphasis is placed on the elimination of gaps in oversight while reducing redundancy in activities. Each unit operates independently of one another, providing greater ability to differentiate between roles and responsibilities when interpreting how regulations impact the company’s business practices. Autonomy also provides multiple avenues for reporting and addressing compliance observations. Though each line of defense operates autonomously, there is cooperation and communication to ensure a successful Compliance program. Alltran operates in a risk industry, proactive implementation of risk management allows the business to endure and prosper.



The **First Line of Defense** is directed by business operations, the front line management of each business unit, through which the performance of daily activities are guided by prescribed processes and controls. Operational management has ownership, responsibility and accountability for directly assessing, controlling and mitigating risks. Within the First Line of Defense is the responsibility of using observations and feedback from other monitoring tools such as quality monitoring, reporting, and voice analytic query results to monitor and develop front line employees. The Business Unit Senior Leadership team is responsible for the First Line of Defense and is led by the Chief Operating Officer.

The **Second Line of Defense** resides within the Corporate Compliance Group (CCG) as the authority and guidance of policies and procedures. The primary tools utilized through this function are quality control reviews (internal self-assessments), the responsibility of quality monitoring, reporting, and voice analytic query results. Within the Second Line is the Quality Control Team which directs inspections, and coordinates the ascendancy with other internal teams. All activities are supervised and monitored by the Director of Compliance who then provides analytics and guidance to the Corporate Compliance Group. The Second Line of Defense executes the Compliance Review and Testing Program (CRTP) to ensure that all actions maintain compliance to consumer financial laws, and that communications, processes, policies and procedures function as intended. The CRTP provides the necessary reviews and assessments required by Alltran. CRTP consists of;

- Information Gathering
- Evaluate Information
- Detailed Testing
- Continuous Monitoring

The **Third Line of Defense** provides independent administration through auditing and functions entirely autonomous from all other operational and compliance divisions. Additionally, the Internal Audit defense provides supervision over the effective functioning of the first and second lines of defense. The Internal Audit function is unique in its independence and direct reporting line to the CCG.

The CCG is responsible for the supervision of the entire framework and representing the enterprise's stakeholders relative to risk issues. This committee has the responsibility and accountability to provide effective supervision of the business risk profile. The CCG is empowered with the accountability to effectively plan, build, run and monitor the day-to-day risk environment with input from the Director of Compliance, and Internal Audit defense. The committee provides direction regarding handling those risks that are outside of the business unit's risk tolerance. In particular, the CCG will ensure the Executive Management is effectively governing and managing the Three Lines of Defense.

### **Call Recording and Analytics**

Our dialer and manual calling solutions provide full call monitoring and recording capabilities. Our digital recording system and call recording program offer the following capabilities: desktop PC access, availability of all calls for twelve (12) months for review, daily monitoring by supervisors and compliance/training staff, and daily audit results provided to management. Call recordings from all dialers are stored on a file server within the SafeNet zone, and are searchable by privileged users in quality control, corporate compliance and IT departments.

All calls recorded are uploaded on a nightly basis to our Voice Analytics engine (Nexidia) and analyzed using a series of queries written to determine regulatory compliance and performance to defined standards. The output from these queries is reviewed by the Call Monitoring department for accuracy and feedback to front line personnel.

Upon request, call recordings can be emailed to the client in zip or .wav files. A central Dialer Management department is responsible for creating, loading and monitoring of targeted campaigns, designed to meet operational objectives, while adhering to strict federal and state regulatory requirements, as they pertain to dialing rules and restrictions. Our management encourages corroboration sessions with the Institution's to ensure the effectiveness of collection calls and efforts made on your behalf.

### Call Monitoring

Quality Control handles and ensures compliance of the monitoring process. Quality Control and production managers follow an automated call monitoring application that allows them to focus on a variety of different components such as law, work plan compliance and different aspects for collection techniques. Some basic collection techniques include probing third parties, updating full and complete information, taking a financial statement, and such. QC analysts and production managers will conduct at least three (3) call monitors per month, per account representative. Additionally, call recordings are also monitored on every written complaint received.

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

The best indicator of our knowledge of the Perkins Loan Program may be seen in our annual Attestation Audit. Alltran has been audited every year since this regulation was enacted and has never had a finding.

Please find included as Exhibit III – Attestation Audit.

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.

It is the policy of Alltran to comply with applicable requirements of the Fair Debt Collection Practices Act (15 U.S.C. 1692 et seq.) which was designed to eliminate abusive, deceptive, and unfair debt collection practices. In addition, the FDCPA protects reputable debt collectors from unfair competition and encourages consistent state action to protect borrowers from abuses in debt collection.

The Act prohibits a debt collector from communicating with a borrower at any unusual time (generally before 8 a.m. or after 9 p.m. in the borrower's time zone) or at any place that is inconvenient to the borrower, unless the borrower or a court of competent jurisdiction has already given permission for such contacts. Through CR Software, Alltran has designed controls to limit the ability to call a number outside of the permissible time-frame for both the time zone where the number being called is located and the ZIP code on the related account.

An Account Representative is also prohibited from contacting the borrower at his or her place of employment, if Alltran has reason to believe the employer prohibits such communications. Alltran honors any requests from borrowers to cease contact at their place of employment, and has developed system controls so that agents have the ability to mark numbers, such as place of employment, Do Not Call.

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.

## System Security

Alltran Management is committed to the responsible custodianship of confidential information. Alltran is subject to strict regulatory requirements, as defined in the E-Government Act of 2002 (Public Law 107-347), Title III, Federal Information Security Management Act (FISMA), which is governed by the National Institute of Standards and Technologies (NIST). FISMA requires US federal agencies and their contractors to implement and execute controls that are based on security and systems industry best practices.

Alltran operates in a mixed platform environment of Microsoft and Linux operating systems. Server hardware in the information systems environment is a combination of IBM, Dell and HP hardware. The network infrastructure is represented by layers of Juniper equipment. A Juniper SSG-550M firewall protects the network from external attack and provides access control between the internal network zones. The network backbone consists of clustered Juniper 4300 and 4600 switches to form a fully-redundant core chassis protected by a Juniper IDP-250 Intrusion Detection and Prevention (IDP) device.

Internet connectivity is provisioned via a 1 Gbps Level 3 fiber circuit. Redundancy is provided by a Comcast 150 Mbps Broadband Ethernet circuit. The Comcast coax line is configured to completely bypass the Alltran core network, but can be switched on demand by IT personnel in the event that the fiber circuit goes down. The Alltran network is architected to isolate the physical security monitoring components from all other systems to ensure that vulnerability in a physical security device cannot be exploited by someone attempting to infiltrate our information systems. Wireless access to the Internet is also segregated to protect against unauthorized access to Alltran information assets that store and process financial or other sensitive data.

IT has implemented a second factor of network authentication, as well as local access to privileged accounts, which is based on the "possession" factor. Alltran employees were provisioned with a Yubikey, which communicates with a wholly separate authentication system using an encrypted One-Time Password (OTP). Further, Alltran is planning for the implementation of PIV-I based two (2) factor authentication for deployment to privileged users, in accordance with FSA guidelines.

Alltran IT has implemented a number of services to protect against the corruption, misappropriation or loss of data. We maintain End-User Protection through the following solutions, protecting against intentional data loss:

- Policies and Procedures: Alltran maintains an Acceptable Use of Technology Policy, which is provided to employees as part of initial onboarding training. All employees must sign and return to HR, an acknowledgment of having received and been trained on the contents of this policy.

- Background checks: All potential employees receive a seven (7) year background check, which looks at criminal and financial history. Passing the background check is a requirement of employment.
- All Alltran employees must participate in semi-annual Security Awareness Training (SAT). In each class, they are reminded of what constitutes a security incident, which causing a security incident is grounds for disciplinary measures up to and including termination, and the principles and benefits of whistleblowing in the event of a witnessed breach.
- E-mail is only provided to privileged users, who require e-mail to fill the functions of their roles. As a rule, Representatives do not have e-mail, so they are unable to send PII. E-mail users are provided with the ability to apply encryption to their e-mails through simple subject line commands, which trigger response in our Spam and Virus Firewall.
- The Barracuda Spam & Virus Firewall protects the Alltran SafeNet from the incoming receipt of viruses and malware via e-mail. In addition, this service identifies outgoing e-mail content containing PII either directly in the body, or through unencrypted attachment. E-mails containing unprotected PII are quarantined, and notices are sent to the MIS staff. MIS personnel are trained to contact the senders to question the legitimacy of sent materials and to remind them of our encryption rules.
- The Websense web filter prevents most users from accessing personal, web-based e-mails and chat, as well as the access of sites containing inappropriate work content.

### Network Segmentation and Architecture

Alltran IT controls access to the network both internally and externally via separate Virtual Local Area Networks (VLANs) and subnets. Access to network components is controlled by central Access Control Lists (ACL) in the core switch and firewall.

- SafeNet is a subnet that is protected at the Local Area Network (LAN) level with access control lists from the core switch. All PII is housed within this zone. A Juniper Intrusion Detection and Prevention Systems (IDS/IPS) monitors all traffic entering and leaving this network zone. The IDS/IPS is configured to examine traffic patterns and usage. Variations trigger notifications to IT.
- Support zone is a subnet which supports the SafeNet network with centralized support tools (anti-virus management consoles, domain controller and patch management servers as well as log file servers).
- Management zone is a subnet with management based tools and a backup domain controller segmented from the domain controller
- The Demilitarized Zone (DMZ) is segmented on the external side of the firewall (WAN) and contains File Transfer Protocol Secure (FTPS), mail servers and external facing web servers.



- Trust VLAN contains all internal users as well as Terminal Servers and phone equipment. The Trust zone is divided further into smaller VLANs. These VLANs represent physical and logical separations between data and VOIP traffic. Account Representatives access the Alltran SafeNet via thin clients connecting to terminal servers. The thin clients are configured to prevent the installation of portable storage devices, and all computers processing power is contained within the terminal server environment. Users are prevented from the ability to install software on terminal servers.
- Conference VLAN separates untrusted traffic from Alltran conference rooms and the Alltran SafeNet network. The Conference VLAN serves as a protected internet connection provided as a courtesy to Alltran guests.
- Wireless VLAN separates untrusted traffic from the Alltran wireless network and the Alltran SafeNet network. The Wireless VLAN serves as a protected wireless internet connection provided as a courtesy to Alltran guests.

### Access Control

The Access Control Policy outlines the process in requesting access to systems (systems are classified and owned by a system owner who is responsible for allowing or denying access to the system, application and data repositories related with the information system).

All requests are handled by an internal, secure online service (Employee Management System - EMS), in which managers can request access to services for named users. MIS staff executes access requests for new and existing users as well as termination requests. The EMS workflows allow for tracking of requests as well as retain historical data of all access request activity for auditing purposes. EMS also tracks personnel moving from one position to another (whereby all old access rights are cancelled before new ones are granted) and termination of employees (where all access rights are cancelled within a four (4) hour period of termination).

The organization manages information system accounts, including establishing, activating, modifying, reviewing, disabling, and removing accounts. The organization reviews information system accounts. Account privileges are granted at the network level and the application level. Alltran MIS manages privileges via Access Control Lists.

**Two-factor authentication** – Access to technical services and data requires users to pass through at least two levels of credentials authentication: 1) Network login; and 2) Application authentication. Strict password guidelines ensure user credentials cannot easily be compromised. Remote users must pass through a second factor of authentication, using one time passwords generated by an assigned Yubikey, which authenticates to a dedicated security authentication server.

**Segregation of Duties** – Alltran maintains strict controls to ensure that developers do not deploy their own code to production, deployment activities are performed by others in the organization.

Physical access controls are also in place to segregate users working on different collections portfolios. Like network access controls, users are provisioned with access to certain areas of the Alltran facilities, based on a least-privilege access methodology.

## Data Transmission

Alltran controls the integrity and confidentiality of information transmission by only allowing encrypted traffic into the network. The inbound session from an external source is only allowed through an SSL-VPN session to authorized employees/vendors. There are no unencrypted sessions allowed into the network.

In order to guarantee the integrity of the encrypted data communications, Alltran employs the use of MD5 and SHA-1 hashing algorithms. These secure hashing algorithms verify that the data received from the internet hasn't been altered during transmission. All incoming data transmission vectors are protected by 256 bit AES encryption and/or 2048 bit SSL Certificates. Alltran does not allow insecure connection to its information system from any entity on the public internet. The Alltran information system protects the confidentiality of all transmitted data through the use of strong public key and symmetric key encryption.

Outbound transmission of Non-Public Information (NPI) is by secure portal only. Authorized internal employees are responsible for uploading files to an Alltran managed portal, including customer specific login and password provided verbally with an email providing a link to the portal.

To comply with NIST Special Publication 800-57 regulations, Alltran has set a cryptographic key valid crypto period of two (2) years. Alltran cryptographic key was reset on July 1, 2017, and will be reset again on July 1, 2019.

Alltran places the utmost importance upon its staff to ensure compliance with guidelines established by Federal, state, and local laws, regulations and rules, all while reflecting our clients public image. We believe that courtesy, fairness, and professionalism are the cornerstone to long term mutually beneficial relationships with our clients.

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.

Alltran understands the Institutions may add the collection cost. Our current interpretation states fees are assessed where the debt was incurred.

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.

Alltran has in place a policy and procedures specific to the guidelines established by the Federal Trade Commission (FTC) through the Fair Credit Reporting Act (FCRA). As a nationally prominent Private Collection Agency (PCA), licensed to conduct business and concomitant recovery activities, Alltran recognizes the importance of the Act and responsibility to ensure compliance.

Specific authorization must be given in writing for each portfolio the University elects to have reported to the credit bureaus. Currently, Alltran will report to Experian and TransUnion. In order to report an account to any of the bureaus, Alltran must have the original date of delinquency or write-off date for the debt to be reported.

Reporting typically begins sixty (60) days from the date of referral to Alltran in order to mitigate any potential double reporting. This time period allows for the debt validation period to expire and a notification to be generated to the borrower disclosing that the account will be reported. Accounts that pay in full prior to this time period will not be reported.

Per the above specification, Alltran agrees if contractually obligated. However, Alltran would like to communicate the inherent risk associated with credit bureau reporting. In addition to the risk, there has been no conclusive proof of greater propensity to pay with credit bureau reporting.

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

Alltran has a strong working relationships with all major billing servicers; Educational Computer Systems, Inc. (ECSI/Heartland), Affiliated Computer Services (ACS/XEROX), and University Accounting Service (UAS). We are on-line with agency reports from billing servicers and have the capacity to receive placements through our SFTP Site. We have established file exchanges with them, attend their workshops and conferences, and work with their service personnel on behalf of mutual clients to provide exemplary service. On a weekly basis Alltran retrieves files from each of the billing servicers which are immediately transferred into our collection software.

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

### **Payment Reconciliation Process**

All physical payment instruments, along with all other payment types received and posted by the payment processing department, are reconciled to the CR Software on a daily basis. In addition, the payment processing department prepares the bank deposits and physical payment instruments for deposit in the designated bank trust accounts the following business day. The payment processing department also prepares a Daily Cash Summary sheet that is forwarded to the accounting department for review.

A detailed Cash Journal daily report is printed from the CR Software, balanced and then entered into a daily deposit reconciliation form by a payment processor. The report is balanced by trust account and payment type. The reconciliation form is verified by a second payment processor who then enters the data into the accounting system.

As a final step, the accounting department staff reconciles cash activity summaries on a daily basis from the payment processing department and compares the information to the activity of the respective bank trust account to ensure accuracy and completion of the transaction. All Institution deposits will be made within twenty-four (24) hours of receipt. Alltran further certifies our compliance with provisions governing cash management via our annual compliance audit for Title IV Programs. Our dedicated professional Cashiering Team is specifically devoted to accurate borrower payment processing.

Designated personnel are welcome to tour Alltran corporate headquarters at any time prior to contract award and throughout the performance of the contract to inspect this information, cash handling procedures, contract compliance, audit procedures and any other processes and procedures that are germane to our business relationship. All recovery related activities are fully documented and available for inspection at any time.

## Accounting

The primary function of the accounting department is to track all revenue and expenditures. More specific, they are responsible for financial accounting which includes financial and fixed asset reporting, corporate payroll, budgeting for each department, accounts payable as well as maintaining the general and subsidiary ledgers, processing and recording all revenues and preparation of financial statements. Accounting also handles the tracking of purchase orders, and management of the cashing process.



## Payment Processing

Several Quality control procedures have been implemented to ensure the accuracy of the cashing and deposit of funds.

- **Batch Approval** – Each cashing batch is reviewed by a second cashing clerk to verify the control totals of the batch.
- **Daily Balance Worksheet** – This report lists all payments and adjustment transactions for the day and is matched against the bank deposit slips. The daily balance worksheet is also utilized to verify deposit amounts.
- **Deposit Summary Review** – Each month, Client Trust Deposit totals are compared to the daily cashing totals to ensure 1) accuracy of deposits 2) timeliness of deposits.

Alltran's fund management with respect to the transfer of funds is specific to the individual needs of the client. Funds may be forwarded to the Institution's on any desired frequency. We presently remit daily, weekly, bi-weekly, and monthly for our clients. These funds may be remitted via ACH or check payment.

Designated Institution personnel are welcome to tour Alltran corporate headquarters at any time prior to contract award and throughout the performance of the contract. All recovery related activities are fully documented and available for inspection at any time. Designated personnel may choose to view all student account activity and transactions via our client portal Navigate and/or may visit our office to inspect this information, cash handling procedures, contract compliance, audit procedures and any other processes and procedures that are germane to our business relationship.

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

Alltran will ensure all checks have cleared prior to posting. Standard operating procedure utilizes a ten to fifteen (10 – 15) day hold on all checks prior to posting on the account to reduce or eliminate insufficient fund issues. Alltran's fund management with respect to the transfer of funds is specific to the individual needs of the client.

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

Alltran understands that billing mistakes do happen. When a borrower disputes the amount, our Account Representatives are trained to accept the contention, and will make a request for the designated client service representative to verify the amount of the debt with our client. Representatives may ask the borrower to provide a written dispute, receipt, or copy of the cancelled check or money order to help understand and address the claim. Representatives are trained to request that the borrower put their dispute in writing so we can share it with the client. Borrowers will be notified that Alltran will cease all recovery efforts temporarily while waiting for their correspondence but may resume contacting them if we do not receive their dispute in writing. All work will be stopped on the account until client verification of the debt is received.

The highlighted section of the law was written for the benefit of the borrower who has a legitimate dispute. However, if a client verifies the debt and the amount, the appropriate records will be sent to the borrower, and collection efforts will resume. While verification/validation of a debt technically only requires an agency to confirm the debt with the client and confirm that in writing to the borrower, many of our clients will provide us documentation. This assists us in responding to borrower disputes as we are able to provide a copy of an application or billing statements that may be responsive to a specific question the borrower had regarding the account.

The most common borrower disputes are:

- Borrower states they have already paid the account in full or in part.
- Borrower states that the bill is not theirs, i.e., they do not owe the debt and it was sent in error.
- Borrower states that he returned the merchandise and therefore does not owe the debt.
- Borrower claims that he never received the services or merchandise.

Verification of debt may take several weeks to receive. Representatives understand they must not contact the borrower again until the client confirms the disputed debt. Then recovery efforts will resume, if it is appropriate. If the client determines that the borrower is not liable for the debt, the account will be recalled by the client, and the account will be closed. If Alltran does not receive verification, we will return the account to the client without taking further collection efforts.

## Disputed Debt

Congress established the following guidelines when a consumer disputes a debt.

“If the consumer notifies the debt collector in writing within the thirty-day period described in subsection (a) that the debt, or any portion thereof, is disputed, or that the consumer requests the name and address of the original creditor, the debt collector shall cease collection of the debt or any disputed portion thereof, until the debt collector obtains verification of the debt or a copy of a judgment, or the name and address of the original creditor and a copy of such verification or judgment, or name and address of the original creditor is mailed to the consumer by the debt collector.”

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

### **Client Relations**

Alltran' Client Services Department is responsible for directly facilitating our client relationships and the connection between our clients and the various other departments at Alltran. Our award winning client relations staff consistently delivers exceptional customer service to our client base. This is achieved by providing rigorous initial and on-going customer service training to the staff, managing customer service representative client workloads to a maximum of forty (40) clients per representative, providing multiple tiers of customer service touch points from the client service representative, the sales representative/contract manager, operations and the VP of Client Services.

Upon initial engagement, Alltran Client Relations team follows a formal protocol for onboarding clients that include initial set up, customized configuration, and training to ensure full access to required information. During this process an individual client profile for the Institution's which will map out the specifics on how information will be communicated including notifications regarding placements.

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

Alltran understands and agrees to automatically close and return all accounts without payment activity for a period predetermined by the Institution's, typically twelve (12) months, or upon request. The Institution may cancel, recall or request return of an account due to administrative reasons at any time in writing and without penalty. Alltran will subsequently close and return the account with an acknowledgement in writing.

When an account has not been converted into active repayment within twelve (12) months, it will be closed. Other circumstances could also be:

- Per Institution's request
- Paid in full
- Settled in Full
- Assigned in error
- Discovered the account is uncollectible

Alltran will only declare an account uncollectible and eligible for return if the borrower has demonstrated that repayment is either legally or completely impossible. Unless an account is determined to belong to a deceased or incarcerated borrower, our account representatives consistently work accounts throughout the time of placement. A temporary or current inability to begin repayment is not considered uncollectible and all recovery activity will continue during the allocated period.

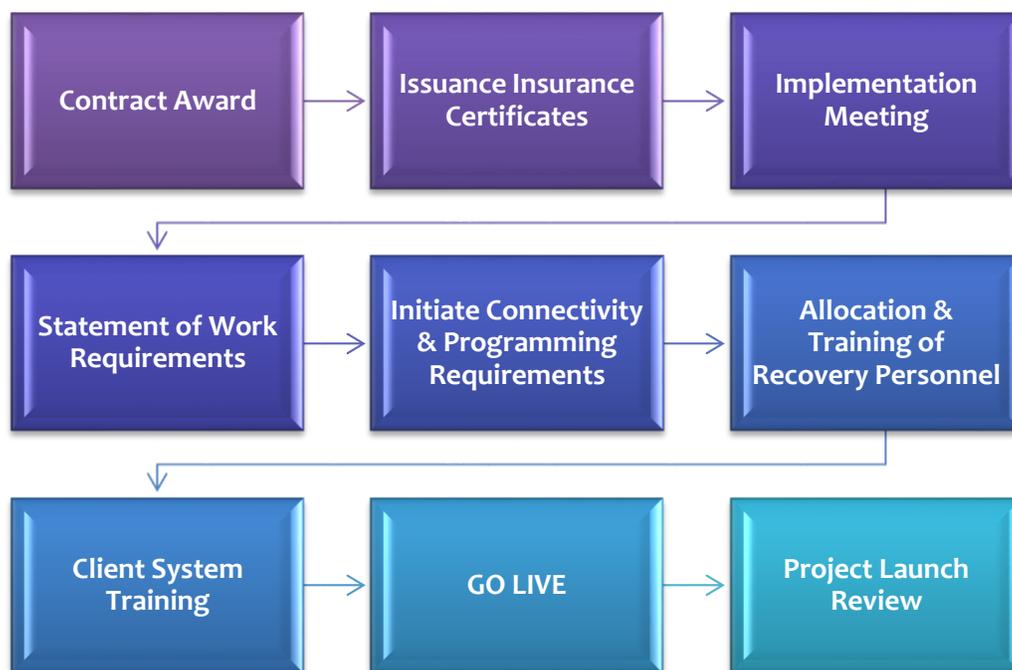
The Institutions will be provided with an Account Cancellation Report (Cancel Report) on a monthly basis listing accounts canceled during the previous calendar month, including accounts that have no payment activity within twelve (12) months. This report is sorted alphabetically with account number reference unless otherwise designated.

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.

## Implementation Plan & Support Team

Alltran follows a strict project and implementation plan that starts with the compilation of a dedicated team that will plan and launch the contracted program. This team has a tremendous amount of project experience and has successfully implemented many service projects. We look to leverage our “best in class” resources to build a team that will deliver the experience that the Institutions expect and deserve.

### Implementation Flow Chart



Upon contract award, Alltran will immediately make arrangements for the designated Contract Manager to meet with appropriate Institution personnel with the purpose of reviewing your expectations and ensuring that all deliverables under the scope of this RFP will be met.

Activities that occur within five (5) days of contract award:

#### Contract Initiation & Requirements

- Issuance of insurance certificates verifying insurance coverage's
- Contact appropriate personnel to establish implementation meeting and schedule

Activities that occur within the first ten (10) days of contract award or selection:

- Execution of contract
- Implementation Kickoff Meeting - The implementation meeting would last approximately two (2) hours. The implementation of procedures at our offices should take no longer than twenty-four (24) hours.

### Operations

- Allocation of personnel to contract - Upon conclusion of the Implementation Meeting, the Operations Manager will allocate the personnel resources required under this contract.

### Technical

- Initiate ETL programming of data files (text, CSV, Microsoft Excel) for import to and export from CR Software. Files include: Placement, Payment, Reconciliation, and Recall.
- Client Setup in CR Software (Client Relations)
  - ✓ Establish account hierarchy configuration
  - ✓ Configure reports – Snapshot of accounts, Recovery, Payment, Audit Report, Invoices
  - ✓ Configure workflows, queues
- Initiate integration
  - ✓ Establish user accounts across the connection

Activities in days eleven to thirty (11-30):

### Operations

- Training of personnel on procedures and timelines developed specifically for the contract. Client training programs will generally consist of two (2) hours of classroom training.
- Establish bank wire/ACH procedures if required.
- Client Relations will provide gap training to staff on use of our web based client portal.

Activities that occur thirty (30) days subsequent to receipt of first accounts for placement:

- Contract review meeting with Institution personnel to confirm that all contractual requirements are being met (Contract Manager)
- Team meeting to discuss findings of contract review meeting.

Alltran will achieve a seamless transition of services outlined in this RFP upon execution of an agreement. Regular communication between stakeholders beginning at contract award through approximately sixty (60) days after the first account placements ensures a successful project launch. The Contract Manager, Mr. Michael Robinson, will be available to Institution personnel, at any time via phone and email, to ensure client satisfaction and that all contract deliverables are being met.

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.

## Reporting

Alltran offers ten (10) standard reports, which are provided monthly or can be generated real time via our client web portal. In addition to standard reports, Alltran has the ability to query any field for customized reports. Our client web portal is secure and allows you the unique ability to view complete borrower account information and request on-demand reports, all in real time. Reports may be provided electronically in Excel (.csv) or PDF (.pdf) format, via encrypted email or mailed via United States Postal Service (USPS). The Institutions may specify the frequency of any report desired.

### Account/Borrower Reports:

- Alltran provides a new **Account Acknowledgment Report** within two (2) working days of the date of receipt by Alltran for each group of accounts assigned. This report will verify the accuracy of the accounts that have been assigned by validating the number of accounts referred and the aggregate balances as well as individual account balances of borrowers.
- An **Account Status Report** is provided on a monthly basis, or as frequently as desired. Each account will be identified alphabetically by borrower name along with an account reference number. This cumulative report is designed to give a complete overview of all accounts at a glance.
- Alltran will present a **Statement of Account** and remittance of collections monthly. We will also provide a separate direct payment report, if desired. Statements may be presented in the gross amount collected or net of fees owed on the collection transactions and may be provided daily, weekly, bi-weekly or monthly, the remittance may also be presented as a payment file.
- Alltran provides a monthly **Borrower Information Update Report** that details the name and address changes that have occurred in the previous month.

### Management Reports

- The **History Analysis Report** tracks recovery and collection activity by month and year of account assignment going back to the first month you placed account. This report takes the guesswork out of agency performance. It will provide: assignments, recovery percentages, canceled amounts, and payment and yield amounts. The History Analysis Report can also serve as a projection tool for forecasting future income and yield. It can be provided monthly and on-demand.
- The **Collection Summary Report** tracks placements, cancellations, recovery, and recovery percentage by month and year of account assignment going back to the first month of account placement. This report differs from the History Report, which provides performance by month batch.
- The **Detail Analysis Report** tracks recovery and collection activity by month and year of account assignment going back one (1) calendar year. It will show at a glance: assignments, recovery percentages, canceled amounts, and payment and yield amounts. The Detail Analysis Report can also serve as a projection tool for forecasting future income and yield.
- Alltran will provide a **Data Integrity Analysis Report** which offers an in-depth breakdown of the total number and percentage of accounts in each of the various collection statuses. This report is useful in identifying the activity level of your portfolio.
- Alltran provides an **Account Cancellation Report** (Cancel Report) on a monthly basis listing accounts canceled during the previous calendar month, including accounts that have no payment activity within twelve (12) months. This report is sorted alphabetically with account number reference as well as a date-canceled column. It is important to note that account cancellations can be reported in an electronic file format that is specified by school personnel.
- The **Spindown Report** provides a 360-day collection analysis in which agency recovery amount and percentage are segmented into 30-day increments. The report is a useful tool in forecasting portfolio recovery on accounts placed and in assessing agency performance.

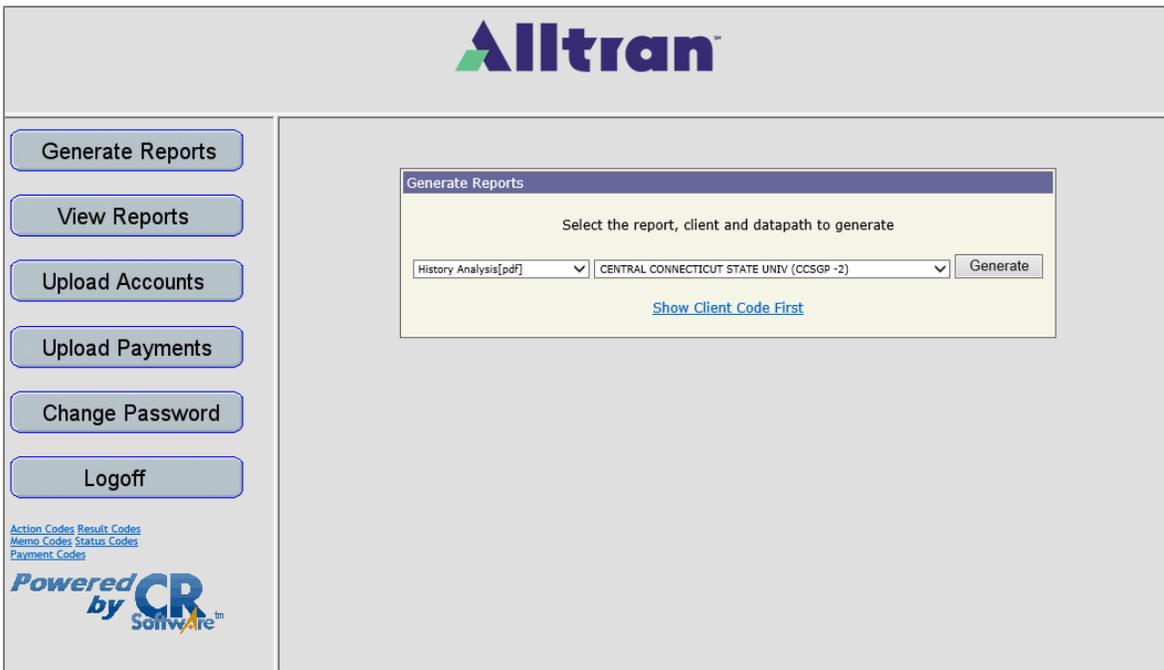
Please find included with our submission as Exhibit IV – Sample Reports.

## Client Portal – Navigate

Alltran will continue to provide the Institutions with on-line, real-time access to all accounts via our client portal Navigate. In 2000, Alltran was one of the first collection agencies to provide web-based (on-line) reporting services to our clients. Since that time, our website has been constantly evolving. Alltran has since initiated CR Software, a powerful suite of products which provides Alltran with a more efficient management of your accounts while supporting a more robust client reporting module through the Navigate client module. Our client web portal is secure and allows you the unique ability to view complete borrower account information and request on-demand reports, all in **real time**.

The Alltran client portal allows clients to view borrower data such as:

- Demographics: including address, phone, and employment information
- Balance Breakdown by bucket: at placement and current
- All historical documentation: collector notes, letters sent, phone calls, skip attempts, etc.
- Payment History: all payments made as well as payment applications to the balance



The screenshot shows the Alltran Client Portal interface. At the top is the Alltran logo. On the left side, there is a vertical menu with buttons for: Generate Reports, View Reports, Upload Accounts, Upload Payments, Change Password, and Logoff. Below these buttons are links for Action Codes, Result Codes, Memo Codes, Status Codes, and Payment Codes, followed by the 'Powered by CR Software' logo. The main content area displays a 'Generate Reports' window with the instruction 'Select the report, client and datapath to generate'. It features two dropdown menus: the first is set to 'History Analysis[.pdf]' and the second is set to 'CENTRAL CONNECTICUT STATE UNIV (CCSGP -2)'. A 'Generate' button is located to the right of the second dropdown. Below the dropdowns is a blue link that says 'Show Client Code First'.

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

Alltran categorizes accounts for various purposes based on client specification, account type, age of account, etc;

0 MISC	19 GENERAL ACCTS RECEIV	53 PRIVATE LOANS 4TH
1 PRE-COLLECT	20 GRANT REPAYMENT 1ST	54 PRIVATE LOANS LEGAL
2 COHORT	21 GRANT REPAYMENT 2NDS	55 CURE ACCOUNTS
3 PERKINS 1ST	22 UNIV ACCOUNTS FIRSTS	60 SKIP TRACE PROJECT
4 PERKINS 2ND	23 UNIV ACCTS SECONDS	61 FP1-FOR PROFIT 1ST
5 PERKINS 3RDS	24 UNIV ACCOUNTS LEGAL	62 FP2-FOR PORFIT 2NDS
6 PERKINS LEGAL	25 MEDICAL LOAN 1ST	63 FP3-FOR PROFIT 3RDS
7 STUDENT ACCT REC 1ST	26 MEDICAL LOAN 2NDS	65 GOVERMENT SERVICES
8 STUDENT ACCT REC 2ND	27 FIN AID OVER AWARD	70 BUSINESS ACCOUNTS
9 STUDENT REC 3RDS	28 INSTITUTIONAL LEGAL	71 CAMPUS COMMERCIAL
10 STUDENT REC LEGAL	30 GUARANTEE AGENCY	80 EDUCATIONAL DEBT
11 INSTITUTIONAL 1ST	45 DEBT BUYER	90 DEFAULT AVERSION
12 INSTITUTIONAL 2ND	46 CREDIT CARDS 1ST PLA	91 MEDICAL CLIENT
13 INST LOAN 3RDS	47 CREDIT CARDS 2ND PLA	92 SPECIAL ACCOUNTS
14 HPSL 1ST	48 CREDIT CARDS 3RD PLA	95 GGPARENT SUB CODES
15 HPSL 2ND	49 DEFICIENCY BALANCES	96 GRANDPARENT PRECOLLT
16 NURSING LOAN 1ST	50 PRIVATE LOANS 1ST PL	97 PARENT
17 NURSING LOAN 2ND	51 PRIVATE LOANS 2ND PL	98 GRANDPARENT
18 NURSING LOANS LEGAL	52 PRIVATE LOANS 3RD PL	99 GREAT GRANDPARENT

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

In addition to standard reporting, CR Software has a module called Report Writer, which enables us to query any data field in the system. This enables us to design virtually any report that our clients request. These reports may be made available at any interval desired by the client. Customized reports are generally available within twenty-four (24) hours of request by our clients. All Reports provided to the Institutions are available online via Navigate and in hard copy via mail.

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

The preparation and assistance with the Fiscal Operations Report and Application to Participate (FISAP) is coordinated by the billing servicer. Alltran understands the significance of the FISAP in the management of Perkins loans and the Institution's Cohort default rate. However, Alltran does not typically assist with the process.

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

### International Recovery

We provide services to borrowers residing in every state across the country and countries all around the world. University campuses are seeing a growing trend of increased international student enrollment. As a result, Alltran has developed a strategy to handle all International Accounts Receivables. Each team member works to complete recovery activities in the borrower's time zone. The Alltran International Recovery Team is prompt, professional and ethical. This specialized unit allows Alltran to deliver a fast and effective recovery strategy to borrowers residing outside the United States.



For borrowers that speak a foreign language, multi-lingual account representatives are made available to assist with interpretation. Alltran currently employs multi-lingual recovery specialists including: Spanish, Greek, German, Italian, French, Russian and Polish. When the communication obstacle is eliminated, the process of recovery is identical to our domestic recovery process.

International Payment Processing – Through a partnership with PeerTransfer, an online payment forum, Alltran has capitalized on an innovative way to streamline international education payments. This enterprise has yielded payments from countries all around the world including Australia, British Virgin Islands, Canada, Colombia, Germany, Italy, Mexico, Nigeria, Peru, Republic of Korea, Spain, Switzerland, Trinidad and Tobago, the United Kingdom and Zimbabwe, to name a few. PeerTransfer eliminates hidden bank fees – ensuring proper payment amounts are received and permits the borrower to pay their balance in their own currency.

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

### Professional Affiliations

Alltran actively participates on committees and as speakers in trade associations, allowing us to promote the programs within the industry and to remain at the forefront of upcoming industry regulations. Since our inception, our involvement with these organizations has provided Alltran with the necessary insight into the development and implementation of the Federal regulations that impact the collections industry. In addition, this participation allows members of our staff to gain tremendous knowledge of the dynamics of various public and private administrations. The end result is that we have developed the professional instincts required to assist our clients with their unique account resolution needs.



NAME OF ORGANIZATION	LEVEL OF INVOLVEMENT
ACA (American Collectors' Association)	We have been a member since inception in 1988. Alltran exhibited at all of the higher education conferences held by the ACA and participated in several teleconferences annually.
BBB (Better Business Bureau)	Alltran is a successfully vetted business, with an A+ Accreditation from the BBB.
COHEAO (Coalition of Higher Education Assistance Organizations)	We have been members of COHEAO since 1989. Alltran staff has been members of the steering committee or task forces each year since 1989.
CAASLAR (Colorado Association of Administrators of Student Loans and Account Receivables)	Alltran has exhibited and been a sponsor at every Conference since inception of the organization.
EARMA (Educational Accounts Receivable Management Association)	Alltran has exhibited at EARMA Conferences since 1989.
ECSI's Annual Conference	Alltran personnel attend the annual ECSI Users' Conference. Additionally, Alltran provides sponsorship for the event each year.
FABSAA (Florida Association of Bursars and Student Accounting Administrators)	Alltran has exhibited and been a Gold Sponsor since the organization's inception in 2003.
Great Plains Collections Network	Alltran personnel attend each Great Plains Meeting.
Higher Education Account Receivables Organization (HEARO)	Alltran representative was a founding committee member of HEARO and continues to be an active participant.
IACUBO (Indiana Association of College and University Business Officers)	Alltran has exhibited and provided sponsorship for the annual meetings.
IBO (Illinois Bursars' Organization)	Members of the Alltran Senior Management Team attend the annual IBO Meeting.
ISLA (Illinois Student Loan Association)	Members of Alltran staff are involved in the annual planning of the ISLA Conference, as well as present and exhibit at the annual meeting.
KASFAA (Kansas Association of Student Financial Aid Administrators)	Alltran attends the Fall KASFAA meeting and exhibits at the annual spring meeting.
KASRO (Kentucky Association of Student Receivables Officers)	Alltran has been exhibiting and providing sponsorship at this conference since inception.

NAME OF ORGANIZATION	LEVEL OF INVOLVEMENT
Massachusetts' Bursar Organization	Alltran personnel attend the meetings bi-annually and provide sponsorship.
MABUG (Mid-Atlantic Banner User Group)	Members of Alltran Sales and Marketing team attend the annual meeting. Alltran also provides sponsorship for the organization.
MASFSA (Michigan Association of Student Financial Services Administrators)	Alltran has been exhibiting and providing sponsorship for this organization since its inception in 2005.
Minnesota Collection Network	Alltran has exhibited and provided additional sponsorship for the past fifteen (15) years at the Minnesota Collection Network.
NACUBO (National Association of College and University Business Officers)	Alltran has attended and exhibited at the NACUBO Student Loan Conferences since 1990. Alltran has been an exhibitor at each of Student Financial Services Conferences.
NCHER (National Council of Higher Education Resources) (Formerly NCHELP)	Alltran has been a member of NCHER for fourteen (14) years. Members of the Alltran staff attend, exhibit, and are active in the NCHER Organization.
NYSOBBA (New York State Organization of Bursars and Business Administrators)	Alltran has been a member of NYSOBBA for more than twenty (20) years. Members of Alltran staff attend, exhibit and are active in the Organization.
OBA (Ohio Bursars' Association)	Alltran has been a member of the OBA, exhibited at the annual conference, and provided sponsorship to the organization for fifteen (15) years.
PAC-10 now the Western states Conference	Alltran has provided sponsorship for this annual conference for the past fifteen (15) years.
PACWEST	Alltran has been a Presenting Partner at the PACWEST Conference and exhibited each year since the conference inception.
PDG (Professional Development Group)	Alltran has exhibited at each PDG Conferences, held annually for the past twenty-three (23) years.
Texas BUCS	Alltran has attended and provided sponsorship at the BUCS Conference since inception.
UASLA (Utah Association of Student Loan Administrators)	Alltran has sponsored and attended the UASLA Conference twice per year for the past ten (10) years.
WASBOPA (Wisconsin Association of Student Business Office Personnel and Administrators)	Alltran has attended and been presenters at WASBOPA annual Conference.

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

In 2013, Enterprise Recovery Systems, Inc. (ERS) was purchased by ERS Acquisition, Corporation held by URS Holdings which owns several companies specializing in Accounts Receivable Management. URS has been in the ARM business since 1977. In September of 2016, ERS underwent a re-branding to the new Alltran Education, Inc.

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.

Alltran has not been cited for any audit exceptions within the last five (5) years.

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

Alltran does not have any past or pending investigation, litigation or claims that would affect our performance on a contract with the Institution's.

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

Alltran Education, Inc. is part of Affiliated Revenue Management Companies, with core specialties in Higher Education, Government, Financial Services and Health Care. Alltran Education, Inc. has focused on managing the needs of the Higher Education Community and Government sector, since 1988. Its client base consists of the Department of Education (ED), and over 200 colleges and universities.

Alltran Financial Services, LP has been specializing in Accounts Receivable Management since being founded in 1977. Over the last thirty-nine (39) years, we have amassed a diverse portfolio of clients within the Financial Services Industry; including many of the country's top ten (10) Banks, Auto Finance Companies, Retail Finance Organizations, Credit Unions, Online Lenders, and other Financial Institutions. Our experience extends to accounts including: First Party, Third Party, Pre-Charge Off, Primary, Secondary, and Late Stage accounts, amounting to roughly \$500 million in placements a month.

Alltran Healthcare, Inc. has concentrated their business efforts in the service support of the Healthcare industry since 1977. Its client base consists of 190 large healthcare systems, general hospitals, physician practice groups', clinics, acute care specialty hospitals, and post-acute care facilities, offering highly effective third-party services in both the public and private sector. Alltran Healthcare works all account types and diverse portfolio assignments containing varying placements levels, balances and volumes, with over \$500 million annual bad debt placements.

Alltran's new senior management team brought forward additional resources from its parent company to promote systemic controls focused on improving processes and procedures and bringing customer service to a new level. Alltran has implemented the most comprehensive compliance and quality assurance program in the ARM industry. In place is a obligatory degree of control to limit risk and bring about process improvement necessary to enhance service delivery to our clients and their customers.

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.

### Availability - Client Service

Our client relationships are the cornerstone of our enterprise. Alltran follows the principle, “treat others as you wish to be treated”. This is paramount when a client is trying to contact our company. During standard business hours, the Client Relations department is always staffed by a live operator. The Institution’s will be greeted by a friendly individual, knowledgeable about our company and able to assist your personnel promptly.

All client inquiries will be responded to prior to the completion of business each day. This is not to say that communication will not happen quicker than that. However it is a minimum standard requirement. In instances where the request will take more time than the end of the day, the expected timeframe in which the request will be delivered will be presented to the client prior to the end of the day.

The Alltran – Institution’s project team will provide multiple tiers of customer service touch points from the Relations Representative, Contract Manager, Customer Service Manager, and the Operations Manager. These individuals will be responsible for ensuring the following;

- Client requests are responded to in accordance with the established timeframe
- Responses to client requests are responded to accurately
- Alltran Account Representatives are providing excellent customer service
- File Exchanges are being performed accurately and within the prescribed time frames
- Reports are being performed accurately and within the prescribed time frames
- Remittances are error free and being provided within the prescribed time frames

The Institutions will have full access to all of the resources at Alltran. The success of the contract is a shared responsibility between all departments. The team of professionals we have chosen to work this project will devote as much time as necessary to accomplish the goals established in the contract.

Alltran pledges our commitment to developing a partnership with the Institution’s. Upon award, Alltran will assign a dedicated Contract Manager for the Institution’s contract. The Contract Manager will hold quarterly business reviews with the Institutions. These meetings will provide the Institution’s with an opportunity to discuss compliance with the terms of this contract, areas of strength in contract performance as well as areas of opportunity. The Contract Manager will then share takeaways with the teams involved in implementing change and coordinating activities of the various departments at Alltran. This will help us ensure contractual requirements are being met from a customer service and operations perspective.



**Vice President of Business Development, Michael Robinson**

Mr. Michael Robinson, VP of Business Development, is the primary contact for this RFP and will be responsible for responding to any questions, and negotiating any future contract. Upon award, Mr. Robinson will fulfill the role of Contract Manager for Institution's. In his role as Contract Manager, he will ensure the scope of services are provided expeditiously; demonstrating our commitment to meet, and at times exceed, the timeline requirements set by the contract. Mr. Robinson has over twenty (20) years of Higher Education ARM experience working with institutions similar in size and scope. He has a reputation as an industry leader in creating customized recovery plans and for ensuring contractual compliance for all of his clients. Mr. Robinson is available by telephone, email, and for in-person meetings on a regular basis.

Michael Robinson, VP of Business Development  
(803) 493-4258  
[michael.robinson@alltran.com](mailto:michael.robinson@alltran.com)

**Client Services Manager, Shawna Meeuwsen**

Ms. Meeuwsen joined the Alltran team in 2008 as a Client Relations Representative. Throughout her tenure, she has demonstrated a strong record of impeccable service. Her unmatched work ethic has earned her multiple promotions including; Client Relations Supervisor, Litigation Manager, to her current role as Client Services Manager. Her drive to provide exceptional client service, both internal and external, has been instrumental in building the client support we at Alltran strive to provide. She will apply this strength of character to her role as primary support to the Institutions. As the liaison for Institutions, she will focus on providing solutions and ideas that will improve efficiencies of processes and procedures. Ms. Meeuwsen earned her degree in Paralegal Studies.

Shawna Meeuwsen, Client Services Manager  
(800) 446-4377 ext. 7257  
[smeeuwsen@alltran.com](mailto:smeeuwsen@alltran.com)

**Director of Operations, Linda Schnell**

Ms. Linda Schnell has fifteen (15) years of experience in the Accounts Receivable Management (ARM) industry directly dedicated to Higher Education. As the Director of Operations, Ms. Schnell will utilize her extensive background in management, compliance and quality service. She will define performance requirements for the staff and ensure audits are executed to govern expectations. In this role, Ms. Schnell has the responsibility of ensuring that the activities of Alltran are in compliance with all applicable provisions of the Federal regulations pertaining to Title IV Collections, laws pertaining to fair debt collection practices, and the provisions set forth by our clients. She is also responsible for the treatment of and resolution of inquiries and issues regarding accounts and contractor actions raised by borrowers, lenders, and your personnel, which are not satisfactorily dealt with at a lower level.

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.

#### ALLTRAN EDUCATION, INC. CONFIDENTIAL INFORMATION STATEMENT

The proprietary information detailed within the Alltran Financial Statements is considered to be “trade secret status” and thus confidential and cannot be reproduced or generally disseminated.

Alltran is one of the industry’s most financially secure and stable firms. Evidence of our financial stability can be found in our most recent 2017 audited Financial Statement included as Exhibit V.

The Dun and Bradstreet ID for Alltran is 60-497-6399.

Please find included as Exhibit VI – Dun & Bradstreet Report.

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.

### References

We are proud of the client base we have established over the past thirty (30) years. Detailed below is a client list, all current and similar in scope of services to those requested herein.

CLIENT AND LOCATION	CONTACT & INFORMATION	CONTRACT DESCRIPTION
<b>University of Illinois</b> 506 S. Wright St. 162 Admin Building Urbana, IL 61801	Mr. John Hockersmith Associate Director, Student Financial Services (217) 333-5396 <a href="mailto:jhckers@uillinois.edu">jhckers@uillinois.edu</a>	<ul style="list-style-type: none"> <li>▪ Recovery services for tuition and fee accounts, General Accounts Receivable, Perkins, Institutional, Nursing, and Health Professions Loans</li> <li>▪ Partnership since 1992</li> </ul>
<b>University of Pittsburgh</b> 127 Thackeray Hall Pittsburgh, PA 15260	Ms. Joanne Stumme Director, University Collections (412) 624-7555 <a href="mailto:jstumme@cfo.pitt.edu">jstumme@cfo.pitt.edu</a>	<ul style="list-style-type: none"> <li>▪ Recovery of delinquent Student Receivables, HPSL, Nursing, Institutional, and Perkins Loans (including cohort)</li> <li>▪ Partnership since 1996</li> </ul>
<b>University of Maine System</b> 244 Neville Hall Orono, ME 04469	Ms. Jolynn Campbell Student Loan Manager (207) 561-3449 <a href="mailto:Jolynn@maine.edu">Jolynn@maine.edu</a>	<ul style="list-style-type: none"> <li>▪ Recovery services for Perkins, Institutional, and Nursing Loans for this seven (7) campus system</li> <li>▪ Partnership since 1997</li> </ul>

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.

Detailed in the table below is our average annual Recovery Analysis for the past three (3) years, calculated by using average monthly collections divided by average monthly inventory.

<b>RECOVERY PERFORMANCE SUMMARY</b>				
<b>Year Account Type</b>	<b>Total \$ Inventory</b>	<b>Total Number of Accounts</b>	<b>Total \$ Recovered</b>	<b>Recovery % (Year)</b>
<b>2015</b>				
Receivables	\$216,769,734.32	105,965	\$60,234,660.45	27%
Perkins	\$60,495,991.01	26,123	\$24,299,816.21	40%
Institutional Loans	\$18,910,002.83	3,599	\$4,877,425.03	26%
Other	\$13,878,407.33	10,330	\$3,400,921.12	25%
<b>TOTAL</b>	<b>\$310,054,135.49</b>	<b>146,017</b>	<b>\$92,812,822.81</b>	<b>30%</b>
<b>2016</b>				
Receivables	\$192,371,130.48	99,599	\$55,105,391.07	29%
Perkins	\$60,902,631.99	19,418	\$20,176,321.26	33%
Institutional Loans	\$19,574,737.43	2,934	\$5,101,336.73	26%
Other	\$9,464,846.81	14,387	\$2,137,934.61	23%
<b>TOTAL</b>	<b>\$282,313,346.71</b>	<b>136,338</b>	<b>\$82,520,983.67</b>	<b>29%</b>
<b>2017</b>				
Receivables	\$179,084,702.00	82,641	\$22,975,336.00	13%*
Perkins	\$72,223,796.00	20,863	\$18,520,344.00	26%*
Institutional Loans	\$21,801,853.00	1,670	\$3,149,225.00	14%*
Other	\$9,419,425.00	46,560	\$2,383,122.00	25%*
<b>TOTAL</b>	<b>\$282,529,776.00</b>	<b>151,734</b>	<b>\$48,028,027.00</b>	<b>22%*</b>

\*The recovery percentages reflected will continue to increase as we continue to collect on the remaining active portfolio in the years identified above. 2017 will have a more significant increase since it is the most recent portfolio and therefore has more active inventory.

**Performance Statistics**

<b>Account Type</b>	<b>2015 Recovery @ 6 month</b>	<b>2015 Recovery @ 12 month</b>	<b>2016 Recovery @ 6 month</b>	<b>2016 Recovery @ 12 month</b>	<b>2017 Recovery @ 6 month</b>	<b>2017 Recovery @ 12 month</b>	<b>2018 Recovery @ 6 month</b>
Receivables 1 <sup>st</sup>	34%	33%	32%	34%	33%	31%	31%
Receivables 2 <sup>nd</sup>	28%	25%	25%	23%	25%	26%	25%

The recovery rate of Student Receivables varies dependent upon factors such as efforts made prior to placement, age of account, balance size, type of institution, the socio-economics of the portfolio, and such. However, our experience provides exceptional recovery performance year over year.

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*).

As a current partner of JMU and other VASCUPP institutions, Alltran is familiar with and able to accommodate the varied requirements of each Institution.

### Client Relations

Alltran' Client Services Department is responsible for directly facilitating our client relationships and the connection between our clients and the various other departments at Alltran. Our award winning client relations staff consistently delivers exceptional customer service to our client base. This is achieved by providing rigorous initial and on-going customer service training to the staff, managing customer service representative client workloads to a maximum of forty (40) clients per representative, providing multiple tiers of customer service touch points from the client service representative, the sales representative/contract manager, operations and the VP of Client Services.

### Client Relations Representative

Alltran fosters a support driven approach which dedicates customer support members to every client. Their sole function is to ensure that each and every client is provided with a full-service customer experience. The primary contact is the Client Relations Representative (CRR), who is responsible for day-to-day client interaction and can be utilized as a resource for resolving any customer issues. In addition to the dedicated CRR, a secondary Representative will be cross-trained for the contract. This will guarantee the Institutions receive prompt and accurate service even in instances where the dedicated CRR is unavailable.



37. Describe all methods for processing payments from debtors.

### Payment Mechanisms

Incorporated into our recovery process are payment methods designed to facilitate easier payment from borrowers. **There are no costs to customers for utilizing any payment method.**

**Quick Pay** - Check by phone/Automated Clearing House (ACH) Payments are checks that are created upon authority of the owner of the checking account. Unlike traditional checks, remotely created checks do not bear the borrower's signature which lends this type of payment to a higher likelihood of abuse. Due to the higher level of regulatory scrutiny associated with remotely created checks due to the vulnerability of fraud, Alltran only allows a one-time ACH Payment.

**Post-Dated Electronic Check Payments** – To accommodate consistent payments over time, Alltran will request from borrowers up to twelve (12) post-dated payments for deposit at the intervals agreed upon between the borrower and Alltran. Consistent with the FDCPA regulations Section 808(2) governing the handling of PEC's, Alltran will generate a posting reminder no sooner than ten (10) days prior to the deposit of these funds.

**Credit Card Payment** – Alltran accepts Visa, MasterCard and Discover payments from borrowers who wish to pay by credit card.

**Debit Card Payment** – Many borrowers choose to pay directly from their bank account using a debit card.

**Wire Transfers** – In some instances, Alltran will accept wire transfers from borrowers directly into our trust account. Generally, these wire transfers are for larger balance payments and typically from a lending source secured by the borrower.

**On-Site Payments** – Local borrowers can expedite payment posting by making a payment at our corporate office.

**E-Commerce Site** – To perform in today's marketplace, an agency must offer services twenty-four (24) hours a day, seven (7) days a week and 365 days a year. Additionally, today's borrowers are technically savvy and rely heavily upon access to the digital world. Understanding the demographic of today's borrowers allowed Alltran to respond with a technologically concentrated solution. Alltran maintains an e-commerce website, Help-U-Pay, a valuable added service, exclusively for borrowers. Once a borrower has been directed, through our letter campaign or by their Account Representative, to the helpupay.com website, managing their account is simple. The e-commerce site allows borrowers to make payments via credit card or ACH and update demographic information. In addition, borrowers may communicate via messaging with Alltran Account Representatives or refer to our Frequently Asked Questions (FAQ) link. Help-U-Pay allows the borrower to simply sign in and manage their account at any time, from anywhere.



38. Provide the following if the proposed solution processes card holder data or redirects to a separate payment site:
- Up-to-date, signed documentation that the proposed solution and firm is compliant with all PCI-DSS requirements.
  - Documentation of your firm's most recent PCI system scan and the signature page from your Attestation of Compliance (AOC).
  - 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.

Please find included with our submission as Exhibit VII – PCI-DSS Compliance Scan.

## PCI-Compliance

Alltran utilizes QualysGuard Payment Card Industry Data Security Standards (PCI-DSS) compliance scanning and reporting to identify external vulnerabilities. The Alltran Director of IT facilitates threat remediation through the implementation of the required patches and fixes, along with configuration changes to maintain PCI-DSS compliance. These vulnerability scans are run on no less than a quarterly basis. Alltran achieved initial PCI-DSS compliance on June 17, 2010, and continues to ensure its accreditation through satisfaction of requirements. All non-editable reports are retained on the Qualys web site and in the Alltran IT Knowledge Store.



Alltran accepts Automated Clearing House (ACH) and credit card transactions. Credit card transactions are done through our PCI certified vendor BillingTree. On a daily basis, credit card payment files are PGP encrypted and forwarded to BillingTree for processing. Alltran is the originator of ACH transactions and is PCI compliant.

Alltran does not currently undergo SSAE-16 audits. The control requirements of Federal Information Security Management Act (FISMA) are equally if not more rigorous than the SSAE-16 requirements, because certification requirements are ongoing, and under constant scrutiny by the US Department of Education to ensure that Alltran complies with National Institute of Standards and Technologies (NIST) guidelines.

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## 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](http://www.VASCUPP.org).
6. Proposed Cost. See Section X. Pricing Schedule of this Request for Proposal.

Alltran has carefully reviewed, understands and agrees to the aforementioned contractual specifications, *V – Proposal Preparation and Submission*, as detailed herein.

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## 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	<u>20</u>
	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.

Alltran has carefully reviewed, understands and agrees to the aforementioned contractual specifications, *VI – Evaluation and Award Criteria*, as detailed herein.

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## 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](http://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](http://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 procurement 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](http://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.

Alltran has carefully reviewed, understands and agrees to the aforementioned contractual specifications, VII – *General Terms and Conditions*, as detailed herein.

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](http://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 SBSB-certified small businesses. This shall not exclude SBSB-certified women-owned and minority-owned businesses when they have received SBSB 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 (SBSB) 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 SBSB 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 (SBSB) 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 (SBSB)-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.

Alltran has carefully reviewed, understands and agrees to the aforementioned contractual specifications, *VIII – Special Terms and Conditions*, as detailed herein.

## 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.

Alltran has carefully reviewed, understands and agrees to the aforementioned contractual specifications, *IX – Method of Payment*, as detailed herein.

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## 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.

Alltran proposes the following pricing structure for the James Madison University and Institutions of VASCUPP contract. Alltran is a **contingency** based agency; we strive for results for both client returns and professional goals. There are no additional fees for start-up, due diligence, administrative, credit bureau reporting, servicing or on-line access. The success of the contract is a shared responsibility between all departments of Alltran. The team of professionals we have chosen to work this project will devote as much time as necessary to accomplish the goals established in the contract.

Pricing Proposal – Collection Services RFP# LBS-997	
Portfolio Description	Proposed Fee
1 <sup>st</sup> Placements	<b><u>20 %</u></b>
2 <sup>nd</sup> Placements	<b><u>22 %</u></b>
Litigation	<b><u>28 %</u></b>

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## XI. ATTACHMENTS

- A. Attachment A: Offeror Data Sheet
- B. Attachment B: Small, Women, and Minority-owned Business (SWaM) Utilization Plan
- C. Attachment C: Standard Contract Sample

Please find included with our submission, Attachments per the RFP requirements.

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## Summary

Alltran is dedicated to providing the best Accounts Receivable Management service available to James Madison University and the schools of VASCUPP. We are excited by the opportunity to cultivate our business partnership with the Institutions and achieve unmatched customer recovery service. Alltran would like to thank you for the opportunity to participate in your Request for Proposal!

Other benefits of working with Alltran, as mentioned earlier in this proposal, include:

- ✓ Dedication to higher education Accounts Receivable since 1988.
- ✓ A comprehensive compliance program will ensure that all areas of the business comply with Federal, state and local laws as well as contractual mandates.
- ✓ A wealth of knowledge and proven strategies designed specifically for higher education Accounts Receivable for over 200 College and University clients.
- ✓ Professional representation at all times, even with your most challenging customers, protecting the integrity of the Institutions.
- ✓ The experience and skills to turn your most challenging student customers into an ongoing revenue stream.
- ✓ Striving to maintain the human dignity of the borrower, while returning the highest amounts of dollars to our client.
- ✓ Being fully licensed, bonded and insured in all 50 states.
- ✓ Priding ourselves on providing award-winning client service.
- ✓ Tenured team members that receive ongoing training and development who are as friendly and motivated as they are ethical and compliant.
- ✓ Consistently outperforms our clients' expectations.
- ✓ Leveraging the latest skip tracing technology, because the more students we can locate, the more dollars we can recover on behalf of the Institutions.
- ✓ A robust client portal allowing Institution personnel access to student information and reports, anytime 24/7.
- ✓ Access for student borrowers via our online bill pay website.
- ✓ Providing the Institutions with a tailor-made strategy to increase your receivables performance.

We look forward to discussing our proven methods and services with you at your earliest convenience. In the meantime, if there is anything else you would like to know about us, please do not hesitate to contact Mr. Michael Robinson, VP Business Development at (803) 493-4258.

**From all of us at Alltran, thank you again for considering our proposal!**

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## 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 30 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 #
<b>University of Illinois</b>	Partnership since 1992	506 S. Wright St. 162 Admin Building Urbana, IL 61801	Mr. John Hockersmith (217) 333-5396 <a href="mailto:jhckers@uillinois.edu">jhckers@uillinois.edu</a>
<b>University of Michigan</b>	Partnership since 1996	6000 Wolverine Tower 3003 South State St Ann Arbor, MI 48109	Mr. Patrick Brettschneider (734) 647-3181 <a href="mailto:spidy@umich.edu">spidy@umich.edu</a>
<b>University of Pittsburgh</b>	Partnership since 1996	127 Thackeray Hall Pittsburgh, PA 15260	Ms. Joanne Stumme (412) 624-7555 <a href="mailto:jstumme@cfo.pitt.edu">jstumme@cfo.pitt.edu</a>
<b>University of Iowa</b>	Partnership since 1996	Billing Office Iowa City, IA 52242	Ms. Rhonda Dietrich (319) 335-0069 <a href="mailto:Rhonda-dietrich@uiowa.edu">Rhonda-dietrich@uiowa.edu</a>
<b>University of Maine System</b>	Partnership since 1997	244 Neville Hall Orono, ME 04469	Ms. Jolynn Campbell (207) 561-3449 <a href="mailto:Jolynn@maine.edu">Jolynn@maine.edu</a>

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

All services under this contract will be serviced at;

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Alltran Education, Inc.

6506 S. Lewis Street, Tulsa, Oklahoma 74133

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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: Alltran Education, Inc. Preparer Name: \_\_\_\_\_

Date: 8/14/2018

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: \_\_\_\_\_ 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 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: \_\_\_\_\_

By: \_\_\_\_\_

(Signature)

(Signature)

\_\_\_\_\_  
(Printed Name)

\_\_\_\_\_  
(Printed Name)

Title: \_\_\_\_\_

Title: \_\_\_\_\_



LET'S SOLVE IT TOGETHER<sup>SM</sup>



Alltran Education, Inc.

James Madison University  
Request for Proposal: RFP# LBS-997  
Collection Services

Exhibit I - Sample Scripts

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## OPENING STATEMENT AND ZORTMAN MESSAGE

The Opening Statement and Zortman Message job aid lists the Opening Statement script that collectors must use with Borrowers as well as the Zortman message. The Opening Statement script must be stated at the start of every call with a Borrower, not just the first contact but every contact – no exceptions. You must use following order for the statements.

- Confirm Borrower Identity By Name
- Call Recording Disclosure
- Identify Yourself
- Verify Last Four Digits of Borrower Social Security Number
- Ask Borrower to Give a Secondary Form of Personal Information
- Identify Yourself
- Identify Full Company Name, Alltran
- Identify Full Client Name
- Mini-Miranda Warning

### **Script**

While the Borrower confirmation phrases can vary slightly in wording, the order of the statements and the bold statements are mandatory and you must read them exactly as shown. If you fail to say the bold statements exactly as shown, you will fail the quality control monitor and can receive corrective action including termination.

State: Hello, may I speak to <Borrower's Full Name, with Suffix>?

Listen for Response

State: Hi <Borrower's Full Name, with Suffix>, I must advise you that this call may be recorded or monitored.

State: Hi <Borrower's Full Name>, my name is <Your Full Name>.

State: For security purposes, can you verify that the last four digits of your Social Security Number are <####>?

Listen for Response

State: To ensure that I am speaking with the correct party, please verify your full address, e-mail address, date of birth, or account number.

Listen for Response

State: Thank you. Again, my name is <Your Full Name> and I am calling from Alltran. We are a collection agency contracted by <Client Full Name>.

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State: I must inform you that this communication is from a debt collector. This is an attempt to collect a debt and any information obtained will be used for that purpose.

Zortman Message – Used Only on a Borrower’s Answering Device

State: Hello, this message is from <Your Full Name> with Alltran. This call is from a debt collector. Please call <toll-free ###-###-####, extension ####>. Thank you.



## TELEPHONE CONSUMER PROTECTION ACT (TCPA)

### EXPRESS CONSENT SCRIPT – VERBAL

The Telephone Consumer Protection Act (TCPA) Express Consent Script – Verbal job aid details the script that Collection Specialists must say to a Borrower to ask permission to contact a consumer at any telephone number associated with an account, including cellular telephone numbers, and for permission to make contact through e-mail.

#### **Script**

You must read the following script, exactly as shown.

State: You agree that we, Alltran, may contact you at this telephone number and any other number associated with your account, including cellular telephone numbers, by use of an automatic dialing device for calls or pre-recorded messages. You also agree that we can contact you by e-mail to the e-mail addresses that you provide us.



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## MESSAGE SCRIPTS

The Message Scripts job aid details scripts and associated restrictions for Alltran Collection Specialists when leaving a message on a borrower's answering devices.

### Important

- You must read scripts exactly as written, substituting your information in the placeholders
- Do not leave a mini-Miranda scripted disclosure message on a recording device
- Some state laws carry additional restrictions. Reference the State Call Restrictions quick reference for details

The Message Scripts job aid includes the following scripts.

- Detailed Message Script, page 1
- Detailed Messages – Verbal Consent Script, page 2
- Zortman Message Script, page 3
- Payroll or Human Resources Message Script, page 3

**Misrepresentation** – Do not misrepresent yourself to collect the debt or to gather information regarding the borrower. Do not mislead an unauthorized third party in any way. For example, you cannot imply that you are a family member or friend of the borrower, or say that you are calling regarding a legal matter.

**Frequency**– You can leave one message at the borrower's residence and one message at the borrower's place of employment (POE) on the same day. Once you leave a message at the residence or POE location, you cannot call that location again until the next day.

**Urgency**– You cannot state that the call is an emergency or mislead an unauthorized third party that the phone call involves an urgent matter.

**Authorized Third Party**– An individual authorized by the Borrower or the state to discuss the financial matters of the Borrower.

**Unauthorized Third Party**– Any person who is not the Borrower or authorized third party.

**Third Party Messages**– You cannot ask a third party at a non-borrower location to take or deliver a message to the borrower. Non-borrower locations include any place other than the borrower's residence or place of employment (POE). If the third party at a non-borrower location volunteers to take a message, you can leave the borrower's name, your name, and your callback number.

- You cannot disclose the reason for your call to a third party
  - You cannot disclose our company name to a third party, unless specifically asked
  - You cannot leave messages with a threatening or harassing tone
-

- Collection Specialists must not leave live messages with unauthorized third parties in the state of New York.

Account Documentation– Document all skip tracing attempts including conversations and messages, specifically the discovery of location information at the place of employment.

Third Party Communications– When speaking with an unauthorized third party, you are restricted in the following manner.

- California requires the following consent from the borrower.
  - Obtain written consent from the borrower before discussing debt with any member of the borrower’s family except the spouse
  - Do not need written consent to discuss a debt with non-family members
  - Communicating with a spouse does not require written or verbal consent unless a client requires verbal or written consent
  - Skip tracing calls to obtain location information from family members does not require written consent
- Iowa requires written consent from the borrower before discussing a debt with a third party except a spouse or any party liable for the debt
- You cannot communicate with an unauthorized third party for any reason except to obtain location information for a borrower or to leave a message for the borrower at a borrower’s location
- You cannot contact the place of employment for the borrower in a manner to intimidate, harass, or persuade the employer to demand that the borrower return your call
- You cannot contact a borrower’s supervisor or manager to leave a message or to intimidate
- Collection Specialists must not leave live messages with unauthorized third parties in the state of New York.

When verifying employment of a borrower, you cannot ask for the following information.

- Salary
  - Date of hire
  - Supervisor’s name of the borrower
- 
- 

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## DETAILED MESSAGE SCRIPT

Use the following Alltran approved Detailed Message on a borrower's answering device, substituting your information in the placeholders.

State: Hello, this message is from <your full name> for <Borrower's full name>. Please call our offices regarding the status of your program qualification. Please call <your full name> at <toll free number ###-###-####> during the business hours of <hours>.

### **Detailed Messages – Verbal Consent Script**

Inform the borrower that the call is recorded and use the following Alltran approved script to obtain verbal consent to leave a detailed message, substituting the appropriate program option in the placeholder.

State: Do I have your permission to leave detailed messages regarding the <Rehabilitation or Consolidation> program at this number?

Once you obtain approval to leave detailed messages on a borrower's recording device, the following details the information you can and cannot leave in a message.

#### **Allowed**

- Alltran office hours for callbacks
- Alltran contact information, such as Alltran phone number, fax number, and distribution e-mail

#### **Not Allowed**

- Disclosing the balance of the account
- Indicating that any type of payment was declined or that the payment method was declined
- Leaving a pre-payment reminder, you can only call after a payment is missed
- Threatening to remove the borrower from the program for a missed payment
- Leaving instructions regarding the completion of program documents
- Disclosing the client name

### **Zortman Message Script**

Use the following Alltran approved script to leave a message on a borrower's answering device, substituting your information in the placeholders.

State: Hello, this message is from <your full name> with Alltran. This call is from a debt collector. Please call <yourfull name> at <toll-free number>.

You can leave the Zortman message on the borrower's home and cell phone answering devices. You must confirm that the voice mail greeting identifies the borrower by the full name before leaving the message for any other contact number recording device.

#### **Not Allowed**

- Do not leave a message on a voice mail at the borrower's place of employment unless the greeting identifies the borrower by full name
  - Do not use the Zortman Message script for a third party answer device
-

---

## PAYROLL OR HUMAN RESOURCES MESSAGE SCRIPT

Use the following Alltran approved script to speak with Payroll or Human Resources staff, substituting your information in the placeholders.

State: Hello, this message is from <your full name>. I am calling to verify employment for <borrower's full name>. Please call <your full name> at <toll-free number>.

### **Allowed**

You can leave a message on a Payroll or Human Resource answering device with the following information.

- Borrower Name
- Your Name
- Your Call Back Number

### **Not Allowed**

- Asking a Payroll or Human Resource employee to take or deliver any message for the borrower.
- Speaking to a Payroll or Human Resource employee and the borrower on the same call
- Asking a Payroll or Human Resource employee to take or deliver any message for the borrower
- Collection Specialists must not leave live messages with a third party in Human Resources or Payroll departments in the state of New York.





LET'S SOLVE IT TOGETHER<sup>SM</sup>



Alltran Education, Inc.

James Madison University  
Request for Proposal: RFP# LBS-997  
Collection Services

Exhibit II - Statement of Account



LET'S SOLVE IT TOGETHER

840 S. Frontage Road  
Woodridge, Illinois 60517  
1-800-446-4377

## STATEMENT OF ACCOUNT

SAMPLE UNIVERSITY  
123 CAMPUS ST  
COLLEGE TOWN, USA

DATE: XX/XX/XXXX  
CLIENT#: ABCPK1  
INVOICE#: 123456

ATTN: <<NAME>>

---

### Previous Balance

Invoices		
#184839	12/31/16	150.15
#181884	11/30/16	255.32
PMT	01/18/17	405.47

Balance Forward 0.00

---

### New Activity

Invoice Amount Due Us	133.14
Invoice Amount Due You	472.06

---

### Remittance Summary

Total Payable Upon Receipt	0.00
Our Check Enclosed	472.06

-----  
To ensure proper credit: Please detach this portion and return with remittance.

### REMITTANCE DOCUMENT

SAMPLE UNIVERSITY  
123 CAMPUS ST  
COLLEGE TOWN, USA

DATE: XX/XX/XXXX  
CLIENT#: ABCPK1  
INVOICE#: 123456

Please remit payments to

ALLTRAN EDUCATION, INC.  
840 S. FRONTAGE ROAD  
WOODRIDGE, IL 60517

Amount Due \$ 0.00  
Amount Enclosed \$472.06



LET'S SOLVE IT TOGETHER

840 S. Frontage Road  
Woodridge, Illinois 60517  
1-800-446-4377

# INVOICE SUMMARY

SAMPLE UNIVERSITY  
123 CAMPUS ST  
COLLEGE TOWN, USA

DATE: XX/XX/XXXX  
CLIENT#: ABCPK1  
INVOICE#: 123456

ATTN: <<NAME>>

	PAID US	PAID YOU	OUR COMM	NET DUE YOU
TOTALS	605.20	0.00	133.14	472.06
TOTAL COLLECTIONS	605.20			
TOTAL AMOUNT COLLECTED			605.20	
AMOUNT YOU OWE US			133.14	
AMOUNT WE OWE YOU			472.06	



LET'S SOLVE IT TOGETHER

840 S. Frontage Road  
Woodridge, Illinois 60517  
1-800-446-4377

# PAYMENT INVOICE

SAMPLE UNIVERSITY  
123 CAMPUS ST  
COLLEGE TOWN, USA

DATE: XX/XX/XXXX  
CLIENT#: ABCPK1  
INVOICE#: 123456

ATTN: <<NAME>>

---

YOUR ACCOUNT #	NAME	PAY DATE	PAID US	PAID YOU	COMM RATE	OUR COMM	NET DUE YOU	CURRENT BALANCE	PAYMENT SOURCE
CA5004766	Jones, Cindy	01/05/16	255.20	0.00	22.00%	56.41	199.06	8.36	EP
CA5000414	Smith, John	01/27/16	50.00	0.00	22.00%	11.00	39.00	1474.36	CK
CA5023987	Willis, Tom	01/31/16	300.00	0.00	22.00%	66.00	234.00	11428.00	CK



LET'S SOLVE IT TOGETHER<sup>SM</sup>



Alltran Education, Inc.

James Madison University  
Request for Proposal: RFP# LBS-997  
Collection Services

Exhibit III - Attestation Audit

# **Alltran Education, Inc.**

Woodridge, Illinois

Compliance Attestation Examination of the Title IV  
Student Financial Assistance Programs  
March 31, 2017

Servicer Information Sheet

Alltran Education, Inc.

840 S Frontage Road

Woodridge, Illinois 60517

Period April 1, 2016 through March 31, 2017

EIN number: 36-3594864  
Telephone no.: 630 952 0290  
Fax no.: 630 574 0355  
President: Kevin Keleghan  
Contact person and title: Sean Dickson, Chief Operating Officer

Lead auditor: Kristi Sharp  
Email address: kristi.sharp@rsmus.com  
License number: 069502  
Firm's name: RSM US LLP  
Address: 1330 Post Oak Boulevard, Suite 2400  
Houston, Texas 77056  
Telephone no.: 713 625 3500  
Fax no.: 713 625 3535

Programs examined: FPL 84.038

**Division of responsibility for compliance requirements**

Compliance Requirement	Responsibility of Institution	Responsibility of Alltran Service Center	Explanation of Divided Responsibility
I. Computer operations			Alltran's responsibility for computer operations only extends to the accounts placed with Alltran in its effort to collect them for the Institution, and does not extend to those operations at the Institution.
A. Terminal and software security	X	X	
B. Data integrity	X	X	
C. System and data backup	X	X	
D. Disaster recovery plan	X	X	
II. Cash management			
A. Drawdowns	X		
B. Authorization vs. expenditures	X		
C. Reconcile general ledger to bank	X		
D. Bank account notes federal funds	X		

Compliance Requirement	Responsibility of Institution	Responsibility of Alltran Service Center	Explanation of Divided Responsibility
III. Financial reports			
A. FISAP	X		
B. GAPS	X		
C. Pell IPS	X		
IV. Institutional eligibility			
A. Participation agreement/ECAR	X		
B. Accreditation status	X		
C. Admissions policy	X		
D. Eligible programs	X		
E. Calculation of institution eligibility ratios	X		
F. Licenses	X		
G. Administrative capability items	X		
V. Student eligibility			
A. High school diploma or equivalent or ability to benefit	X		
B. Regularly enrolled in eligible program	X		
C. Citizen or permanent resident	X		
D. Satisfactory progress	X		
E. Default/refund status	X		
F. Social security number match requirement	X		
G. Other requirements	X		
VI. Coordination of programs			
A. Financial aid organization	X		
B. Other information available	X		
C. Needs and analysis	X		
D. Professional judgment documentation	X		

Compliance Requirement		Responsibility of Institution	Responsibility of Alltran Service Center	Explanation of Divided Responsibility
VII.	Administrative capability			Alltran's responsibility for administrative capability as it relates to those compliance requirements only extends to the accounts placed with Alltran in its effort to collect them for the Institution, and does not extend to those administrative capabilities at the Institution.
	A. Student file maintenance	X	X	
	B. Record retention	X	X	
	C. Verification	X	X	
VIII.	Distributions			
	A. Financial aid transcripts/NSLDS information	X		
	B. Independent/dependent status determination	X		
	C. Timing and amount of disbursements	X		
IX.	Refunds or overpayments			
	A. Policy	X		
	B. Refund calculations	X		
	C. Overpayment calculations	X		
	D. Disbursements and accounting for refunds/overpayments	X		
X.	Institutional disclosure			
	A. Accuracy of institutional data	X		
	B. Disclosure to students	X		
XI.	Pell grant			
	A. Types of expenditures allowed	X		
	B. Program performance			
	1. Calculation and disbursement of award	X		
	2. Timing of payment; cutoff dates for receipts of SARs	X		
	C. Financial reports	X		

Compliance Requirement		Responsibility of Institution	Responsibility of Alltran Service Center	Explanation of Divided Responsibility
XII.	Campus-based programs (general)			
	A. Types of expenditure allowed			
	1. Program expenditures	X		
	2. Administrative cost allowance	X		
	B. Program performance			
	1. Accuracy of FISAP data	X		
	2. System of need analysis, etc.	X		
XIII.	Campus-based programs (Perkins)			
	A. Type of expenditures allowed	X		
	B. Matching	X		
	C. Program performance			
	1. Student eligibility	X		
	2. Approved promissory note	X		
	3. Due diligence	X	X	Alltran's responsibility relating to due diligence and repayment records extends to the collection and litigation (with institutional permission) of delinquent accounts placed with Alltran, reporting to the Institution regarding those accounts, and maintaining sufficient fidelity insurance.
	4. Repayment records	X	X	
	D. Special compliance requirements			
	1. Minimum cash balance; cash planning	X		
	2. Treatment of interest earned on Perkins loan balance	X		
XIV.	Campus-based programs (FSEOG)			
	A. Eligible expenditures	X		
	B. Matching	X		
	C. Selection of students for FSEOG awards	X		

Compliance Requirement		Responsibility of Institution	Responsibility of Alltran Service Center	Explanation of Divided Responsibility
XV.	Campus-based program (FWS)			
	A. Types of expenditures and employment allowed			
	1. Types of employment allowed	X		
	2. Types of expenditures allowed	X		
	B. Matching	X		
	C. Program performance			
	1. Selection of students for employment	X		
	2. Approval of time sheets and payment to students	X		
	D. Special compliance requirements			
	1. JLD and CSJLD programs	X		
	2. CSL programs (5% minimum)	X		
XVI.	Federal Family Education Loans (FFEL)			
	A. Program performance			
	1. Determination of eligibility and completion of application	X		
	2. Default reduction measures	X		
	3. Entrance and exit counseling	X		
	4. Loan disbursement	X		
	5. EFT roster reconciliation	X		
	6. Eligibility for disbursement	X		
	B. Status reporting			
	1. SSCR completion	X		
	2. Change in enrollment status	X		
	C. Special compliance requirements			
	1. Refund policy	X		
	2. Refunds to lenders	X		
XVII.	Federal Direct Loan Program (FDLP)			
	A. Program performance			
	1. Determination of eligibility	X		
	2. Entrance and exit counseling	X		

Compliance Requirement	Responsibility of Institution	Responsibility of Alltran Service Center	Explanation of Divided Responsibility
3. Exporting and importing electronic files to/from the LOC	X		
4. Loan disbursement	X		
5. Monthly data matching including:			
a. Loan and cash detail records	X		
b. Summary records	X		
B. FDLR status reporting			
1. SSCRs	X		
2. Changes in enrollment status	X		

## Independent Accountant's Report

To the Board of Directors  
Alltran Education, Inc.

We have examined management assertions of Alltran Education, Inc. (Alltran), included in the accompanying representation letter dated June 29, 2017, that Alltran complied with the following compliance requirements specified in Chapters I and IV of the U.S. Department of Education's Audit Guide, *Guide for Audits of Proprietary Schools and for Compliance Attestation Engagements of Third-Party Servicers Administering Title IV Programs* (2016 version) (the Guide), issued by the U.S. Department of Education, Office of the Inspector General, relative to Alltran's participation in the Federal Student Financial Assistance Programs during the year ended March 31, 2017:

1. Alltran complied with Perkins Collections and Due Diligence compliance requirements listed in Section II of the U.S. Department of Education's Student Financial Assistance Guide, as applicable to its clients.
  - a. 674.45 Collection procedures
    - i. Under 674.45(c)(2), on Perkins loans in which Alltran is the initial collection agency assigned by the college or university, if Alltran pursues collection activity for up to 12 months and does not succeed in converting the account to regular repayment status, or the borrower does not qualify for deferment, postponements, or cancellation on the loan, Alltran will close and return the account back to the institution.
    - ii. Under 674.45(e)(1), for those institutions that have contracted with Alltran to assess collection costs subject to 674.47(d), Alltran assesses against the borrower all reasonable costs incurred by the institution with regard to a loan obligation. Under 674.45(e)(2) Alltran determines the amount of collection costs to be charged to the borrower for actions required under this section, and 674.46 and 674.48 based on the actual costs incurred or an average for these actions with regard to the individual borrower's loan.
  - b. 674.46 Litigation procedures
    - i. For those institutions who have contracted with Alltran to perform litigation procedures, Alltran determines if the following conditions are met:
      1. The total amount owing on the borrower's account, including outstanding principal, accrued interest, collection costs and late charges on all of the borrower's Federal Perkins, National Direct and National Defense Student Loans held by that institution, is more than \$500;
      2. The borrower can be located and served with process;

3. The borrower has sufficient assets attachable under State law to satisfy a major portion of the outstanding debt; or the borrower has income from wages or salary which may be garnished under applicable State law sufficient to satisfy a major portion of the debt over a reasonable period of time;
  4. The borrower does not have a defense that will bar judgment for the institution; and
  5. The expected cost of litigation, including attorney's fees, does not exceed the amount, which can be recovered from the borrower.
- ii. Alltran will sue the borrower if it determines that the conditions stated above are met, and it obtains suit authorization from the institution.
  - iii. Based upon the advice of its client under Section 674.46(a)(l)(v)(3), Alltran may sue a borrower in default, even if the previously stated conditions are met.
- c. 674.48 Use of contractors to perform billing and collection or other program activities
- i. Alltran deposits funds received directly from the borrower immediately in an institutional trust account. Those funds are held no longer than 45 days before remittance to the institution.
  - ii. On a frequency of no less than quarterly, Alltran provides statements to its institutions regarding the following activities:
    1. Its activities with regard to each borrower;
    2. Any changes in the borrower's name, address, telephone number and, if known, any changes to the borrower's Social Security number, and
    3. Amounts collected from the borrower.
  - iii. Alltran maintains a fidelity bond and comparable insurance in accordance with the following requirements:
    1. If the institution does not authorize Alltran to deduct its fees from payments from borrowers, Alltran is bonded or insured in an amount not less than the amount of funds that the institution reasonably expects to be repaid over a two-month period on accounts it refers to Alltran.
    2. If the institution authorizes Alltran to deduct its fees from payments from borrowers, Alltran is bonded or insured in an amount of at least ten times the amount of funds that the institution reasonably expects to be repaid over a two-month period on accounts it refers to Alltran, since the amount of funds that the institution reasonably expects to be paid over a two-month period on accounts it refers to Alltran is less than \$100,000.
- d. 674.49 Bankruptcy of borrower
- i. If Alltran receives notice that a borrower has filed a petition for relief in bankruptcy, usually by receiving a notice of meeting of creditors, Alltran immediately suspends any collection efforts outside the bankruptcy proceeding against the borrower. Alltran procedure is to cease and desist all activity as it relates to the account and send information to the client regarding the bankruptcy and await their disposition.

2. Alltran complied with Third-Party Eligibility compliance requirements listed in Section IV-12 of the United States Department of Education Student Financial Assistance Guide.
  - a. Servicer Eligibility - Under 668.25(d), Fine Limitation, Suspension and Termination Proceedings, Alltran has not:
    - i. Been limited, suspended, or terminated by the Secretary within the preceding five years;
    - ii. Had, during the two most recent audits, a finding that resulted in the servicer being required to repay an amount greater than five percent of the funds that the servicer administered under the Title IV programs for any award year; or
    - iii. Been cited during the preceding five years for failure to submit required audit reports in a timely fashion; and
    - iv. Been subjected to a termination action and either the servicer, or one or more persons or entities that exercise substantial control over the service, or both:
      1. Failed to submit financial guarantees in an amount to be determined to be sufficient to satisfy potential liabilities arising from the servicer's administration of the Title IV, HEA programs; and
      2. Failed to agree to be jointly or severally liable for any liabilities arising from the servicer's administration of the Title IV, HEA programs and the civil and criminal monetary penalties authorized under Title IV of the HEA.
  - b. Under 668.25, contracts between an institution and a third-party servicer, Alltran agrees in its contracts to:
    - i. Comply with all statutory or regulatory provisions, and special arrangements, agreements, limitations, suspensions, and terminations entered into under Title IV HEA programs.
    - ii. Refer to the ED Office of Inspector General for Investigations any information indicating there is reasonable cause to believe:
      1. The institution might have engaged in fraud or other criminal misconduct in connection with the institution's administration of any Title IV, HEA program, or
      2. An applicant for Title IV, HEA program assistance might have engaged in fraud or other criminal misconduct in connection with his or her application.
    - iii. Be jointly and severally liable with the institution for any violation by the service of any statutory or regulatory provisions, and special arrangements, agreements, limitations, suspensions, and terminations entered into under the Title IV HEA Programs.
    - iv. In the case of a servicer that disburses funds or delivers FFELP proceeds to a student:
      1. Confirm the eligibility of the student before making that disbursement or delivering those proceeds; and
      2. Calculate and pay refunds and repayments due a student, the Title IV, HEA program accounts, and the student's lender under the FSLP, Federal PLUS and Federal SLS programs in accordance with the institution's refund policy, the provisions of Sec. 668.21 and Sec. 668.22, and applicable program regulation.

- v. If the contract is terminated, or the servicer stops providing services, goes out of business, or files a petition under the Bankruptcy Code, return to the institution all:
  1. Records in the servicer's possession pertaining to the institution's participation in the program or programs for which services are no longer provided; and
  2. Funds, including Title IV, HEA program funds, received from or on behalf of the institution's students, for the purposes of the program or programs for which services are no longer provided.
3. Alltran has established systems with internal controls, which assured compliance with requirements listed in Sections II and IV of the U.S. Department of Education's Student Financial Assistance Guide for those services, which it provided.

Alltran's management is responsible for its assertions. Our responsibility is to express an opinion on Alltran's management assertions based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants; standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the requirements contained in the Guide. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether Alltran's management assertions are in accordance with the compliance requirements of the Guide, in all material respects. An examination involves performing procedures to obtain evidence about Alltran's management assertions. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of Alltran's management assertions, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, Alltran management's assertions are presented in accordance with the Guide, in all material respects.

This report is intended solely for the information and use of the Board of Directors and management of Alltran, the U.S. Department of Education, and institutions utilizing Alltran as a service provider in the Federal Student Financial Assistance Program and is not intended to be and should not be used by anyone other than these specified parties.

*RSM US LLP*

Houston, Texas  
June 29, 2017

**Enterprise Recovery Systems, Inc.**

**Schedule of Findings and Questioned Costs  
Period April 1, 2016 through March 31, 2017**

---

**1. Number of loans and dollar values**

For the period April 1, 2016 through March 31, 2017, our examination of a sample of 40 borrowers' accounts (students) based on a random sampling methodology, disclosed no instances of noncompliance.

Federal Perkins Loans in the Servicer's Portfolio During Program Period April 1, 2016 Through March 31, 2017	Number of Student Loans	Dollar Value
Population	43,880	\$69,410,272
Sample	40	\$111,613
Instances of noncompliance	0	\$0

**2. Definition of material noncompliance**

Material noncompliance with regulations is noncompliance of a nature and frequency that would contradict management's assertions. While it is a matter of judgment, material noncompliance for servicers is determined to be recurring instances of noncompliance whose questioned amounts (known or likely) do exceed \$10,000 or in which the outstanding loan principal balance of the specific loans affected does exceed \$25,000 or 5% of the total outstanding loan principal balance of the individual institution's total loan portfolio services, whichever is less.

**3. Examination findings**

None



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Alltran Education, Inc.

James Madison University  
Request for Proposal: RFP# LBS-997  
Collection Services

Exhibit IV - Sample Reports



LET'S SOLVE IT TOGETHER

840 S. Frontage Road  
Woodridge, Illinois 60517  
1-800-446-4377

## STATEMENT OF ACCOUNT

SAMPLE UNIVERSITY  
123 CAMPUS ST  
COLLEGE TOWN, USA

DATE: XX/XX/XXXX  
CLIENT#: ABCPK1  
INVOICE#: 123456

ATTN: <<NAME>>

---

### Previous Balance

Invoices		
#184839	12/31/16	150.15
#181884	11/30/16	255.32
PMT	01/18/17	405.47

Balance Forward 0.00

---

### New Activity

Invoice Amount Due Us	133.14
Invoice Amount Due You	472.06

---

### Remittance Summary

Total Payable Upon Receipt	0.00
Our Check Enclosed	472.06

-----  
To ensure proper credit: Please detach this portion and return with remittance.

### REMITTANCE DOCUMENT

SAMPLE UNIVERSITY  
123 CAMPUS ST  
COLLEGE TOWN, USA

DATE: XX/XX/XXXX  
CLIENT#: ABCPK1  
INVOICE#: 123456

Please remit payments to

ALLTRAN EDUCATION, INC.  
840 S. FRONTAGE ROAD  
WOODRIDGE, IL 60517

Amount Due \$ 0.00  
Amount Enclosed \$472.06



LET'S SOLVE IT TOGETHER

840 S. Frontage Road  
Woodridge, Illinois 60517  
1-800-446-4377

# INVOICE SUMMARY

SAMPLE UNIVERSITY  
123 CAMPUS ST  
COLLEGE TOWN, USA

DATE: XX/XX/XXXX  
CLIENT#: ABCPK1  
INVOICE#: 123456

ATTN: <<NAME>>

	PAID US	PAID YOU	OUR COMM	NET DUE YOU
TOTALS	605.20	0.00	133.14	472.06
TOTAL COLLECTIONS	605.20			
TOTAL AMOUNT COLLECTED			605.20	
AMOUNT YOU OWE US			133.14	
AMOUNT WE OWE YOU			472.06	



LET'S SOLVE IT TOGETHER

840 S. Frontage Road  
Woodridge, Illinois 60517  
1-800-446-4377

## PAYMENT INVOICE

SAMPLE UNIVERSITY  
123 CAMPUS ST  
COLLEGE TOWN, USA

DATE: XX/XX/XXXX  
CLIENT#: ABCPK1  
INVOICE#: 123456

ATTN: <<NAME>>

---

YOUR ACCOUNT #	NAME	PAY DATE	PAID US	PAID YOU	COMM RATE	OUR COMM	NET DUE YOU	CURRENT BALANCE	PAYMENT SOURCE
CA5004766	Jones, Cindy	01/05/16	255.20	0.00	22.00%	56.41	199.06	8.36	EP
CA5000414	Smith, John	01/27/16	50.00	0.00	22.00%	11.00	39.00	1474.36	CK
CA5023987	Willis, Tom	01/31/16	300.00	0.00	22.00%	66.00	234.00	11428.00	CK



LET'S SOLVE IT TOGETHER

840 S. Frontage Road  
Woodridge, Illinois 60517  
1-800-446-4377

# ACCOUNT STATUS REPORT

SAMPLE UNIVERSITY  
123 CAMPUS ST  
COLLEGE TOWN, USA

ATTN: <<NAME>>

YOUR ACCT NUMBER	MASTER NUMBER	NAME	TURNOVER DATE	ORIGINAL BALANCE	CURRENT BALANCE	COLLECTED TO DATE	REMARKS
CA5006232	J44262	Adams, Bill	09/03/16	750.00	1243.37	0.00	MID BALANCE
CA5027226	J00454	Jones, Cindy	08/28/16	2647.10	2315.65	650.00	ELECTRIC PAY
CA5000767	J44264	Smith, Joe	09/03/16	2639.80	3849.82	0.00	APP TO BORROW
CA5020767	J44264	Smith, Joe	09/03/16	1500.00	2098.70	0.00	APP TO BORROW
4 Accounts Listed				7536.90	9507.54	650.00	



LET'S SOLVE IT TOGETHER

840 S. Frontage Road
Woodridge, Illinois 60517
1-800-446-4377

ACKNOWLEDGMENT REPORT

SAMPLE UNIVERSITY
123 CAMPUS ST
COLLEGE TOWN, USA

ATTN: <<NAME>>

We are pleased to acknowledge the receipt of the accounts listed below.
Thank you for the opportunity to service your collection needs.

Demand for payment is being made immediately.
Should debtors contact you or make payment to you, please report to us promptly.

Table with 10 columns: NUMBER, NAME, ACCOUNT#, RATE, PRINCIPAL, INT AMT, OTHER, COLL CHG, COSTS, TOTAL. It lists 8 accounts and a summary row for 8 ACCOUNTS.

TOTAL PRINCIPAL 23083.40
TOTAL CHARGES 6765.14

Sincerely,
Alltran Education, Inc.



840 S. Frontage Road  
 Woodridge, Illinois 60517  
 1-800-446-4377

## CANCEL REPORT

SAMPLE UNIVERSITY  
 123 CAMPUS ST  
 COLLEGE TOWN, USA

DATE: XX/XX/XXXX  
 CLIENT #: ABCPK1

ATTN: <<NAME>>

The account (s) listed below are being returned to you for the reason specified.  
 Each account is recorded permanently in our master files where a new inquiry may turn up information that will help us collect for you at a future date.  
 Please be assured that we have strenuously pursued the collection of each account using all of the information available to us.

NUMBER	NAME	ACCOUNT #	BALANCE	REFERRED	LAST PAY	TURNOVER	RTN DATE	REASON
J00440	SMITH, JON 320 22 <sup>ND</sup> ST S APT 2	CAS000907 ANYTOWN, ST 58103	0.00	3892.59	06/05/16	12/23/15	06/05/16	PAID IN FULL
J00442	WILLIAMS, DAVE 31 WILBUR RD	CAS000030 ANYTOWN, ST 03431	0.00	658.33	06/14/16	10/19/15	06/14/16	PAID IN FULL
J00443	JONES, SARAH 1045 28 <sup>TH</sup> ST	CAS019472 ANYTOWN, ST 58102	0.00	879.04	06/25/16	01/14/16	06/25/16	PAID IN FULL
J00443	JONES, SARAH 1045 28 <sup>TH</sup> ST	CAS019472 ANYTOWN, ST 58102	0.00	1505.72	06/25/16	11/14/15	06/25/16	PAID IN FULL
J00450	DAVIS, JACK 4232 27 <sup>TH</sup> AVE SW APT 6	CAS037021 ANYTOWN, ST 58103	3832.60	3832.60	00/00/00	06/02/15	06/02/16	EFFORTS EXP
J00450	DAVIS, JACK 4232 27 <sup>TH</sup> AVE SW APT 6	CAS037021 ANYTOWN, ST 58103	5132.02	5132.02	00/00/00	06/02/15	06/02/16	EFFORTS EXP
6 ACCOUNTS			8964.62	15900.30				

Sincerely,

Alltran Education, Inc.



840 S. Frontage Road  
Woodridge, Illinois 60517  
1-800-446-4377

## BORROWER INFORMATION UPDATE REPORT

SAMPLE UNIVERSITY  
123 CAMPUS ST  
COLLEGE TOWN, USA

DATE: XX/XX/XXXX  
CLIENT #: ABCPK1

ATTN: <<NAME>>

Loan Type: PERKINS 1<sup>ST</sup>

We have found the following new information on the following accounts since they have been with ERS.

Thank You for the opportunity to serve you.

Report Date: 02/02/2016  
Page 1

ACCOUNT NUMBER	NAME/NEW NAME	NEW ADDRESS	SSN	PHONE
800123456-9999	*GLASS, CRYSTAL	2000 YORK RD OAK BROOK, IL 60523	789-10-1112	630-574-3113
700123456-9999	*SALT, BROCK	NO CHANGE	012-34-5678	708-202-1573

2 address corrections through 2/2/2016 for Default Client  
\* Reported Previously



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840 S. Frontage Road  
Woodridge, Illinois 60517  
1-800-446-4377

# HISTORY ANALYSIS REPORT

SAMPLE UNIVERSITY  
123 CAMPUS ST  
COLLEGE TOWN, USA

DATE: XX/XX/XXXX  
CLIENT #: ABCPK1

ATTN: <<NAME>>

-----NEW BUSINESS-----COLLECTIONS-----LIQUIDITY-----COMM-----CANCELLED----- # AVE

PERIOD	#	\$	AVE	CURR	%	TO DATE	NET	GROSS	TO DATE	%	#	AMT	%	PIF	AGE
Apr 2016	0	0.00	0.00	0.00	0%	0.00	0%	0%	0.00	0%	0	0.00	0%	0	0
Mar 2016	0	0.00	0.00	0.00	0%	0.00	0%	0%	0.00	0%	0	0.00	0%	0	0
Feb 2016	1	690.54	690.54	0.00	0%	0.00	0%	0%	0.00	0%	0	0.00	0%	0	271
Jan 2016	0	0.00	0.00	0.00	0%	0.00	0%	0%	0.00	0%	0	0.00	0%	0	0
Dec 2015	1	210.02	210.02	0.00	0%	0.00	0%	0%	0.00	0%	0	0.00	0%	0	0
Nov 2015	0	0.00	0.00	0.00	0%	0.00	0%	0%	0.00	0%	0	0.00	0%	0	0
Oct 2015	0	0.00	0.00	0.00	0%	0.00	0%	0%	0.00	0%	0	0.00	0%	0	0
Sep 2015	0	0.00	0.00	0.00	0%	0.00	0%	0%	0.00	0%	0	0.00	0%	0	0
Aug 2015	2	3957.72	1978.86	50.00	0%	400.00	8%	10%	88.00	22%	0	0.00	0%	0	0
Jul 2015	0	0.00	0.00	0.00	0%	0.00	0%	0%	0.00	0%	0	0.00	0%	0	0
Jun 2015	2	3508.25	1754.12	0.00	0%	2634.92	59%	75%	579.67	22%	0	0.00	0%	1	0
May 2015	0	0.00	0.00	0.00	0%	0.00	0%	0%	0.00	0%	0	0.00	0%	0	0
Apr 2015	3	5522.60	2762.30	0.00	0%	2260.42	32%	41%	497.28	22%	1	5132.05	93%	3	0
Mar 2015	0	0.00	0.00	0.00	0%	0.00	0%	0%	0.00	0%	0	0.00	0%	0	0
Feb 2015	0	0.00	0.00	0.00	0%	0.00	0%	0%	0.00	0%	0	0.00	0%	0	0
Jan 2015	2	4110.72	1370.24	0.00	0%	384.96	7%	9%	84.66	22%	2	4593.12	112%	0	0
Dec 2014	0	0.00	0.00	0.00	0%	0.00	0%	0%	0.00	0%	0	0.00	0%	0	0
Nov 2014	0	0.00	0.00	0.00	0%	0.00	0%	0%	0.00	0%	0	0.00	0%	0	0
Oct 2014	0	0.00	0.00	0.00	0%	0.00	0%	0%	0.00	0%	0	0.00	0%	0	0
Sep 2014	1	1152.12	1152.12	0.00	0%	0.00	0%	0%	0.00	0%	1	1571.08	136%	0	0
Aug 2014	1	594.58	594.58	0.00	0%	0.00	0%	0%	0.00	0%	1	798.37	134%	0	0
Jul 2014	0	0.00	0.00	0.00	0%	0.00	0%	0%	0.00	0%	0	0.00	0%	0	0
Jun 2014	3	3043.09	1034.36	0.00	0%	3988.61	102%	131%	877.45	22%	3	0.00	0%	3	0
May 2014	0	0.00	0.00	0.00	0%	0.00	0%	0%	0.00	0%	0	0.00	0%	0	0
Apr 2014	0	0.00	0.00	0.00	0%	0.00	0%	0%	0.00	0%	0	0.00	0%	0	0
Mar 2014	2	3134.61	1567.31	0.00	0%	2511.20	62%	80%	552.45	22%	2	1722.95	55%	1	0
Feb 2014	1	2149.91	2149.91	0.00	0%	1516.37	103%	132%	333.55	22%	1	0.00	0%	1	0
Total	19	28074.16	1387.67	50.00	0%	13696.47	39%	51%	3013.06	22%	11	13817.57	51%	9	271



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840 S. Frontage Road  
Woodridge, Illinois 60517  
1-800-446-4377

# COLLECTION SUMMARY REPORT

SAMPLE UNIVERSITY  
123 CAMPUS ST  
COLLEGE TOWN, USA

DATE: XX/XX/XXXX  
CLIENT #: ABCPK1

ATTN: <<NAME>>

----- NEW BUSINESS -----				----- COLLECTIONS -----					
PERIOD	\$	#	AVE	\$	#	AVE	PAY	COMM	SIF
Apr 2016	0.00	0	0.00	50.00	2	25.00	0	11.00	0
Mar 2016	0.00	0	0.00	2310.43	6	385.07	1	508.28	0
Feb 2016	690.54	1	690.54	50.00	2	25.00	0	11.00	0
Jan 2016	0.00	0	0.00	3684.92	7	383.56	1	590.67	0
Dec 2015	230.02	1	210.02	50.00	2	25.00	0	11.00	0
Nov 2015	0.00	0	0.00	50.00	2	25.00	0	11.00	0
Oct 2015	0.00	0	0.00	100.00	2	50.00	0	22.00	0
Sep 2015	0.00	0	0.00	0.00	0	0.00	0	0.00	0
Aug 2015	3957.72	2	1978.86	0.00	0	0.00	0	0.00	0
Jul 2015	0.00	0	0.00	0.00	0	0.00	0	0.00	0
Jun 2015	3508.25	2	1754.12	0.00	0	0.00	0	0.00	0
May 2015	0.00	0	0.00	128.32	3	42.77	0	28.27	0
Previous	18707.63	13	1439.05	8272.82	32	258.53	5	1819.89	0
	27094.16	19	1424.96	13696.47	58	236.15	7	3013.06	0



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840 S. Frontage Road  
Woodridge, Illinois 60517  
1-800-446-4377

# DETAIL ANALYSIS REPORT

SAMPLE UNIVERSITY  
123 CAMPUS ST  
COLLEGE TOWN, USA

DATE: XX/XX/XXXX  
CLIENT #: ABCPK1

ATTN: <<NAME>>

	NEW BUSINESS			COLLECTIONS				RETURNED				
PERIOD	\$	#	AVE	\$	#	AVE	PIP	COMM	\$	#	AVE	LIQ %
Apr 2016	0.00	0	0.00	0.00	0	0.00	0	0.00	0.00	0	0.00	0.00%
Mar 2016	0.00	0	0.00	0.00	0	0.00	0	0.00	0.00	0	0.00	0.00%
Feb 2016	690.54	1	690.54	0.00	0	0.00	0	0.00	0.00	0	0.00	0.00%
Jan 2016	0.00	0	0.00	0.00	0	0.00	0	0.00	0.00	0	0.00	0.00%
Dec 2015	210.02	1	210.02	0.00	0	0.00	0	0.00	0.00	0	0.00	0.00%
Nov 2015	0.00	0	0.00	0.00	0	0.00	0	0.00	0.00	0	0.00	0.00%
Oct 2015	0.00	0	0.00	0.00	0	0.00	0	0.00	0.00	0	0.00	0.00%
Sep 2015	0.00	0	0.00	0.00	0	0.00	0	0.00	0.00	0	0.00	0.00%
Aug 2015	3957.72	2	1978.86	400.00	7	57.34	0	88.00	0.00	0	0.00	10.11%
Jul 2015	0.00	0	0.00	0.00	0	0.00	0	0.00	0.00	0	0.00	0.00%
Jun 2015	3508.25	2	1754.12	2634.92	4	658.23	1	579.67	0.00	0	0.00	75.11%
May 2015	0.00	0	0.00	0.00	0	0.00	0	0.00	0.00	0	0.00	0.00%
Previous	18707.63	13	1439.05	10661.55	28	380.77	6	2345.39	13816.56	11	1256.05	56.99%
	27074.16	19	1424.96	13696.47	39	351.19	7	3103.06	13816.56	11	1256.05	50.59%



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840 S. Frontage Road  
 Woodridge, Illinois 60517  
 1-800-446-4377

## DATA INTEGRITY ANALYSIS REPORT

SAMPLE UNIVERSITY  
 123 CAMPUS ST  
 COLLEGE TOWN, USA  
 ATTN: <<NAME>>

DATE: XX/XX/XXXX  
 CLIENT #: ABCPK1

-----TURNOVER-----COLLECTED-----LIQUIDITY-----TURNOVER-----COLLECT-----

Category	Number	Amount	Number	Amount	#	\$	#	\$	#	\$
<b>Status Code</b>										
13 ACTIVE ACCOUNT	4	4401.81	1	100.00	25.0%	2.3%	23.1%	16.3%	10.0%	0.7%
20 PMT ARRANGEMENT	2	2765.89	2	684.96	100.0%	24.8%	10.5%	10.2%	20.0%	5.0%
98 PENDING CLOSURE	1	3832.60	0	0.00	0.0%	0.0%	5.3%	14.2%	0.0%	0.0%
99 CANCELLED	12	16073.86	7	12911.53	58.3%	80.3%	63.2%	59.4%	70.0%	94.3%
	=====	=====	=====	=====	=====	=====				
TOTAL	19	27074.16	10	13696.47	52.6%	50.6%				
<b>Activity Code</b>										
99 INACTIVE ACCOUNT	5	6398.77	0	0.00	0.0%	0.0%	26.3%	23.6%	0.0%	0.0%
AC ACTIVE	5	8234.41	1	100.00	20.0%	1.2%	26.3%	30.4%	10.7%	0.7%
EP ELECTRONIC PAYMENT	1	2065.22	1	300.00	100.0%	14.5%	5.3%	2.6%	10.0%	2.2%
NR NSF RECEIVED	1	700.67	1	384.96	100.0%	54.9%	5.3%	2.6%	10.0%	2.8%
PF PAID IN FULL	7	9675.09	7	12911.51	100.0%	133.5%	36.8%	35.7%	70.0%	94.3%
	=====	=====	=====	=====	=====	=====				
TOTAL	19	27074.16	10	13696.47	52.6%	50.6%				
<b>Behavior Score</b>										
NO SCORE	19	27074.16	10	13696.47	52.6%	50.6%	100.0%	100.0%	100.0%	100.0%
0 to 99	0	0.00	0	0.00	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
100 to 199	0	0.00	0	0.00	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
200 to 299	0	0.00	0	0.00	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
300 to 399	0	0.00	0	0.00	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
400 to 499	0	0.00	0	0.00	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
500 to 599	0	0.00	0	0.00	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
600 to 699	0	0.00	0	0.00	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
700 to 799	0	0.00	0	0.00	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
800 to 899	0	0.00	0	0.00	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Over 900	0	0.00	0	0.00	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	=====	=====	=====	=====	=====	=====				
TOTAL	19	27074.16	10	13696.47	52.6%	50.6%				



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840 S. Frontage Road  
 Woodridge, Illinois 60517  
 1-800-446-4377

# SPINDOWN REPORT

SAMPLE UNIVERSITY  
 123 CAMPUS ST  
 COLLEGE TOWN, USA  
 ATTN: <<NAME>>

DATE: XX/XX/XXXX  
 CLIENT #: ABCPK1

NET \$ RECOVERED / % OF TOTAL RECOVERY

MONTH PLACED	ACCT PLACE	AMT PLACE	DAYS 30	DAYS 60	DAYS 90	DAYS 120	DAYS 150	DAYS 180	DAYS 210	DAYS 240	DAYS 270	DAYS 300	DAYS 330	DAYS 360	TOTALS/ LIQ
05/15	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
06/15	2	3508.25	0.00	0.00	0.00	0.00	0.00	0.00	2634.92	0.00	0.00	0.00	0.00		2634.92
			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%		75.0%
07/15	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%
08/15	2	3957.72	0.00	0.00	150.00	50.00	50.00	50.00	50.00	50.00	0.00				400.00
			0.0%	0.0%	27.5%	12.5%	12.5%	12.5%	12.5%	12.5%	0.0%				10.0%
09/15	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00					0.00
			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%					0.0%
10/15	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00					0.00
			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%					0.0%
11/15	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00							0.00
			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%							0.0%
12/15	1	210.02	0.00	0.00	0.00	0.00	0.00								0.00
			0.0%	0.0%	0.0%	0.0%	0.0%								0.0%
01/16	0	0.00	0.00	0.00	0.00	0.00									0.00
			0.0%	0.0%	0.0%	0.0%									0.0%
02/16	1	690.54	0.00	0.00	0.00										0.00
			0.0%	0.0%	0.0%										0.0%
03/16	0	0.00	0.00	0.00											0.00
			0.0%	0.0%											0.0%
04/16	0	0.00	0.00												0.00
			0.0%												0.0%
05/16	0	0.00													0.00
															0.0%
TOTAL	6	8366.53	0.00	0.00	150.00	50.00	50.00	50.00	2634.92	50.00	0.00	0.00	0.00	0.00	3034.92
			0.0%	0.0%	4.9%	1.6%	1.6%	1.6%	88.5%	1.6%	0.0%	0.0%	0.0%	0.0%	36.8%



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Alltran Education, Inc.

James Madison University  
Request for Proposal: RFP# LBS-997  
Collection Services

Exhibit V - Financial Statements

# **Alltran Education, Inc.**

(A Wholly Owned Subsidiary of ERS  
Acquisition Corp., A Wholly Owned  
Subsidiary of URS Holdings, LLC)

Financial Report  
March 31, 2017

CONFIDENTIAL



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Alltran Education, Inc.

James Madison University  
Request for Proposal: RFP# LBS-997  
Collection Services

Exhibit VI - Dun & Bradstreet Report

**Alltran Education, Inc.** DUNS: 60-497-6399

CS CreditSignal

Need help? [Start here](#)

Summary

Company Info

840 S Frontage Rd  
Woodridge, IL 60517  
Phone: (800) 211-5312  
URL:

DBA's :

(SUBSIDIARY OF ALLTRAN  
FINANCIAL, LP, HOUSTON, TX)

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Scores and Ratings

Score / Rating:	Status	Last Date Changed
PAYDEX®	Fair	10/31/2017
Delinquency Predictor Class	Fair	01/09/2018
Financial Stress Class	Fair	10/31/2017
Supplier Evaluation Rating	Good	04/17/2018
D&B Rating	N/A	04/30/2014
D&B Viability Rating	Good	

Alerts

There are currently no alerts issued for this company. If you only recently began monitoring this company, you will not receive your first alerts until score changes or events occur. To configure your alerts notification settings, please [Click Here](#)

[Configure Alerts](#)



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Alltran Education, Inc.

James Madison University  
Request for Proposal: RFP# LBS-997  
Collection Services

Exhibit VII - PCI-DSS Compliance Scan

# Payment Card Industry (PCI) Executive Report

05/11/2018

## ASV Scan Report Attestation of Scan Compliance

A1. Scan Customer Information				A2. Approved Scanning Vendor Information			
Company:	Enterprise Recovery Systems			Company:	Qualys		
Contact Name:	Thomas Fry	Job Title:	System and Network Admin	Contact Name:	Qualys PCI Support	Job Title:	Qualys PCI Support
Telephone:	630-952-0221	Email:	tfry@ersinc.com	Telephone:	1(866)801-6161	Email:	support@qualys.com
Business Address:	840 S Frontage Rd,			Business Address:	1600 Bridge Parkway,		
City:	Woodridge	State/Province:	Illinois	City:	Redwood Shores	State/Province:	California
ZIP/postal code:	60517	Country:	United States of America	ZIP/postal code:	94065	Country:	United States of America
URL:				URL:	http://www.qualys.com/		

A3. Scan Status			
Date scan completed	05/11/2018	Scan expiration date (90 days from date scan completed)	08/09/2018
Compliance Status	<b>PASS</b>	Scan report type	Full scan
Number of unique in-scope components scanned	7		
Number of identified failing vulnerabilities	0		
Number of components found by ASV but not scanned because scan customer confirmed components were out of scope	6		

A.4 Scan Customer Attestation
<p>Enterprise Recovery Systems attests on 05/11/2018 at 15:56:35 GMT that this scan (either by itself or combined with multiple, partial, or failed scans/rescans, as indicated in the above Section A.3, "Scan Status") includes all components which should be in scope for PCI DSS, any component considered out of scope for this scan is properly segmented from my cardholder data environment, and any evidence submitted to the ASV to resolve scan exceptions - including compensating controls if applicable- is accurate and complete.</p> <p>Enterprise Recovery Systems also acknowledges 1) accurate and complete scoping of this external scan is my responsibility, and 2) this scan result only indicates whether or not my scanned systems are compliant with the external vulnerability scan requirement of PCI DSS; this scan result does not represent my overall compliance status with PCI DSS or provide any indication of compliance with other PCI DSS requirements.</p>
A.5 ASV Attestation
<p>This scan and report was prepared and conducted by Qualys under certificate number 3728-01-12, according to internal processes that meet PCI DSS requirement 11.2.2 and the ASV Program Guide.</p> <p>Qualys attests that the PCI DSS scan process was followed, including a manual or automated Quality Assurance process with customer boarding and scoping practices, review of results for anomalies, and review and correction of 1) disputed or incomplete results, 2) false positives, 3) compensating controls (if applicable), and 4) active scan interference. This report and any exceptions were reviewed by Qualys PCI Support</p>

# ASV Scan Report Summary

## Part 1. Scan Information

Scan Customer Company:	Enterprise Recovery Systems	ASV Company:	Qualys
Date scan was completed:	05/11/2018	Scan expiration date:	08/09/2018

## Part 2. Component Compliance Summary

IP Address: 4.16.36.76	<b>PASS</b>
IP Address: 4.16.36.77	<b>PASS</b>
IP Address: 4.16.36.81	<b>PASS</b>
IP Address: 4.16.36.82	<b>PASS</b>
IP Address: 4.16.36.83	<b>PASS</b>
IP Address: 4.16.36.84	<b>PASS</b>
IP Address: 4.16.36.88	<b>PASS</b>

## Part 2. Component Compliance Summary - (Hosts Not Current)

## Part 3a. Vulnerabilities Noted for each Component

Component	Vulnerabilities Noted per Component	Severity Level	CVSS Score	Compliance Status	Exceptions, False Positives, or Compensating Controls <small>Noted by the ASV for this Vulnerability</small>
4.16.36.76	82003 - ICMP Timestamp Request CVE-1999-0524	<b>LOW</b>	0	<b>PASS</b>	The vulnerability is purely a denial-of-service (DoS) vulnerability.
4.16.36.77	82054 - TCP Sequence Number Approximation Based Denial of Service CVE-2004-0230	<b>MED</b>	5	<b>PASS</b>	The vulnerability is purely a denial-of-service (DoS) vulnerability.
4.16.36.77 <small>port 443/tcp</small>	11827 - HTTP Security Header Not Detected	<b>MED</b>	4.3	<b>PASS</b>	Accepted per vendor statement.
4.16.36.77	82003 - ICMP Timestamp Request CVE-1999-0524	<b>LOW</b>	0	<b>PASS</b>	The vulnerability is purely a denial-of-service (DoS) vulnerability.
4.16.36.81	82054 - TCP Sequence Number Approximation Based Denial of Service CVE-2004-0230	<b>MED</b>	5	<b>PASS</b>	The vulnerability is purely a denial-of-service (DoS) vulnerability.
4.16.36.81	82003 - ICMP Timestamp Request CVE-1999-0524	<b>LOW</b>	0	<b>PASS</b>	The vulnerability is purely a denial-of-service (DoS) vulnerability.
4.16.36.82 <small>port 80/tcp</small>	86847 - Apache Partial HTTP Request Denial of Service Vulnerability - Zero Day CVE-2007-6750	<b>MED</b>	5	<b>PASS</b>	The vulnerability is purely a denial-of-service (DoS) vulnerability.
4.16.36.83 <small>port 443/tcp</small>	86847 - Apache Partial HTTP Request Denial of Service Vulnerability - Zero Day CVE-2007-6750	<b>MED</b>	5	<b>PASS</b>	The vulnerability is purely a denial-of-service (DoS) vulnerability.
4.16.36.83	82054 - TCP Sequence Number Approximation Based Denial of Service CVE-2004-0230	<b>MED</b>	5	<b>PASS</b>	The vulnerability is purely a denial-of-service (DoS) vulnerability.

### Part 3b. Special Notes by Component

Component	Special Note	Item Noted (remote access software, POS software, etc.)	Scan customer's description of actions taken and declaration that software is either implemented securely or removed
4.16.36.77	Embedded links or code from out-of-scope domains	150010 - External Links Discovered (Web Application: port 443/tcp)	Yes - We have determined that there is a business need for the device. The Barracuda SSLVPN is updated daily and all traffic in and out of the device is monitored and regulated by the Juniper SSG-550M core firewall.
4.16.36.82	Embedded links or code from out-of-scope domains	150014 - External Form Actions Discovered (Web Application:port 80/tcp)	Yes - We have determined that there is a business need for the device. The web server is updated daily and all traffic in and out of the device is monitored and regulated by the Juniper SSG-550M core firewall.
4.16.36.82	Embedded links or code from out-of-scope domains	150010 - External Links Discovered (Web Application: port 80/tcp)	Yes - We have determined that there is a business need for the device. The web server is updated daily and all traffic in and out of the device is monitored and regulated by the Juniper SSG-550M core firewall.
4.16.36.82	Embedded links or code from out-of-scope domains	150010 - External Links Discovered (Web Application: port 443/tcp)	Yes - We have determined that there is a business need for the device. The web server is updated daily and all traffic in and out of the device is monitored and regulated by the Juniper SSG-550M core firewall.

### Part 3c. Special Notes Full Text

#### Note

Embedded links or code from out-of-scope domains

Note to Scan Customer : Due to increased risk to the cardholder data environment when embedded links redirect traffic to domains outside the merchant's CDE scope, 1) confirm that this code is obtained from a trusted source, that the embedded links redirect to a trusted source, and that the code is implemented securely, or 2) confirm that the code has been removed. Consult your ASV if you have questions about this Special Note.

### Part 4a. Scope Submitted by Scan Customer for Discovery

IP Addresses/ranges/subnets, domains, URLs, etc.

IP Addresses/Ranges : 4.16.36.76-4.16.36.77,4.16.36.80-4.16.36.84,4.16.36.86-4.16.36.88

### Part 4b. Scan Customer Designated "In-Scope" Components (Scanned)

IP Addresses/ranges/subnets, domains, URLs, etc.

IP Addresses/Ranges : 4.16.36.76-4.16.36.77,4.16.36.81-4.16.36.84,4.16.36.88

### Part 4c. Scan Customer Designated "Out-of-Scope" Components (Not Scanned)

IP Addresses/ranges/subnets, domains, URLs, etc.

IP Addresses/Ranges : - (not active) Scan customer attests that this IP address is not issued/assigned to any physical or virtual host. ASV confirmed it is nonresponsive.

## Report Summary

Company:	Enterprise Recovery Systems
Hosts in Account:	10
Hosts Scanned:	10
Hosts Active:	7
Scan Date:	05/11/2018 at 02:18:21 GMT
Report Date:	05/11/2018 at 15:56:48 GMT
Report Title:	Alltran PCI Scan
Template Title:	Payment Card Industry (PCI) Executive Report

## Summary of Vulnerabilities

Vulnerabilities Total	177	Average Security Risk		1.6
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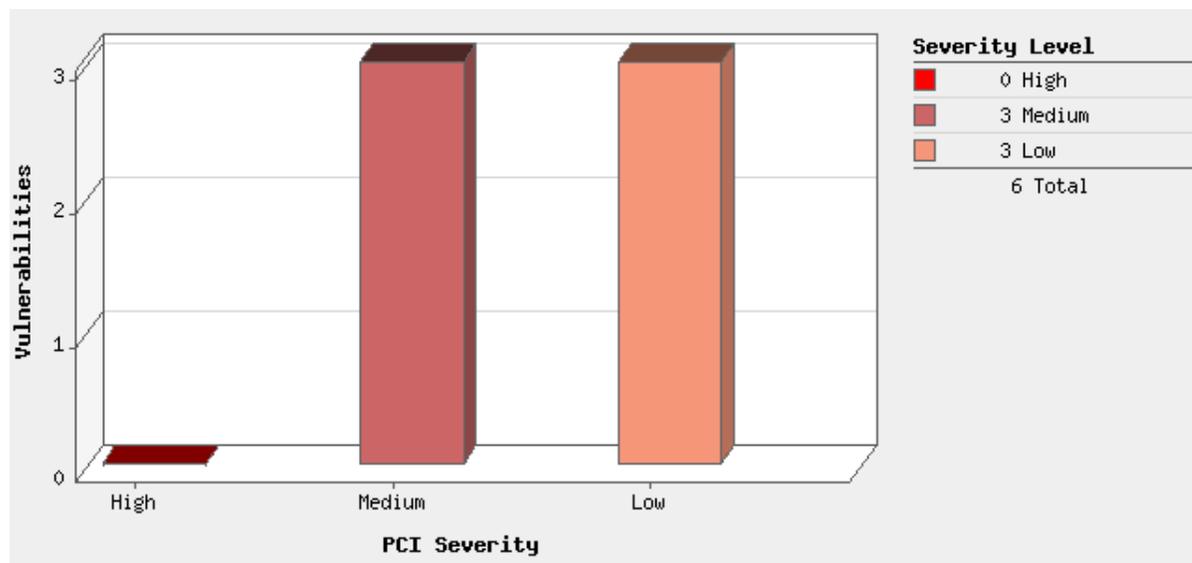
### by Severity

Severity	Confirmed	Potential	Information Gathered	Total
5	0	0	0	0
4	0	0	0	0
3	0	2	1	3
2	3	0	19	22
1	3	0	149	152
Total	6	2	169	177

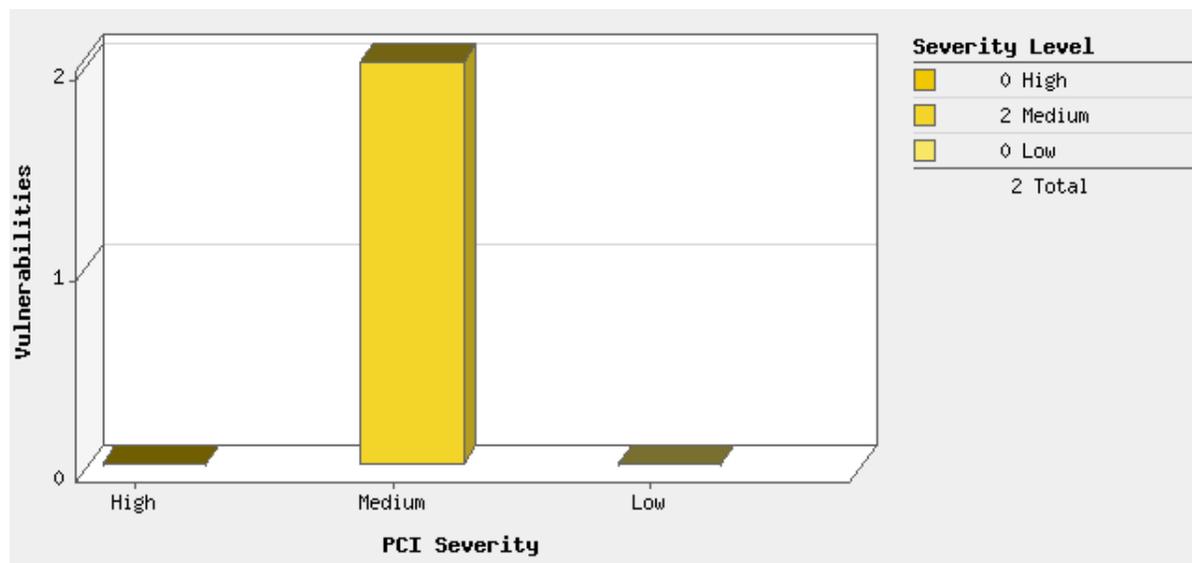
### by PCI Severity

PCI Severity	Confirmed	Potential	Total
High	0	0	0
Medium	3	2	5
Low	3	0	3
Total	6	2	8

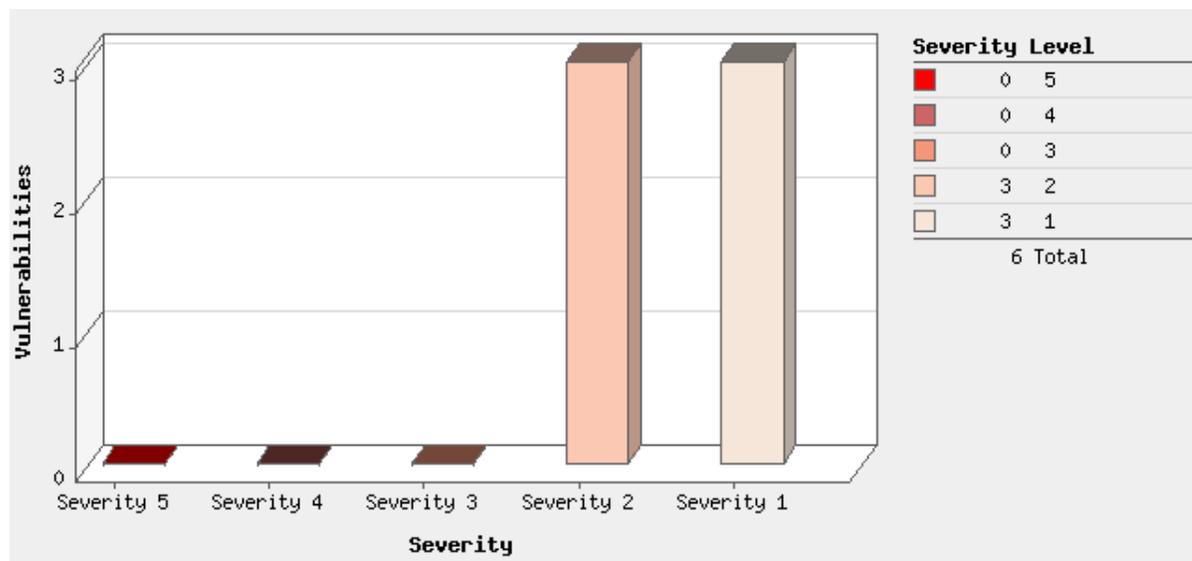
## Vulnerabilities by PCI Severity



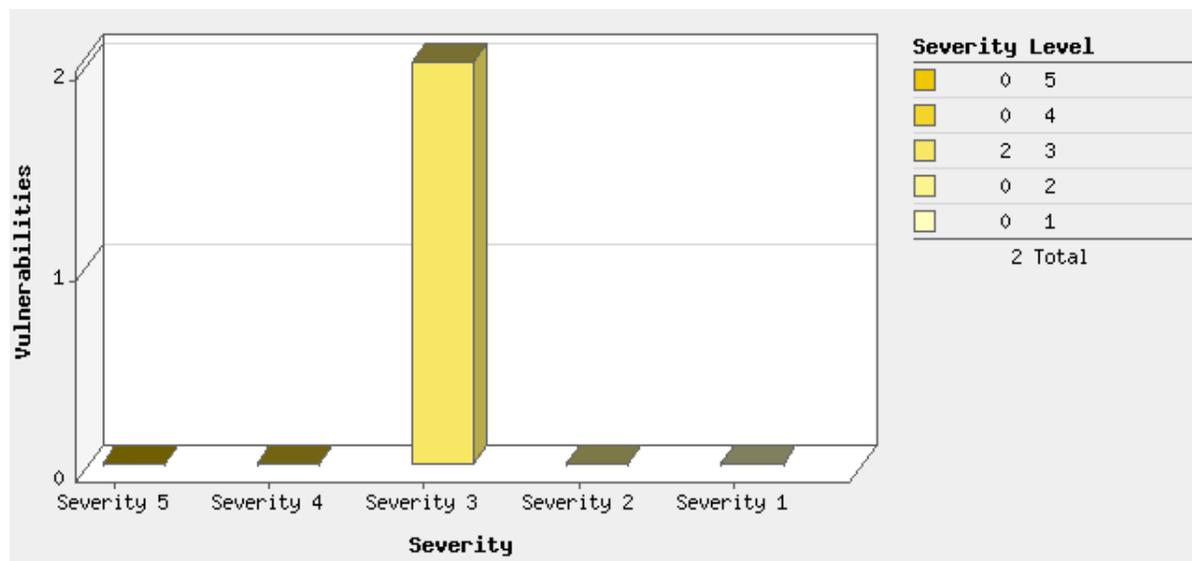
## Potential Vulnerabilities by PCI Severity



## Vulnerabilities by Severity



## Potential Vulnerabilities by Severity



## Appendices

### Hosts Scanned

4.16.36.76-4.16.36.77, 4.16.36.81-4.16.36.84, 4.16.36.88

### Hosts Not Alive

4.16.36.80, 4.16.36.86-4.16.36.87

### Option Profile

#### Scan

Scanned TCP Ports:	Full
Scanned UDP Ports:	Standard Scan
Scan Dead Hosts:	Off
Load Balancer Detection:	Off
Password Brute Forcing:	Standard
Vulnerability Detection:	Complete
Windows Authentication:	Disabled
SSH Authentication:	Disabled
Oracle Authentication:	Disabled
SNMP Authentication:	Disabled
Perform 3-way Handshake:	Off

#### Advanced

Hosts Discovery:	TCP Standard Scan, UDP Standard Scan, ICMP On
Ignore RST packets:	Off
Ignore firewall-generated SYN-ACK packets:	Off
Do not send ACK or SYN-ACK packets during host discovery:	Off

## Report Legend

### Payment Card Industry (PCI) Status

An overall PCI compliance status of PASSED indicates that all hosts in the report passed the PCI compliance standards. A PCI compliance status of PASSED for a single host/IP indicates that no vulnerabilities or potential vulnerabilities, as defined by the PCI DSS compliance standards set by the PCI Council, were detected on the host.

An overall PCI compliance status of FAILED indicates that at least one host in the report failed to meet the PCI compliance standards. A PCI compliance status of FAILED for a single host/IP indicates that at least one vulnerability or potential vulnerability, as defined by the PCI DSS compliance standards set by the PCI Council, was detected on the host.

### Vulnerability Levels

A Vulnerability is a design flaw or mis-configuration which makes your network (or a host on your network) susceptible to malicious attacks from local or remote users. Vulnerabilities can exist in several areas of your network, such as in your firewalls, FTP servers, Web servers, operating systems or CGI bins. Depending on the level of the security risk, the successful exploitation of a vulnerability can vary from the disclosure of information about the host to a complete compromise of the host.

Severity	Level	Description
 1	Minimal	Intruders can collect information about the host (open ports, services, etc.) and may be able to use this information to find other vulnerabilities.
 2	Medium	Intruders may be able to collect sensitive information from the host, such as the precise version of software installed. With this information, intruders can easily exploit known vulnerabilities specific to software versions.
 3	Serious	Intruders may be able to gain access to specific information stored on the host, including security settings. This could result in potential misuse of the host by intruders. For example, vulnerabilities at this level may include partial disclosure of file contents, access to certain files on the host, directory browsing, disclosure of filtering rules and security mechanisms, denial of service attacks, and unauthorized use of services, such as mail-relaying.
 4	Critical	Intruders can possibly gain control of the host, or there may be potential leakage of highly sensitive information. For example, vulnerabilities at this level may include full read access to files, potential backdoors, or a listing of all the users on the host.
 5	Urgent	Intruders can easily gain control of the host, which can lead to the compromise of your entire network security. For example, vulnerabilities at this level may include full read and write access to files, remote execution of commands, and the presence of backdoors.

Severity	Level	Description
 LOW	Low	A vulnerability with a CVSS base score of 0.0 through 3.9. These vulnerabilities are not required to be fixed to pass PCI compliance.
 MED	Medium	A vulnerability with a CVSS base score of 4.0 through 6.9. These vulnerabilities must be fixed to pass PCI compliance.
 HIGH	High	A vulnerability with a CVSS base score of 7.0 through 10.0. These vulnerabilities must be fixed to pass PCI compliance.

### Potential Vulnerability Levels

A potential vulnerability is one which we cannot confirm exists. The only way to verify the existence of such vulnerabilities on your network would be to perform an intrusive scan, which could result in a denial of service. This is strictly against our policy. Instead, we urge you to investigate these potential vulnerabilities further.

Severity	Level	Description
 1	Minimal	If this vulnerability exists on your system, intruders can collect information about the host (open ports, services, etc.) and may be able to use this information to find other vulnerabilities.
 2	Medium	If this vulnerability exists on your system, intruders may be able to collect sensitive information from the host, such as the precise version of software installed. With this information, intruders can easily exploit known vulnerabilities specific to software versions.
 3	Serious	If this vulnerability exists on your system, intruders may be able to gain access to specific information stored on the host, including security settings. This could result in potential misuse of the host by intruders. For example, vulnerabilities at this level may include partial disclosure of file contents, access to certain files on the host, directory browsing, disclosure of filtering rules and security mechanisms, denial of service attacks, and unauthorized use of services, such as mail-relaying.

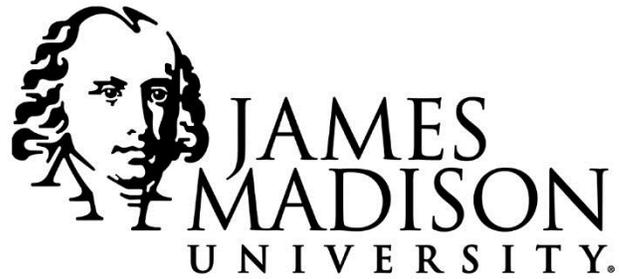
	4	Critical	If this vulnerability exists on your system, intruders can possibly gain control of the host, or there may be potential leakage of highly sensitive information. For example, vulnerabilities at this level may include full read access to files, potential backdoors, or a listing of all the users on the host.
	5	Urgent	If this vulnerability exists on your system, intruders can easily gain control of the host, which can lead to the compromise of your entire network security. For example, vulnerabilities at this level may include full read and write access to files, remote execution of commands, and the presence of backdoors.

Severity	Level	Description
	Low	A potential vulnerability with a CVSS base score of 0.0 through 3.9. These vulnerabilities are not required to be fixed to pass PCI compliance.
	Medium	A potential vulnerability with a CVSS base score of 4.0 through 6.9. These vulnerabilities must be fixed to pass PCI compliance.
	High	A potential vulnerability with a CVSS base score of 7.0 through 10.0. These vulnerabilities must be fixed to pass PCI compliance.

#### Information Gathered

Information Gathered includes visible information about the network related to the host, such as traceroute information, Internet Service Provider (ISP), or a list of reachable hosts. Information Gathered severity levels also include Network Mapping data, such as detected firewalls, SMTP banners, or a list of open TCP services.

Severity	Level	Description	
	1	Minimal	Intruders may be able to retrieve sensitive information related to the host, such as open UDP and TCP services lists, and detection of firewalls.
	2	Medium	Intruders may be able to determine the operating system running on the host, and view banner versions.
	3	Serious	Intruders may be able to detect highly sensitive data, such as global system user lists.



# 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](mailto: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***

## ***TABLE OF CONTENTS***

I.	PURPOSE .....	Page	1
II.	BACKGROUND .....	Pages	1-14
III.	SMALL, WOMAN-OWNED, AND MINORITY PARTICIPATION .....	Page	14
IV.	STATEMENT OF NEEDS .....	Pages	15-19
V.	PROPOSAL PREPARATION AND SUBMISSION .....	Page	19-21
VI.	EVALUATION AND AWARD CRITERIA .....	Page	22
VII.	GENERAL TERMS AND CONDITIONS .....	Page	23-29
VIII.	SPECIAL TERMS AND CONDITIONS .....	Page	29-35
IX.	METHOD OF PAYMENT .....	Page	36
X.	PRICING SCHEDULE .....	Page	36
XI.	ATTACHMENTS .....	Page	36
	A. Offeror Data Sheet		
	B. SWaM Utilization Plan		
	C. Sample of Standard Contract		

## **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 21<sup>st</sup> 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:

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

		<b>Amount Placed</b>	<b>Amount Collected</b>
<b>2013</b>			
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
<b>2014</b>			
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
<b>2015</b>			
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
<b>2016</b>			
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
<b>2017</b>			
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 1<sup>st</sup> 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:

		<b>Amount Placed</b>	<b>Amount Collected</b>
<b>2014</b>			
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
<b>2015</b>			
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
<b>2016</b>			
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
<b>2017</b>			
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](http://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:

		<b>Amount Placed</b>	<b>Amount Collected</b>
<b>2013</b>			
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

<b>2014</b>			
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
<b>2015</b>			
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
<b>2016</b>			
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
<b>2017</b>			
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](http://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:

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

		<b>Amount Placed</b>	<b>Amount Collected</b>
<b>2013</b>			
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
<b>2014</b>			
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
<b>2015</b>			
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
<b>2016</b>			
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
<b>2017</b>			
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:

		<b>Amount Placed</b>	<b>Amount Collected</b>
<b>2013</b>			
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
<b>2014</b>			
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
<b>2015</b>			
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
<b>2016</b>			
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
<b>2017</b>			
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:

		<b>Amount Placed</b>	<b>Amount Collected</b>
<b>2013</b>			
Perkins	1st Placement	\$879,139.38	\$289,733.62
<b>2014</b>			
Perkins	1 <sup>st</sup> Placement	\$414,823.19	\$224,080.12
Nursing HPSL	2 <sup>nd</sup> Placement	\$5,167.48	\$0.00
<b>2015</b>			
Perkins	1st Placement	\$327,228.37	\$217,069.74
<b>2016</b>			
Perkins	1st Placement	\$126,425.30	\$65,514.33
Perkins	2nd Placement	\$119,003.72	\$119,003.72
Nursing/HPSL	2 <sup>nd</sup> Placement	\$35,991.38	\$0.00
<b>2017</b>			
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/](http://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:

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

		<b>Amount Placed</b>	<b>Amount Collected</b>
<b>2013</b>			
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
<b>2014</b>			
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
<b>2015</b>			
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
<b>2016</b>			
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
<b>2017</b>			
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](http://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:

		<b>Amount Placed</b>	<b>Amount Collected</b>
<b>2013</b>			
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
<b>2014</b>			
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
<b>2015</b>			
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
<b>2016</b>			
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
<b>2017</b>			
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](http://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](http://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](http://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](http://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](http://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 SBSBD 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.

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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: \_\_\_\_\_

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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 SBSD 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](http://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,



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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,



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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](http://www.vascupp.org) . Unsuccessful proposals must be requested from the procurement department of the VASCUPP institution that issued the solicitation.**

Sincerely,

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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](http://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."**

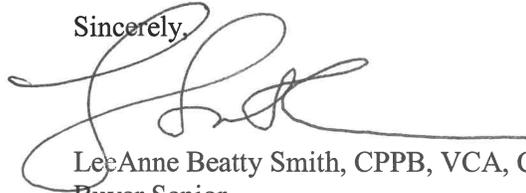
Question: How do we get the placements? Do the universities forward them?

**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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