



COMMONWEALTH OF VIRGINIA
STANDARD CONTRACT

Contract No. UCPJMU5393

This contract entered into this 14th day of January 2019, by Williams & Fudge, 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 13, 2018 and the following negotiated modification to the Proposal, all of which documents are incorporated herein.
(a) Negotiations Summary, dated January 7, 2019.

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

CONTRACTOR:
By: [Signature]
(Christopher P. Rul)
(Printed Name)
Title: Executive Vice President

PURCHASING AGENCY:
By: [Signature]
(Lee Anne Beathy Smith)
(Printed Name)
Title: Buyer Senior, JMU



**RFP # LBS-997, Collection Services  
Negotiation Summary for William & Fudge, 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 judgment accounts*): 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 30-day pre-collect letter on 1<sup>st</sup> placement accounts. 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 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



**RFP # LBS-997, Collection Services  
Negotiation Summary for William & Fudge, Inc.**

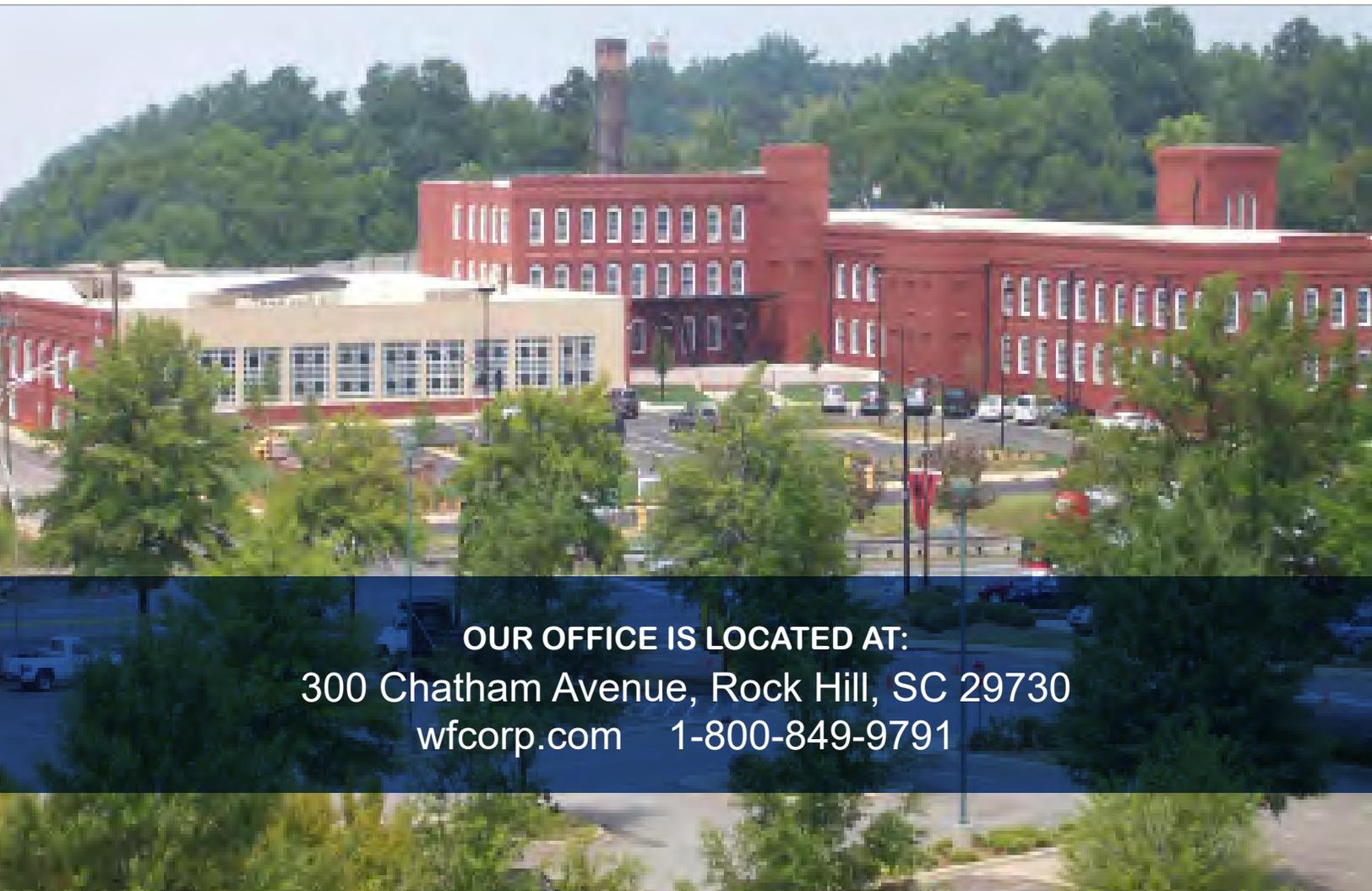
**January 7, 2019**

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



# Williams & Fudge

CONTACT • CONNECT • COLLECT



**OUR OFFICE IS LOCATED AT:**

300 Chatham Avenue, Rock Hill, SC 29730

wfcorp.com 1-800-849-9791



p 803.329.9791 | tf 1.800.849.9791

wfcorp.com

300 Chatham Avenue | PO Box 11590  
Rock Hill, SC 29731

August 13, 2018

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

RE: RFP# LBS-997, Collection Services

Dear Ms. Beatty Smith:

Please find enclosed the above referenced proposal to provide collection services for James Madison University along with VASCUPP member institutions. The enclosed request for proposal (RFP) has been reviewed in detail. Williams & Fudge, Inc. meets each of the minimum mandatory requirements and understands and agrees to the scope of services outlined in the RFP. We do not have any deviations or exceptions to the RFP requirements and there are no conflicts of interest.

The following pages will demonstrate our ability to perform those services requested and also note our willingness to enter into a contract with James Madison University. All information provided in connection with Williams & Fudge's proposal is true and accurate as of the date of its submission and our proposal will remain open and valid for 180 days from the RFP deadline for proposal submission.

We will gladly discuss any questions you might have concerning this response. Please contact me at 1-800-849-9791, ext. 2160 or [cruh@wfcorp.com](mailto:cruh@wfcorp.com). Thank you for the time and consideration that you and your staff have given our company.

Sincerely,  
WILLIAMS & FUDGE, INC.

A handwritten signature in blue ink, appearing to read 'C. Ruh', written over the company name.

Christopher P. Ruh  
Executive Vice President

**TABLE OF CONTENTS**

Cover Letter

Request for Proposal # LBS-997 Sections I – III ..... 5-21

Request for Proposal # LBS-997 Section IV, A - B..... 22-23

Request for Proposal # LBS-997 Section IV, C

- 1. Types of Accounts ..... 23
- 2. Collection Methodology ..... 24-39
- 3. Difference in Services..... 40
- 4. Methods of Communication ..... 40-51
- 5. Work Plan..... 52-53
- 6. Example Remittance Reports ..... 53-62
- 7. Cancelled, Postponed and Deferred Accounts ..... 63-65
- 8. Account Placement..... 65-66
- 9. Compliance with Laws and Regulations ..... 66-69
- 10. Compliance Attestation Audit..... 70-90
- 11. FDCPA Compliance ..... 91
- 12. Gramm-Leach-Bliley Act..... 92-94
- 13. Borrower Assessed Collection Fees ..... 95
- 14. Credit Bureau Reporting ..... 95
- 15. Billing Servicers ..... 95-96
- 16. Cash-Handling Procedures..... 96-97
- 17. NSF Check Handling ..... 97
- 18. Disputes ..... 97
- 19. Support Services ..... 97-106
- 20. Account Closing..... 107-108
- 21. Account Transition..... 108-109
- 22. Reports..... 109-117
- 23. Different Type Accounts ..... 118
- 24. Custom Reports..... 118
- 25. FISAP Assistance..... 118
- 26. International Collections ..... 118
- 27. Professional Organizations..... 118-121
- 28. Purchased/Merged ..... 121
- 29. Audit Exceptions..... 121
- 30. Litigation Issues..... 121

**TABLE OF CONTENTS**

31. Business Structure ..... 122-123

32. Qualifications and Experience ..... 124-130

33. Financial Status ..... 131-143

34. References ..... 144

35. Recovery Rates ..... 145

36. VASCUPP Member Needs ..... 145-147

37. Methods of Payment..... 147-148

38. PCI-DSS..... 148-162

Request for Proposal # LBS-997 Sections V-XI ..... 163-180

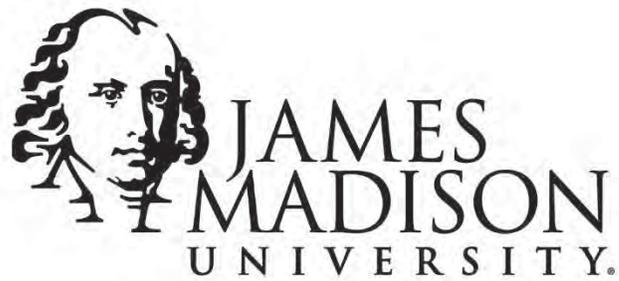
CASCUPP Member Institution Sales Information ..... 181

Pricing Schedule ..... 181

Attachment A ..... 182-183

Attachment B ..... 184-185

Attachment C ..... 186

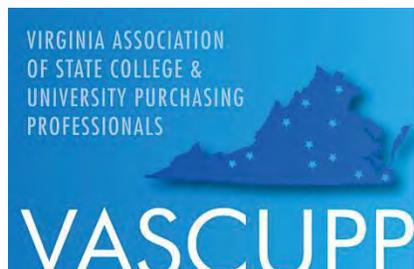


# Request for Proposal

## **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.*

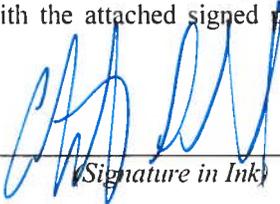
All Inquiries For Information And Clarification Should Be Directed To: LeeAnne Beatty Smith, Buyer Senior, Procurement Services, [smith2LB@jmu.edu](mailto:smith2LB@jmu.edu); 540-568-7523; (Fax) 540-568-7935 not later than five business days before the proposal closing date.

**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:

Williams & Fudge, Inc.  
300 Chatham Avenue  
Rock Hill, SC 29730

By:   
*Signature in Ink*  
Name: Christopher P. Ruh  
*(Please Print)*

Date: August 13, 2018

Title: Executive Vice President

Web Address: Wfcorp.com

Phone: 800-849-9791

Email: cruh@wfcorp.com

Fax #: 803-329-0797

ACKNOWLEDGE RECEIPT OF ADDENDUM: #1 cl #2 cl #3 cl #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.**

Rev. 5/4/18 LMF

**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/Inst./AR	1st Placement	\$77,463.93	\$26,705.56
Tuition/Inst./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/Inst./AR	2nd Placement	\$91,169.74	\$31,877.58
<b>2015</b>			
Perkins	1st Placement	\$439,278.44	\$119,065.86
Tuition/Inst./AR	1st Placement	\$164,560.18	\$44,229.39
Tuition/Inst./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/Inst./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/Inst./AR	1st Placement	\$267,705.22	\$52,436.82
Tuition/Inst./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/Inst./AR	1st Placement	\$329,815.53	\$155,780.36
Tuition/Inst./AR	2nd Placement	\$6,346.43	\$0.00
<b>2014</b>			
Perkins	1st Placement	\$68,701.52	\$65,612.04
Tuition/Inst./AR	1st Placement	\$504,797.49	\$206,752.51
Tuition/Inst./AR	2nd Placement	\$137,672.94	\$11,997.33
<b>2015</b>			
Perkins	1st Placement	\$26,794.09	\$13,503.60
Tuition/Inst./AR	1st Placement	\$81,398.71	\$36,928.79
Tuition/Inst./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/Inst./AR	1st Placement	\$108,614.71	\$50,871.55
Tuition/Inst./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/Inst./AR	1st Placement	\$93,581.32	\$40,337.80
Tuition/Inst./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/Inst./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.

**Williams & Fudge** was founded in 1986 with the purpose of serving the higher education community by aiding colleges and universities in the recovery of education-related receivables through its first and third-party collection services. Specific debt types include federal Perkins loans (cohort management), tuition, campus-based institutional loans, Health Profession and Nursing Student Loans, private education/alternative loans, and miscellaneous accounts receivables.

**Williams & Fudge's** experience is extensive and can be observed throughout the bid document. Student loan and receivable collections are not only our area of specialization; **IT IS OUR ONLY BUSINESS!**

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.

It is the belief of **Williams & Fudge** that successful collections are determined by the technical knowledge and training of each of our account representatives. Other important tools include: collection and early intervention programs, the process of recovering lost dollars, and the technical means that are utilized to locate consumers.

Although our collection process remains the same for collection of both federal loans and student account receivables, our account representatives do understand that there are some basic differences that are important when approaching the consumer with a plan to resolve the debt.

**Williams & Fudge** shall promptly undertake, through proper and lawful means, the collection of all accounts referred by the University, and collect regardless of the amount. **Williams & Fudge** shall not, under any circumstances, use any threats, intimidation, or harassment of the consumer in the collection of accounts or violate any guidelines established by the Fair Debt Collection Practices Act.

**Williams & Fudge** will perform contracted functions in compliance with all current and future provisions of The Fair Debt Collection Practices Act (FDCPA), Consumer Credit Protection Act (Public Law 95-109), Family Educational Rights and Privacy Act (FERPA), Fair Credit Reporting Act (FCRA), Telephone Consumer Protection Act (TCPA), Consumer Financial Protection Bureau (CFPB), National Defense (Federal Perkins) Education Act of 1958, Title II, and the Public Health Service Act Titles VII, and VIII. Regarding federal regulations pertaining to the Higher Education Act of 1965 Title IV, as amended, specifically those statutory provisions in Section 668.25 (contracts between an institution and third-party servicer); **Williams & Fudge** agrees to comply with all current and future applicable requirements.

There are three primary issues that directly affect the student loan office. The first is the Cohort Rate, the second is timely repayment by students and, the third is successful collections of defaulted accounts.

We understand what it takes to remove an account from the cohort default rate. Whether it is six consecutive monthly payments, checking the National Student Clearinghouse for deferment eligibility, encouraging the filing of forbearance, or bringing an account current, our account representatives understand the importance of a cohort account to the Federal Perkins Student Loan Program. We also offer a free cohort pre-collect letter.

Our collection efforts are a major resource for replenishing the loan fund for current and future students. **Williams & Fudge** is knowledgeable of federal regulations, and we train our staff on issues regarding due diligence and collections.

Unlike the federal programs, there are no federal regulations or laws which supersede the laws of individual states, with the exception of bankruptcy on student

account receivables. All of the **Williams & Fudge** account representatives are provided with a breakdown of state laws and special requirements of each state. Several states have collection practice laws that are more restrictive than the Fair Debt Collection Practices Act; therefore, it is important that our account representatives be informed of any laws that are more restrictive in order to protect the interest of the college or university. One of the major concerns in the collection of student receivable accounts is preserving the statute of limitations. Our immediate objective when initiating collection activity on a student receivable is to obtain confirmation of the account from the consumer. Confirmation of a student account debt may be in the form of a written proposal for payment, a letter acknowledging the legitimacy of the debt, or payment toward the account. Any one of the above activities will reinstate or extend the statute of limitations on an account.

**Williams & Fudge** account representatives must also have a basic understanding of institutional policies and accounting methods. When communicating with a consumer, our account representatives must be able to respond to questions regarding withdrawal policies, penalties and fines, as well as why financial aid was or was not applied.

All **Williams & Fudge** account representatives have been trained in the laws of the Fair Credit Reporting Act. They will advise the consumer how long a student account will remain in the credit bureau if the college or university allows the student accounts to be reported to national credit bureaus.

Our fully automated system gives us the online capability to monitor all activities of our entire staff, including calls, letters, broken promises, time of day, duration of calls, etc., which can be done on a daily, weekly and/or monthly basis. Our collection floor is an open environment with supervisors constantly moving around to assist collectors when needed.

### **ACCOUNT PLACEMENT**

**Williams & Fudge** software allows the acceptance of accounts by any means, including automatic placements from the institution's billing servicer, manual placements, diskettes, tape-to-tape, FTP, web-based ([www.wfcorp.com](http://www.wfcorp.com)), or any other format currently in use.

**Williams & Fudge** can receive electronic business from all data types, and we encourage electronic data to be transferred securely through our web site [clients.wfcorp.com](http://clients.wfcorp.com) or by a dedicated FTP. All data is transferred through the Help Systems Managed File Transfer (MFT) Gateway hosted on our network which has the following capabilities and security controls:

- Easy to use web-browser uploads through secure client website (HTTPS);
- Unique usernames and passwords required for each client user;
- SFTP server for secure FTP over SSH;
- Automatic/scheduling capabilities for SFTP send and receive;
- Detailed audit logs for all activity (e.g. logins, file transfers, errors, etc.); and
- IP Blacklisting.

With the Help Systems MFT Gateway, no sensitive information (files, users, passwords, certificates, etc.) is stored in the DMZ and no inbound ports are opened into the private (internal) network. The process provides flexibility to reformat data if needed and all SFTP transmissions are over an encrypted connection for security. PGP file encryption is also supported.

Upon placement of accounts, **Williams & Fudge** requests the following information:

- Consumer Name
- Social Security Number
- Last Known Address (If Available)
- Last Known Phone Number (If Available)
- Account Type
- Principal Balance Due
- Total Interest Due (if applicable)
- Late Charges Due (if applicable)
- Interest Rate (if applicable)
- Default Date

We will contact the University on an as-needed basis, if additional information is required.

Accounts received by **Williams & Fudge** are immediately placed for collection. The accounts are reviewed for proper placement amount as prescribed by the contract plus applicable state and federal laws. Upon placement on our software system, the accounts are sent directly to batch processing and the following procedures occur:

1. Accounts are cross-referenced to all existing files.
2. Credit bureau reporting is established, if authorized.
3. Validation of debt notice is generated and mailed to establish contact with the consumer.
4. Address on file is compared to the United States Postal Service National Change of Address database (NCOA).
5. Any variation of the existing address is downloaded and our system is updated.
6. An electronic batch file is submitted to TLO and any phone numbers obtained are updated in our system
7. An Acknowledgment Report is generated and sent to the institution.
8. Account is placed with collector for initial phone contact.

**Williams & Fudge** account representatives have a designated collection unit that is incorporated within our collection software. Each unit has a pre-set number of accounts that can be maintained for that collector. Current account size per unit ranges from 569 to 860 with an average of 700 accounts per account representative.

The collection system has been programmed to search and transfer a new placement to any collection unit that is in need of additional accounts. Account representatives are trained to collect both Federal Perkins and institutional student

receivables; therefore, there is not any discrimination of accounts being place-based on the debt type or balance.

Accounts upon placement are coded status code 11 (Account Activation) and remain in this status code for the first 60 days or until successful contact is made with the consumer. Accounts in status code 11 are required to be worked daily for the first three days and then every seven days thereafter until account is 60 days old or a successful arrangement has been made with the consumer. Steps during this period include calling all available numbers (home, place of employment, cell, co-maker, neighbor, parent, reference, relative, etc.) as well as thorough skip tracing through Accurant, credit bureaus, Facebook, PIPL.com, TLO and other internet skip tracing sights.

**Williams & Fudge** collectors maintain ownership of new placements for 150 days from the date of placement. Ownership of accounts beyond the 150 days of placement will be maintained only if the account has an on-going payment arrangement, post-date series, consolidation, promise to pay, or a payment within the last 60 days. Any account not meeting the criteria will be transferred from the original unit on the 151<sup>st</sup> day, placed in a pooled collection unit, and then placed with another collector utilizing an auto-assign process. The “2<sup>nd</sup> effort” collector (commission rate does not change for the client) will have 90 days to successfully get the account into repayment. Any account not in repayment or in the process of successful collections after 241 days will be reviewed for final resolution and sent to the Final Effort collectors or to Legal. The collector with last ownership of the account will be responsible for the successful collection by the Final Effort collectors.

**Williams & Fudge** account representatives are trained to assist consumers in recognizing the need to clear their balances. Our recommendations for full payment include monies from savings accounts, retirement accounts, other investments, life insurance policies, parents and other relatives, etc. OUR ACCOUNT REPRESENTATIVES ARE COUNSELORS! We also suggest consolidation of bills, credit unions, etc. The consumer is normally given three working days to respond to our request for payment.

During follow-up conversations with the consumer, we continue to stress the need to clear the balance immediately. Urging the consumer to fulfill his or her obligation increases our level of recovery.

Evaluation of our placement process is continual to ensure that each unit is balanced and opportunities are available for each account representative. Our clients receive an added benefit in knowing that the entire staff of **Williams & Fudge** has been trained to work each individual Institution's accounts.

The monitoring of staff efforts is a two-fold process. Evaluation of performance requires the personal touch as well as data analysis. All accounts must be worked at a minimum of every fourteen days, with the exception of cohort accounts which must be worked every seven days. Through the use of our compliance chains, our software

system monitors this automatically. Compliance chains force accounts to be worked within the prescribed time frames.

**Williams & Fudge** firmly believes in the philosophy that the best monitoring and training is via a one-to-one working relationship between the manager and the account representative. Our collection managers sit down on a continual basis with the account representatives and listen to their conversations with consumers. The purpose of this exercise is to provide support, recommendations, and praise.

As part of the monitoring and evaluation process collection managers perform spot audits on accounts. Accounts selected are random-based to ensure that a balanced review is done. The collection managers evaluate the frequency and quality of contacts then discuss their findings with the account representatives.

### **METHODS OF PAYMENT**

**Williams & Fudge** accepts the following forms of payment:

- Automated Clearing House (ACH)
- Personal checks
- Visa/MasterCard/Discover
- Certified Funds (bank check, money order, etc.)
- Electronic Funds Transfer (EFT)
- Military allotment
- Cash
- Check by Phone
- Post-dated checks
- Western Union
- Loan Consolidation

Consumers can also make on-line payments via [www.wfpayaccounts.com](http://www.wfpayaccounts.com) or from their smart phone (iPhone and Android) through the use of **Williams & Fudge's** mobile application, [WF Mobile](#). A secure application, WF Mobile enables **Williams & Fudge** account holders' mobile access to review balances, make payments and communicate directly with a **Williams & Fudge** account representative. WF Mobile can be downloaded for free from iTunes or Google Play. It's free, easy to use and convenient!

**Williams & Fudge's** goal is to achieve collection success within the guidelines of the Fair Debt Collections Practices Act. Our first collection attempt is always to collect the balance. If this is not possible, payments are then established in accordance with the consumer's ability to repay the debt. The account representative explains to the consumer that this may be temporary and a reevaluation will be done in 90 days to reassess the consumer's ability to pay. At that time, the payment arrangements may be increased or the consumer may be asked to pay in full. Typically, this process is done after a financial analysis review.

**Williams & Fudge** account representatives expect the consumer to sign a renegotiated payment agreement should this be the only way to ensure recovery. This signed agreement re-establishes an agreement between the former student and the institution. For accounts set up on a post-date (ACH or credit card) series a reminder letter is sent 7-10 days prior to the payment date. **Williams & Fudge** does not have a minimum payment. We work with your consumers to determine acceptable payment amounts to the Institution and consumer.

Payment arrangements are not taken lightly. **Williams & Fudge** account reps monitor consumers' payment schedules and immediately follow up when the payment is not received on the scheduled date. The consumer is called immediately and a solution is secured that day. A quick response to broken arrangements results in re-establishing payments.

### **SKIPTRACING**

**Williams & Fudge** subscribes to the following locator (skip tracing) networks:

- Accurint / Lexis Nexis
- CBC Innovis
- eBureau
- TLO (The Last One)

**Williams & Fudge** has electronic access to the following national credit bureaus:

- Equifax
- Experian
- TransUnion
- eBureau

Upon placement of an account the address on file is compared to the United States Postal Service National Change of Address database (NCOA). Any variation of the existing address is downloaded and our system is updated. For all new accounts placed an electronic batch file is submitted to TLO and any phone numbers obtained are updated in our system for confirmation by the account representatives.

**Williams & Fudge** constantly explores and uses the latest in skip-tracing technology. The following is representative of most of our procedures. There are many excellent tools for locating consumers. In addition to the paid networks that **Williams & Fudge** subscribes to; our account representatives utilize internet skip tracing sites such as:

Facebook	<a href="http://www.facebook.com">www.facebook.com</a>
Google	<a href="http://www.google.com">www.google.com</a>
Switchboard HITP	<a href="http://www.switchboard.com">www.switchboard.com</a>
National Assoc. of Credit pipl	<a href="http://www.nacm.org">www.nacm.org</a>
Netscape People Search	<a href="http://www.pipl.com">www.pipl.com</a>
	<a href="http://www.netscape.com">www.netscape.com</a>

411 White Pages	<a href="http://www.411.com">www.411.com</a>
Area Code Look up	<a href="http://www.555-1212.com">www.555-1212.com</a>
National Student Clearinghouse	<a href="http://www.studentclearinghouse.org">www.studentclearinghouse.org</a>
US Postal Service	<a href="http://www.usps.com">www.usps.com</a>
LinkedIn	<a href="http://www.linkedin.com">www.linkedin.com</a>

**CALLER ID:** We utilize caller identification, which enables us to capture the phone number on all incoming calls.

**TRADITIONAL METHODS:** We still use the old methods of contacting neighbors (as the law allows), previous and current employers, libraries, tax offices, postal carriers, etc.

### **PROOF OF DEBT**

Under the FDCPA, the consumer has the right to dispute the debt. **Williams & Fudge** complies with all guidelines of the FDCPA. We request verification from the consumer as to what part he/she disputes and immediately request the proper documentation from the institution to validate the debt. Once the dispute is resolved, normal collection procedures continue.

### **METHODS OF COMMUNICATION**

**Williams & Fudge** account representatives communicate with consumers via the use of letters, phone calls and email (upon receipt of consent). In addition, consumers can communicate with account representatives through the web ([www.wfpayaccounts.com](http://www.wfpayaccounts.com)) and **Williams & Fudge's** mobile application, [WF Mobile](#). The first in the industry mobile app, allows consumers to view their account and make payments on any iOS device (iPhone, iPod and iPad) or Android smart phone.

The schedule for notifications is determined by the account reps with the only required notification, the validation notice, sent upon placement of account.

**Williams & Fudge's** policies, as they relate to consumer contacts, follow.

## Call Restrictions

### Purpose

The purpose of this policy is to define the frequency of outbound call attempts in which Williams & Fudge, Inc.'s employees may make to a consumer, third-party, or a consumer's attorney.

### Scope

This policy includes in scope:

- All Williams & Fudge, Inc. employees.

### Policy

To ensure compliance with all applicable regulations and client expectations, the number of contact attempts by phone shall be limited as follows unless:

- Specifically requested by the consumer or the consumer's attorney;
- Specifically requested by the third-party;
- Further restricted by State Law (see [State Laws More Restrictive](#)); or
- Further restricted by client directives.

Outbound attempts to the consumer or third-party shall be defined as inclusive of any combination of phone numbers (home, work, mobile, etc.).

### Ring Duration

To ensure the consumer, third-party, or the consumer's attorney has an opportunity to answer the phone and does not experience excessive ring times, prior to disconnecting the call, the account representative shall:

- Allow a minimum of **four** rings to occur; and
- Not allow the number of rings to exceed **eight**.

### Maximum Daily Contact Attempts Per Person

The maximum number of outbound call attempts per person per day shall be limited to:

- **Seven** – when attempting to contact a consumer; and
- **Two** – when attempting to contact a third-party (see [Third-Party Contact](#)).

### Maximum Daily Contact Attempts Per Specific Phone Number (Non-POE)

The maximum number of outbound call attempts per day to any specific non-POE phone number shall be limited to:

- **Three** – when attempting to contact a consumer; and
- **Two** – when attempting to contact a third-party (see [Third-Party Contact](#)).

### **Maximum Daily Contact Attempts to a Place of Employment (POE)**

The maximum number of outbound call attempts per day to any POE phone number (see [POE Contact](#)) shall be limited to:

- **One** – when attempting to contact a consumer;
- **One** – when attempting to contact a consumer’s attorney; and
- **One** – when attempting to contact a third-party.

### **Minimum Time Between Contact Attempts to a Specific Phone Number**

The minimum amount of time between each outbound call attempt to a specific phone number shall be:

- **120 minutes** – or two hours.

### **When Contact is Made, an Email is Sent, or a Message Has Been Left**

Unless follow up is specifically requested, all further communication attempts to that consumer, consumer’s attorney, or third-party shall cease for that day when:

- Contact has been made;
- An email has been sent; or
- A message has been left.

### **Third-Party Attempts**

Further restrictions apply to third-party attempts (see [Third-Party Contact](#)).

### **Ramifications**

Violation of this policy is considered a major Non-Conformity.

## Voice Mail Messages

### Purpose

The purpose of this policy is to define requirements regarding voice mails pertaining to a consumer's account for Williams & Fudge, Inc. and/or its employees.

### Scope

This policy includes in scope:

- All Williams & Fudge, Inc. employees.

### Policy

No voice mail messages disclosing information about the debt shall be left on any voice mail associated with the consumer without prior expressed consent from the consumer, unless it is the Zortman Message as authorized below.

No voice mail messages disclosing information about the debt shall be left on any third-party's voice mail without prior expressed consent from the third-party and prior authorization from the consumer to discuss the debt with the third-party has been received and documented. Absent prior authorization, a voice mail message may be left on an immediate family member's voice mail for the purpose of seeking the missing component(s) of location information, as authorized below.

Prior to payment processing and throughout the day, incoming voice mails shall be reviewed and processed promptly to ensure responsiveness to the consumer, consumer's attorney, or third-party.

### Voice Mails Messages With Prior Consent

#### *Obtaining Consent*

In order to obtain expressed consent, the following must occur:

- The account representative must ask and receive clear consent from the consumer or authorized third party to the following question: **"May I leave you a voice mail specifically disclosing information about the debt?;"** and
- Clear consent must be received for each individual number to which a message may be left.

#### *Documenting Consent*

Voice mail consent must be documented as follows:

- The authorization shall be documented in the account notes for each phone number for which the consumer has consented to receive a detailed voice mail; and
- The Consent to Call flag shall be marked as Yes within the Consumer Phone Properties for each phone number for which the consumer has consented to receive a detailed voice mail.

#### *Requirements*

Voice mail messages where prior consent has been obtained shall contain all necessary disclosures (see [Required Written and Verbal Disclosures](#)), including:

- The statement, "This is a communication from a debt collector;"

Revised: 12/28/2017

Williams & Fudge, Inc. – Voice Mail Messages

1

Created: 03/12/2015

- Identifying the company name as Williams & Fudge, Inc.; and
- Any applicable state-specific disclosures.

In addition, the voice mail message shall not contain:

- Deadlines;
- Demands;
- Consequences;
- Personal remarks; or
- A sense of urgency.

Examples of an acceptable message include:

- Mr./Ms. [Consumer], this is [Account Representative Name] from Williams & Fudge, Inc. I am following up with you in regards to your student loan with [Client Name]. This is a communication from a debt collector. We are missing your signature on page 3 of the loan verification application. Please call me at 803- 329-9791 Ext 1111.
- Mr./Ms. [Consumer], this is [Account Representative Name] from Williams & Fudge, Inc. I am following up with you in regards to your account with [Client Name]. This is a communication from a debt collector. You have indicated that payment would be received by April 20th and I am following up on that promise. Please call me at 803- 329-9791 Ext 1111.

#### **Voice Mail Messages Without Prior Consent - Zortman Message**

A voice mail message may be left for a consumer without receiving prior authorization from the consumer when:

- The number to which the message is going to be left is reasonably believed to belong to the consumer in the case for a home or mobile number or specifically identifies the consumer by full name in the case of a POE number (see [POE Contact](#)); and
- The voice mail message **only** contains the authorized language below:

“We have an important message from Williams & Fudge, Inc. This is a call from a debt collector. Please call [Account Representative’s full name] at [Account Representative’s direct number].”

#### **Voice Mail Messages Without Prior Consent - Seeking Location Information**

A third-party voice mail exclusively seeking a callback to obtain the missing component(s) of location information (see [Third-Party Contact](#)) may only be left for the consumer’s immediate family (parents and siblings). The voice mail messages must **not** contain:

- That the communication is from a debt collector;
- Any account identification, except for the reference (Consumer ID) number; or
- Any state-specific disclosures.

An example of an acceptable message is:

“Ms. Smith, this is [Account Representative’s Name], please call me at [Account Representative’s direct number] in reference to [Consumer ID]. This is not a solicitation.”

### Incoming Voice Mail

To ensure timely processing and any required follow up, incoming voice mails shall be processed daily as follows:

- Prior to daily payment processing and throughout the day, account representatives shall check for any voice mail related to a consumer's account, process the voice mail, and provide timely follow up if applicable; and
- In the event that an account representative is absent and prior to daily payment processing, a member of collection management shall retrieve any voice mails received for the absent account representative related to a consumer's account, process, and provide timely follow up if applicable (or assign another account representative to process and follow up).

### Ramifications

- Violation of this policy is considered a major Non-Conformity.

## Email Communication

### Purpose

The purpose of this policy is to define Williams & Fudge, Inc.'s requirements for email communication regarding an account with a consumer, authorized third-party, or a consumer's attorney.

### Scope

This policy includes in scope:

- Any Williams & Fudge, Inc. employee.

### Policy

#### Outgoing Email

Depending on the nature of the debt and the state in which the consumer resides, all communication via email, including collection notices (E-notices), shall disclose that the communication is from a debt collector, shall contain the Mini-Miranda disclosure, and contain any applicable required state disclosures.

#### Validation Notice

Upon account placement:

- A validation notification shall be generated and sent to the consumer either by regular mail or email; and
- No additional email communication or E-notice shall be sent to the consumer that would overshadow the validation period (thirty days from the day the validation notice is received by the consumer).

#### Revalidation Requirements

If the consumer's mailing or email address is determined to be invalid or the consumer advises the validation notice was not received, the account representative shall:

- Verify or attempt to locate the corrected mailing or email address; and
- Resend the validation notice (Letter 12) to the consumer to the corrected address.

A paper validation notice shall be automatically mailed to the consumer three days after the first Right Party Contact (RPC) following the placement date of the most recently placed account when:

- The initial Validation notice was sent via email;
- The initial emailed Validation notice was not opened by the consumer; and
- A subsequent Validation notice has not already been queued or sent at the consumer's request following the RPC.

### *Email Auditing Process*

Email communication shall be regularly audited for (but not limited to) compliance with company policy regarding:

- Content;
- Authorization from the consumer, authorized third-party, or consumer's attorney;
- Proper documentation within the company collection system;
- Avoiding overshadowing via proper communication timelines; and
- Timely response to consumer requests regarding an account.

If an audited email is non-compliant with company policy, the account representative may be required to have his or her outbound emails approved by the Compliance department prior to sending.

### *Secure Email*

All documents sent via secure email shall be scanned by the sender to the company collection system. Secure email is utilized to provide documents containing personal and private information (PPI) including:

- Validation documentation and/or payment histories;
- Consolidation applications;
- Consent forms; or
- Client-specific documents.

Secure emails shall contain only the documents being sent and shall not contain additional text or instructions. If additional text or instructions are required, an unsecure email shall be used to provide the information via the unsecure email process.

### *Unsecure Email*

#### *Active Accounts*

All unsecure emails shall be generated through the CCP window in Debt Manager and shall conform to Williams & Fudge, Inc.'s email standards.

#### *Inactive Accounts*

If a consumer's account is inactive and the consumer requires additional follow up beyond payment confirmation (Letter 9), the issue shall be escalated to the Ombudsman for processing and follow up.

### *Email Frequency*

Absent an active ongoing dialogue with the consumer, authorized third-party, or the consumer's attorney:

- The maximum number of outbound emails is **three** per seven calendar days (unless further restricted by applicable state law or more interaction is specifically requested by the consumer); and
- All emails must comply with the restrictions below.

## Email Restrictions

Account representatives may send email communication to a consumer, authorized third-party, or a consumer's attorney provided:

- The consumer, authorized third-party, or consumer's attorney has given prior authorization to receive specific information about the account via email (excluding the Validation Notice) and the authorization is documented in the company collection system;
- No email communication is sent that would overshadow the validation period (thirty days from the day the validation notice is received by the consumer), unless it is to resend a validation notice;
- No email is sent to the consumer's or third-party's place of employment, unless specifically authorized by the consumer or third-party and not restricted by state law (see [State Laws More Restrictive](#));
- The consumer is not represented by an attorney (see [Attorney Representation](#));
- The consumer has not disputed the debt (with the exception of providing validation documentation or responding specifically to a consumer's request, see [Disputes](#));
- The consumer is not involved in an active bankruptcy filing;
- The consumer has not requested a cease & desist of all communication;
- The consumer's account is not placed into a collection hold status in the collection system;
- The email contains no deadlines, demands, consequences, personal remarks, or any false sense of urgency;
- A message (voicemail or third-party) has not been left for the consumer prior to sending;
- The email is concise, professional, and grammatically correct; and
- The email does not contain personal and private information (PPI) unless sent via secure email.

## Incoming Email

Any incoming email from a regulatory body, attorney, third-party, or a consumer that is related to a consumer's account shall be processed timely and scanned to the collection system.

### *Incoming Email Processing*

To ensure timely processing and any required follow up, incoming email shall be processed daily as follows:

- Any email from a regulatory body, a complaint, or from an attorney pertaining to litigation, shall be immediately forwarded to the Compliance department for processing and to be scanned to the system of record;
- Prior to daily payment processing and throughout the day, account representatives shall check for any email related to a consumer's account, process the email, provide a timely response if applicable, and scan the email to the system of record;
- In the event an account representative is absent and prior to daily payment processing, a member of collection management shall retrieve any emails sent to the absent account representative related to a consumer's account, process and provide a timely response if

applicable (or assign another account representative to process and respond), and scan the email to the system of record.

Any email received disputing the debt shall be handled according to the Dispute policy (see [Disputes](#)).

### **Ramifications**

Violation of this policy is considered a major Non-Conformity.

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

**Williams & Fudge's** collection process, as described in the previous section, is the same for 1<sup>st</sup> and 2<sup>nd</sup> placements.

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

**Williams & Fudge** account representatives communicate with consumers via the use of letters, phone calls and email (upon receipt of consent). In addition, consumers can communicate with account representatives through the web ([www.wfpayaccounts.com](http://www.wfpayaccounts.com)) and **Williams & Fudge's** mobile application, [WF Mobile](#). The first in the industry mobile app, allows consumers to view their account and make payments on any iOS device (iPhone, iPod and iPad) or Android smart phone.

The schedule for notifications is determined by the account reps with the only required notification, the validation notice, sent upon placement of account.

Sample letters follow.

**WILLIAMS & FUDGE, INC.**

300 Chatham Ave., P.O. Box 11590  
 Rock Hill, SC 29731-1590  
 1-803-329-9791 1-800-551-5772  
 TTY: 1-866-220-2920

Consumer Information	
Williams & Fudge, Inc. Consumer ID #	«Insert10»
Williams & Fudge, Inc. Pin #	«INSERT2»
Amount Due for Accounts Listed Below	«Clientinsert10»

November 14, 2016

**Account(s) Details**

«Insert29»  
 «INSERT30»  
 «INSERT31»  
 «INSERT32»  
 «INSERT33»  
 «INSERT34»  
 «INSERT35»  
 «INSERT36»  
 «INSERT37»  
 «INSERT38»  
 «INSERT39»  
 «INSERT40»  
 «Clientinse  
 rt10»

We represent the above creditor(s) to collect the total amount from you in connection with a delinquent debt.

In order to clear this outstanding debt, we suggest that you contact the undersigned with respect to a full resolution, or use one of the payment methods listed below.

Unless you notify this office within 30 days after receiving this notice that you dispute the validity of the debt or any portion thereof, this office will assume this debt is valid. If you notify this office in writing within 30 days from receiving this notice, that you dispute the validity of the debt or any portion thereof, this office will obtain verification of the debt or obtain a copy of a judgment and mail you a copy of such judgment or verification. Upon your written request within 30 days after receipt of this notice, this office will provide you with the name and address of the original creditor, if different from the current creditor.

As of the date of this letter, the amount placed into collections is «Clientinsert10». Because of interest, late charges, and other charges that may vary from day to day, the amount due on the day you pay may be greater. Hence, if you pay the amount shown above, an additional balance may remain after we receive your payment. For further information, write or call the undersigned.

Williams & Fudge, Inc.

«Insert3»  
 «Insert4»  
 «Insert5»

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<b>As a convenience we provide multiple methods for payment of the above balance.</b>
<p><b>Online/Mobile App Payments</b>  <a href="http://www.wfpayaccounts.com">www.wfpayaccounts.com</a>                  ElectronicChecks (ACH), Visa, Master Card, and Discover                  You may also view account information at our website by selecting the "Check Balance" option.</p>
<p><b>Pay by Phone</b>                  «Insert3» «Insert4» «Insert5»                  ElectronicChecks (ACH), Visa, Master Card, and Discover</p>
<p><b>Pay by Mail</b>                  Williams &amp; Fudge, Inc.                  P.O. Box 11590                  Rock Hill, SC 29731-1590</p>
<p><b>Note: Payment by debit/credit card is not allowed by every Williams &amp; Fudge, Inc. client. If you attempt to pay your debt via credit card and the applicable creditor does not allow Williams &amp; Fudge, Inc. to accept credit card payments, then we will not run your payment. We will attempt to contact you to secure an alternate method of payment. Please contact us prior to attempting a credit card payment if you have any questions or concerns.</b></p>

**WILLIAMS & FUDGE, INC.**

300 Chatham Ave., P.O. Box 11590  
 Rock Hill, SC 29731-1590  
 1-803-329-9791 1-800-551-5772  
 TTY: 1-866-220-2920

Consumer Information	
Williams & Fudge, Inc. Consumer ID #	«Insert10»
Williams & Fudge, Inc. Pin #	«INSERT2»
Amount Due for Accounts Listed Below	«Clientinsert10»

November 14, 2016

**Account(s) Details**

«Insert29»  
 «INSERT30»  
 «INSERT31»  
 «INSERT32»  
 «INSERT33»  
 «INSERT34»  
 «INSERT35»  
 «INSERT36»  
 «INSERT37»  
 «INSERT38»  
 «INSERT39»  
 «INSERT40»  
 «Clientinse  
 rt10»

We represent the above creditor(s) to collect the total amount from you in connection with a delinquent debt.

In order to clear this outstanding debt, we suggest that you contact the undersigned with respect to a full resolution, or use one of the payment methods listed below.

Unless you notify this office within 30 days after receiving this notice that you dispute the validity of the debt or any portion thereof, this office will assume this debt is valid. If you notify this office in writing within 30 days from receiving this notice, that you dispute the validity of the debt or any portion thereof, this office will obtain verification of the debt or obtain a copy of a judgment and mail you a copy of such judgment or verification. Upon your written request within 30 days after receipt of this notice, this office will provide you with the name and address of the original creditor, if different from the current creditor.

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Consumer Information	
Williams & Fudge, Inc. Consumer ID #	«Insert10»
Williams & Fudge, Inc. Pin #	«INSERT2»
Amount Due for Accounts Listed Below	«Clientinsert10»

November 14, 2016

**Account(s) Details**

«Insert29»  
 «INSERT30»  
 «INSERT31»  
 «INSERT32»  
 «INSERT33»  
 «INSERT34»  
 «INSERT35»  
 «INSERT36»  
 «INSERT37»  
 «INSERT38»  
 «INSERT39»  
 «INSERT40»  
 «INSERT41»  
 .....  
 «Clientinse  
 rt10»

We represent the above creditor(s) to collect the total amount from you in connection with a delinquent debt.

There have been many attempts to contact you in an effort to resolve this debt. We want to find a way to work with you in order to clear this outstanding balance. As of this date we have not been able to resolve the above account(s) with you.

It is important that we arrive at an agreement to begin taking care of this/these debt(s). You may contact my office at the extension below or communicate with me via my email address below with your intentions.

As of the date of this letter, the amount placed into collections is «Clientinsert10». Because of interest, late charges, and other charges that may vary from day to day, the amount due on the day you pay may be greater. Hence, if you pay the amount shown above, an additional balance may remain after we receive your payment. For further information, write or call the undersigned.

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<p align="center"><b>Pay by Phone</b>                      «Insert3» «Insert4» «Insert5»                      ElectronicChecks (ACH), Visa, Master Card, and Discover</p>
<p align="center"><b>Pay by Mail</b>                      Williams &amp; Fudge, Inc.                      P.O. Box 11590                      Rock Hill, SC 29731-1590</p>
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Consumer Information	
Williams & Fudge, Inc. Consumer ID #	«Insert10»
Williams & Fudge, Inc. Pin #	«INSERT2»
Amount Due for Accounts Listed Below	«Clientinsert10»

November 14, 2016

**Account(s) Details**

«Insert29»  
 «INSERT30»  
 «INSERT31»  
 «INSERT32»  
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 «INSERT35»  
 «INSERT36»  
 «INSERT37»  
 «INSERT38»  
 «INSERT39»  
 «INSERT40»  
 «INSERT41»  
 .....  
 «Clientinse  
 rt10»

This letter serves as acknowledgement that your payment was received in our office and the amount was applied as the remaining payment towards the balance placed for collections by the above creditor(s). You may still have a balance due the creditor(s) for charges that may have been added after the account(s) were placed for collections.

Your account or accounts have been closed and returned to the creditor(s). Any questions regarding the status of your debt or any remaining balance due should be directed to the creditor(s).

Williams & Fudge, Inc.  
 «Insert3»  
 «Insert4»  
 «Insert5»

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 Rock Hill, SC 29731-1590  
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Consumer Information	
Williams & Fudge, Inc. Consumer ID #	«Insert10»
Williams & Fudge, Inc. Pin #	«INSERT2»
Amount Due for Accounts Listed Below	«Clientinsert10»

November 14, 2016

**Account(s) Details**

«Insert29»  
 «INSERT30»  
 «INSERT31»  
 «INSERT32»  
 «INSERT33»  
 «INSERT34»  
 «INSERT35»  
 «INSERT36»  
 «INSERT37»  
 «INSERT38»  
 «INSERT39»  
 «INSERT40»  
 «INSERT41»  
 .....  
 «Clientinse  
 rt10»

We have received your dispute regarding the above referenced account(s). We are working with the creditor to determine the validity of your dispute. Williams & Fudge, Inc. has not had sufficient time to complete an investigation of any inaccuracy. We will provide a response after receiving information from the creditor regarding the dispute.

As of the date of this letter, the amount placed into collections is «Clientinsert10». Because of interest, late charges, and other charges that may vary from day to day, the amount due on the day you pay may be greater. Hence, if you pay the amount shown above, an additional balance may remain after we receive your payment. For further information, write or call the undersigned.

Williams & Fudge, Inc.  
 «Insert3»  
 «Insert4»  
 «Insert5»

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<b>Pay by Phone</b> «Insert3» «Insert4» «Insert5» ElectronicChecks (ACH), Visa, Master Card, and Discover
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 1-803-329-9791 1-800-551-5772  
 TTY: 1-866-220-2920

Consumer Information	
Williams & Fudge, Inc. Consumer ID #	«Insert10»
Williams & Fudge, Inc. Pin #	«INSERT2»
Amount Due for Accounts Listed Below	«Clientinsert10»

November 14, 2016

**Account(s) Details**

«Insert29»  
 «INSERT30»  
 «INSERT31»  
 «INSERT32»  
 «INSERT33»  
 «INSERT34»  
 «INSERT35»  
 «Clientinse  
 rt10»

Each year «ClientInsert9» must provide a report to the United States Department of Education to inform them of those Federal Perkins Student Loans which are in default. Did you know that your above referenced student loan has been identified as one of the accounts that may directly affect future Perkins Student Loan funding due to the defaulted status? Your student loan is over (60) days past due in the amount indicated above.

Our office has been asked to notify you of the importance of resolving your past due status. If payment has recently been made, then please contact us to confirm your payment, otherwise, payment of the past due amount should be mailed to the Student Accounting/Collection Office at the school. The school’s address is located on the bottom of this letter.

If you are currently enrolled at another College or University, have any questions concerning the status of your account, or think you may qualify for a partial cancellation you should contact «Insert3» at «Insert4».

Types of deferments/cancellations include:

- |   |                                |                             |
|---|--------------------------------|-----------------------------|
| In-School Deferment (enrolled at least half-time) | Unemployment/Economic Hardship | Nurse/Med Tech Cancellation |
| Fellowship/Residency Deferment                    | Law Enforcement Cancellation   | Teacher Cancellation        |
| Forbearance                                       |                                |                             |

Should you be experiencing hardship or temporary unemployment and currently unable to make payments, you should submit a “Federal Loan Request for Forbearance, Economic Hardship” application and send the form to the school’s address below for their review. Forms can be obtained directly from the school or downloaded from our website at <http://wfpayaccounts.com>.

«ClientInsert9»  
 «Insert14»  
 «Insert15»  
 «Insert16»

Unless you notify this office within 30 days after receiving this notice that you dispute the validity of the debt or any portion thereof, this office will assume this debt is valid. If you notify this office in writing within 30 days from receiving this notice, that you dispute the validity of the debt or any portion thereof, this office will obtain verification of the debt or obtain a copy of a judgment and mail you a copy of such judgment or verification. Upon your written request within 30 days after receipt of this notice, this office will provide you with the name and address of the original creditor, if different from the current creditor.

Williams & Fudge, Inc.  
 «Insert3» «Insert4» «Insert5»

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<b>Pay by Phone</b> «Insert3» «Insert4» «Insert5» ElectronicChecks (ACH), Visa, Master Card, and Discover
<b>Pay by Mail</b> Williams & Fudge, Inc., P.O. Box 11590, Rock Hill, SC 29731-1590
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 Rock Hill, SC 29731-1590  
 1-803-329-9791 1-800-551-5772  
 TTY: 1-866-220-2920

Consumer Information	
Williams & Fudge, Inc. Consumer ID #	«Insert10»
Williams & Fudge, Inc. Pin #	«INSERT2»
Amount Due for Accounts Listed Below	«Clientinsert10»

November 14, 2016

**Account(s) Details**

«Insert29»  
 «INSERT30»  
 «INSERT31»  
 «INSERT32»  
 «INSERT33»  
 «INSERT34»  
 «INSERT35»  
 «INSERT36»  
 «INSERT37»  
 «INSERT38»  
 «INSERT39»  
 «Clientinse  
 rt10»

You have authorized Williams & Fudge, Inc. to process a credit card payment in the amount of \$«Insert27» on «Insert26». The payment will be applied towards your outstanding balance.

You may stop the deposit of this payment by contacting our office either orally or in writing prior to the scheduled date of the deposit.

Should there be a remaining balance and you decide to pay it in full, you may call or send an email to our office. Payment may also be made on our Internet website at <http://www.wfpayaccounts.com>. Additionally, you may view account information at our website by selecting the "Check Your Balance" option.

As of the date of this letter, the amount placed into collections is «Clientinsert10». Because of interest, late charges, and other charges that may vary from day to day, the amount due on the day you pay may be greater. Hence, if you pay the amount shown above, an additional balance may remain after we receive your payment. For further information, write or call the undersigned.

Williams & Fudge, Inc.

«Insert3»  
 «Insert4»  
 «Insert5»

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Consumer Information	
Williams & Fudge, Inc. Consumer ID #	«Insert10»
Williams & Fudge, Inc. Pin #	«INSERT2»
Amount Due for Accounts Listed Below	«Clientinsert10»

November 14, 2016

**Account(s) Details**

«Insert29»  
 «INSERT30»  
 «INSERT31»  
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 «INSERT33»  
 «INSERT34»  
 «INSERT35»  
 «INSERT36»  
 «INSERT37»  
 «INSERT38»  
 «INSERT39»  
 «Clientinse  
 rt10»

Per your prior authorization and agreed upon arrangement, the payment in the amount of \$«Insert27» will be deposited and applied to the above referenced account(s) on «Insert26».

Unless the payment being deposited is a personal check that was mailed to our office or you have requested otherwise, the payment being posted will be an ACH transaction.

ACH (Automatic Clearinghouse) is a paperless way to make your payments. The checking information and payment amount provided by you is entered into an electronic file that is then sent to the bank for processing just like a regular check.

You may stop the deposit of this payment by contacting our office either orally or in writing prior to the scheduled date of deposit.

As of the date of this letter, the amount placed into collections is «Clientinsert10». Because of interest, late charges, and other charges that may vary from day to day, the amount due on the day you pay may be greater. Hence, if you pay the amount shown above, an additional balance may remain after we receive your payment. For further information, write or call the undersigned.

Williams & Fudge, Inc.

«Insert3»

«Insert4»

«Insert5»

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Consumer Information	
Williams & Fudge, Inc. Consumer ID #	«Insert10»
Williams & Fudge, Inc. Pin #	«INSERT2»
Amount Due for Accounts Listed Below	«Clientinsert10»

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**Account(s) Details**

«Insert29»  
 «INSERT30»  
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 «INSERT35»  
 .....  
 «Clientinse  
 rt10»

The United States Department of Education regulatory provisions as provided by Section 464(h) of the Higher Education Amendments of 1998 (P.L. 105-244) requires notification of the following in regards to rehabilitation of a Federal Perkins Student Loan. The regulations are very specific in requirements necessary to complete the rehabilitation program. Detailed guidelines are listed below to aid and assist you in determining if rehabilitation is a viable option for you to consider:

The borrower is required to:

- Make a formal request in order to pursue rehabilitation of the defaulted Federal Perkins Student Loan.
- Make twelve (9) scheduled monthly payments in an amount as approved by both parties. You may reach our office at (803) 329-9791. All payments must be made on time to be eligible for rehabilitation consideration. Late payments void the existing rehabilitation agreement.
- Continue to pay all collection fees and other fees that remain due.
- Sign and return an agreement which outlines the agreed upon payment schedule.

Completion of rehabilitation:

- All rights and responsibilities included in your original promissory note will be restored. These benefits include but are not limited to regular scheduled payment; eligibility for deferments, cancellations, and forbearance.
- The borrower remains responsible for requesting benefits, and notifying the Student Loan Collection Department at their Institution of any addresses changes.
- The loan will be considered current and no longer in delinquent status.
- The credit bureaus will be notified by the institution to remove the default status from your credit records.
- Your eligibility for Title IV student financial aid will be reinstated.
- Monthly repayment schedules will be reestablished in accordance with Federal Regulations and your promissory note(s).
- Restrictive holds on institutional services may be lifted provided all other obligations have been met.

**The borrower further understands the following:**

- Payments must be made as scheduled.
- A defaulted Federal Perkins Loan is only eligible for rehabilitation one time. It is extremely important to maintain on-time payments once the rehabilitation has been completed.
- The rehabilitation program as described in this correspondence is for a Federal Perkins Student Loan Account(s)
- Making an advanced (accelerated) payment will not replace the normal scheduled monthly payment.

As of the date of this letter, the amount placed into collections is «Clientinsert10». Because of interest, late charges, and other charges that may vary from day to day, the amount due on the day you pay may be greater. Hence, if you pay the amount shown above, an additional balance may remain after we receive your payment. For further information, write or call the undersigned.

Williams & Fudge, Inc.  
 «Insert3» «Insert4» «Insert5»

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Consumer Information	
Williams & Fudge, Inc. Consumer ID #	«Insert10»
Williams & Fudge, Inc. Pin #	«INSERT2»
Amount Due for Accounts Listed Below	«Clientinsert10»

November 14, 2016

**Account(s) Details**

«Insert29»  
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 «INSERT38»  
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 rt10»

I, the undersigned party, agree to a temporary payment agreement schedule in regards to the above account(s). The purpose of this agreement is to qualify for rehabilitation of my Federal Perkins Loan(s). I am to begin paying the sum of \$«Insert19» on «Insert15» for the period of (9) nine consecutive months as agreed. This is a temporary agreement as established in our conversation and/or written correspondence.

I understand that payments must be made on time. Failure to make scheduled payments will result in this agreement and rehabilitation being null and void. I further understand that all provisions of the original Federal Loan Promissory Note(s) are still in effect.

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Please sign the agreement below and return to our office at the above address.

\_\_\_\_\_  
*Signature*

\_\_\_\_\_  
*Date*

Williams & Fudge, Inc.  
 «Insert3»  
 «Insert4»  
 «Insert5»

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<b>Pay by Phone</b> «Insert3» «Insert4» «Insert5» ElectronicChecks (ACH), Visa, Master Card, and Discover
<b>Pay by Mail</b> Williams & Fudge, Inc. P.O. Box 11590 Rock Hill, SC 29731-1590
<b>Note: Payment by debit/credit card is not allowed by every Williams &amp; Fudge, Inc. client. If you attempt to pay your debt via credit card and the applicable creditor does not allow Williams &amp; Fudge, Inc. to accept credit card payments, then we will not run your payment. We will attempt to contact you to secure an alternate method of payment. Please contact us prior to attempting a credit card payment if you have any questions or concerns.</b>

**WILLIAMS & FUDGE, INC.**

300 Chatham Ave., P.O. Box 11590  
 Rock Hill, SC 29731-1590  
 1-803-329-9791 1-800-551-5772  
 TTY: 1-866-220-2920

Consumer Information	
Williams & Fudge, Inc. Consumer ID #	«Insert10»
Williams & Fudge, Inc. Pin #	«INSERT2»
Amount Due for Accounts Listed Below	«Clientinsert10»

November 14, 2016

**Account(s) Details**

«Insert29»  
 «INSERT30»  
 «INSERT31»  
 «INSERT32»  
 «INSERT33»  
 «INSERT34»  
 «INSERT35»  
 «Clientinse  
 rt10»

We represent the above creditor(s) to collect the total amount from you in connection with the above delinquent account(s). We want to continue to find a way to work with you in order to clear this outstanding balance. We are proposing the following payment arrangement in order to start repayment of your debt. The arrangement is temporary and will be continually re-evaluated. You may contact my office at the extension below or communicate with me via my email address to set up this payment arrangement. If any of the above amount(s) is/are from and Federal Student Loan Program, all provisions of the original note(s) are still in effect.

**Proposal:**

Amount:\$ «Insert19»  
 Frequency: «Insert20»  
 Number of Payments: «Insert16»

As of the date of this letter, the amount placed into collections is «Clientinsert10». Because of interest, late charges, and other charges that may vary from day to day, the amount due on the day you pay may be greater. Hence, if you pay the amount shown above, an additional balance may remain after we receive your payment. For further information, write or call the undersigned.

Williams & Fudge, Inc.  
 «Insert3»  
 «Insert4»  
 «Insert5»

This communication is from a debt collector and is an attempt to collect a debt. Any information obtained will be used for that purpose.

<b>As a convenience we provide multiple methods for payment of the above balance.</b>
<b>Online/Mobile App Payments</b> <a href="http://www.wfpayaccounts.com">www.wfpayaccounts.com</a> ElectronicChecks (ACH), Visa, Master Card, and Discover You may also view account information at our website by selecting the "Check Balance" option.
<b>Pay by Phone</b> «Insert3» «Insert4» «Insert5» ElectronicChecks (ACH), Visa, Master Card, and Discover
<b>Pay by Mail</b> Williams & Fudge, Inc. P.O. Box 11590 Rock Hill, SC 29731-1590
<b>Note: Payment by debit/credit card is not allowed by every Williams &amp; Fudge, Inc. client. If you attempt to pay your debt via credit card and the applicable creditor does not allow Williams &amp; Fudge, Inc. to accept credit card payments, then we will not run your payment. We will attempt to contact you to secure an alternate method of payment. Please contact us prior to attempting a credit card payment if you have any questions or concerns.</b>

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

**Williams & Fudge** agrees to accept for collection, upon terms, conditions, and provisions set forth in Request for Proposal #LBS-997, accounts from VASCUPP institutions, and maintain licenses, as permitted by law, and in states necessary to collect these accounts. **Williams & Fudge** understands the confidentiality of all accounts placed for collection.

**Williams & Fudge** shall promptly undertake, through proper and lawful means, the collection of all accounts referred by the University, and collect regardless of the amount. **Williams & Fudge** shall not, under any circumstances, use any threats, intimidation, or harassment of the consumer in the collection of accounts or violate any guidelines established by the Fair Debt Collection Practices Act.

**Williams & Fudge** will perform contracted functions in compliance with all current and future provisions of The Fair Debt Collection Practices Act, Consumer Credit Protection Act (Public Law 95-109), Family Educational Rights and Privacy Act (FERPA), Fair Credit Reporting Act (FCRA), Telephone Consumer Protection Act (TCPA), Consumer Financial Protection Bureau (CFPB), National Defense (Federal Perkins) Education Act of 1958, Title II, and the Public Health Service Act Titles VII, and VIII. Regarding federal regulations pertaining to the Higher Education Act of 1965 Title IV, as amended, specifically those statutory provisions in Section 668.25 (contracts between an institution and third-party servicer); **Williams & Fudge** agrees to comply with all current and future applicable requirements.

**Williams & Fudge** was founded in 1986 and is a family owned business with the purpose of serving the higher education community. We aid colleges and universities in the recovery of education-related receivables. Specific debt types include Perkins Loans (Cohort management), tuition, campus-based institutional loans, Health Profession and Nursing Student Loans, private education (alternative) loans, and other receivables such as parking, room, board, and library fines. We also assist with Early Intervention programs to prevent students from reaching collections status.

One of the attributes that distinguishes **Williams & Fudge** is our commitment to excellent customer service to both our clients and consumers. It is not merely a public relations slogan; it is the goal of each department. There are many management slogans and philosophies in the business world today on how to treat the customer. **Williams & Fudge's** philosophy is simple: OUR CLIENTS ARE OUR BOARD OF DIRECTORS.

The methods utilized by **Williams & Fudge** to record, verify and report on our services include, but are not limited to:

- Periodic campus visits by our sales representatives to discuss any outstanding issues, provide updated performance (recovery) results, and/or perform necessary training.

- Quality service calls are made by the **Williams & Fudge** client support representatives. These calls are to ensure 100% client satisfaction and assist us in finding areas where we can improve.
- Annual client surveys are personally delivered by **Williams & Fudge** sales representatives to all clients with the request to share opinions and concerns, if any, with us. The survey gives our clients an opportunity to let us know how we are doing in the areas of customer service, accounting, technology, and collections. The surveys are reviewed by each member of the **Williams & Fudge** management team.

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

**Williams & Fudge's** invoicing system is designed to be flexible in order to accommodate the requirements of our clients. Although the majority of our clients request statements and invoices to be run at the end of each month our system has the ability to provide statements/invoices:

1. On Demand
2. Weekly
3. Bi-Weekly
4. Monthly

Statements and invoices are available in both PDF and Excel and are uploaded to our website, [www.wfcorp.com](http://www.wfcorp.com), at the time frequency requested by the institution. Depending upon the institution's requirement our system has the ability to produce statements:

1. Net – **Williams & Fudge** withholds the commission due and forwards the difference to the institution.
2. Gross – **Williams & Fudge** forwards the total amount of dollars collected at the office and bills the institution for the commission due.
3. Mixed – **Williams & Fudge** withholds the commission due for payments received at the office and bills the institution for commissions due on payments received at the institution and/or the billing servicer.

Samples of the invoice types follow.

# Invoice Summary



p 803.329.9791 | tf 1.800.849.9791

wfcorp.com

300 Chatham Avenue | PO Box 11590  
Rock Hill, SC 29731

SAMPLE STATE UNIVERSITY  
SAMPLE STATE UNIVERSTIY AR  
187 3RD ST  
ALTAVISTA NY 98985

Creditor Short Name: 99999  
Invoice Number: 1111111  
Remittance Type: NET

Invoice Type: Regular Payments  
Invoice Date: 12/01/2017  
Period Ending: 11/30/2017  
Payment Method: BATCHEDACH

Previous Balance	
Due Williams & Fudge Balance Forward:	0.00
Invoice Activity	
Total Past Due:	\$0.00
Past Due Offset:	\$0.00
Past Due Threshold Date:	
Amount Due to Williams & Fudge:	\$0.00
Amount Due to Creditor:	\$135.00
Total Invoice Balance	
Total Due to Williams & Fudge:	\$0.00
Total Due to Creditor:	\$135.00



SAMPLE STATE UNIVERSITY  
SAMPLE STATE UNIVERSTIY AR  
187 3RD ST  
ALTAVISTA NY 98985

Creditor Short Name: 99999

Invoice Number: 1111111

Remittance Type: NET

Invoice Date: 12/01/2017

Period Ending: 11/30/2017

**Outstanding Invoices**

Invoice Number	Invoice Date	Outstanding Balance
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**Invoice Transactions**

Transaction Date	Transaction Amount	Transaction Type	Applied Amount	Overpayment Amount
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New Activity for Invoice 1111111 Due Us:	\$0.00
Total Due You This Invoice:	\$135.00
Total Due Williams & Fudge:	
Past Due Offset:	\$0.00



99999 - SAMPLE STATE UNIVERSITY1 - Creditor: SAMPLE STATE UNIVERSITY AR - Remittance Type: NET

Invoice Number: 1111111 - Invoice Date: 12/1/2017 - Period Ending: 11/30/17

Creditor Account Number	Consumer Name	Tendered Date	Payment Date	Paid Us	Paid You	ICC	Comm Rate	Comm Amount	Due Creditor	Charges Consumer	Paid By Creditor	Current Balance	Remarks
5484430418	GREENWELL, ROSIE	11/13/17	11/13/17	150.00		0.00	25.0000	37.50	112.50	0.00	37.50	8,581.14	
1923651294	POOLEY, CARLENA	11/28/17	11/28/17	30.00		0.00	25.0000	7.50	22.50	0.00	7.50	3,914.01	
Totals for Creditor 99999:		180.00		180.00				45.00	135.00	0.00	45.00		Tally: 2

# Invoice Summary



p 803.329.9791 | tf 1.800.849.9791

wfcorp.com

300 Chatham Avenue | PO Box 11590  
Rock Hill, SC 29731

SAMPLE STATE UNIVERSITY  
SAMPLE STATE UNIVERSITY AR  
123 MAIN ST  
ROCK HILL SC 99898

Creditor Short Name: 99999  
Invoice Number: 111111  
Remittance Type: GROSS

Invoice Type: Regular Payments  
Invoice Date: 12/01/2017  
Period Ending: 11/30/2017  
Payment Method: CHECK

Previous Balance	
Due Williams & Fudge Balance Forward:	61.00
Invoice Activity	
Total Past Due:	\$0.00
Past Due Offset:	\$0.00
Past Due Threshold Date:	
Amount Due to Williams & Fudge:	\$510.44
Amount Due to Creditor:	\$2,552.16
Total Invoice Balance	
Total Due to Williams & Fudge:	\$571.44
Total Due to Creditor:	\$2,552.16



SAMPLE STATE UNIVERSITY  
SAMPLE STATE UNIVERSITY AR  
123 MAIN ST  
ROCK HILL SC 99898

Creditor Short Name: 99999

Invoice Number: 1111111

Remittance Type: GROSS

Invoice Date: 12/01/2017

Period Ending: 11/30/2017

**Outstanding Invoices**

Invoice Number	Invoice Date	Outstanding Balance
12345	12/4/2015	\$61.00
1234567	12/1/2017	\$510.44

**Invoice Transactions**

Transaction Date	Transaction Amount	Transaction Type	Applied Amount	Overpayment Amount
11/15/2017	\$42.83	PAYMENTTOAGENCY	\$42.83	\$0.00

New Activity for Invoice 1111111 Due Us:	\$510.44
Total Due You This Invoice:	\$2,552.16
Total Due Williams & Fudge:	\$571.44
Past Due Offset:	\$0.00

99999 - SAMPLE STATE UNIVERSITY - Creditor: SAMPLE STATE UNIVERSITY AR - Remittance Type: GROSS

Invoice Number: 1111111 - Invoice Date: 12/1/2017 - Period Ending: 11/30/17

Creditor Account Number	Consumer Name	Tendered Date	Payment Date	Paid Us	Paid You	ICC	Comm Rate	Comm Amount	Due Creditor	Charges Consumer	Paid By Creditor	Current Balance	Remarks
6039851927	GREENWELL, TWANA	11/30/17	11/30/17	30.00		0.00	20.0000	6.00	24.00	0.00	6.00	3,506.20	
6039851927	GREENWELL, TWANA	11/15/17	11/15/17	30.00		0.00	20.0000	6.00	24.00	0.00	6.00	3,506.20	
3444367965	SELLE, AMIE	10/30/17	10/30/17	100.00		0.00	20.0000	20.00	80.00	0.00	20.00	1,018.86	
9383612648	OLMEDA, MERIDETH	11/15/17	11/15/17	2,147.10		0.00	20.0000	429.42	1,717.68	0.00	429.42	0.00	PIF
4716426321	SWIDER, AUBREY	11/26/17	11/27/17	122.53		0.00	20.0000	24.51	98.02	0.00	24.51	566.71	
4716426321	SWIDER, AUBREY	11/07/17	11/08/17	122.53		0.00	20.0000	24.51	98.02	0.00	24.51	566.71	
Totals for Creditor 99999:		2552.16		2,552.16				510.44	2,041.72	0.00	510.44		Tally: 6

# Invoice Summary



p 803.329.9791 | tf 1.800.849.9791

wfcorp.com

300 Chatham Avenue | PO Box 11590  
Rock Hill, SC 29731

SAMPLE STATE UNIVERSITY  
SAMPLE STATE UNIVERSITY PERKINS  
146 JESTER CT  
LITTLE ROCK FL 12545

Creditor Short Name: 99999  
Invoice Number: 1111111  
Remittance Type: MIXED

Invoice Type: Regular Payments  
Invoice Date: 12/01/2017  
Period Ending: 11/30/2017  
Payment Method: CHECK

Previous Balance	
Due Williams & Fudge Balance Forward:	0.00
Invoice Activity	
Total Past Due:	\$0.00
Past Due Offset:	\$0.00
Past Due Threshold Date:	
Amount Due to Williams & Fudge:	\$15,976.83
Amount Due to Creditor:	\$1,420.36
Total Invoice Balance	
Total Due to Williams & Fudge:	\$15,976.83
Total Due to Creditor:	\$1,420.36



SAMPLE STATE UNIVERSITY SAMPLE  
STATE UNIVERSITY PERKINS  
146 JESTER CT  
LITTLE ROCK FL 12545

Creditor Short Name: 99999

Invoice Number: 1111111

Remittance Type: MIXED

Invoice Date: 12/01/2017

Period Ending: 11/30/2017

**Outstanding Invoices**

Invoice Number	Invoice Date	Outstanding Balance
1324567	12/1/2017	\$15976.83

**Invoice Transactions**

Transaction Date	Transaction Amount	Transaction Type	Applied Amount	Overpayment Amount
11/27/2017	\$1,175.26	PAYMENTTOAGENCY	\$1175.26	\$0.00

New Activity for Invoice 1111111 Due Us:	\$15,976.83
Total Due You This Invoice:	\$1,420.36
Total Due Williams & Fudge:	\$15,976.83
Past Due Offset:	\$0.00



99999 - SAMPLE STATE UNIVERSITY - Creditor: SAMPLE STATE UNIVERSITY PERKINS - Remittance Type: MIXED

Invoice Number: 1111111 - Invoice Date: 12/1/2017 - Period Ending: 11/30/17

Creditor Account Number	Consumer Name	Tendered Date	Payment Date	Paid Us	Paid You	ICC	Comm Rate	Comm Amount	Due Creditor	Charges Consumer	Paid By Creditor	Current Balance	Remarks
5034129593 PER24A	SARKISIAN, KATHERIN	11/16/17	11/17/17		23.89	0.00	23.0800	5.51	-5.51	5.51	0.00	0.00	PIF
5034129593 PER24A	SARKISIAN, KATHERIN	11/01/17	11/02/17		6,234.36	0.00	23.0800	1,438.70	-1,438.70	1,438.70	0.00	0.00	PIF
3552669489 PER24A	RIFE, MERRI	11/27/17	11/28/17		20,161.83	0.00	23.0800	4,652.75	-4,652.75	4,652.74	0.01	0.00	PIF
9208465540 PER24A	FAVELA, NILA	10/31/17	11/01/17		15,808.76	0.00	23.0800	3,648.19	-3,648.19	3,648.18	0.01	0.00	PIF
9208465540 PER24A	FAVELA, NILA	11/16/17	11/17/17		38.03	0.00	23.0800	8.78	-8.78	8.78	0.00	0.00	PIF
7949894961 PER24A	FITE, KASIE	11/08/17	11/09/17	1,821.47		0.00	23.0800	420.34	1,401.13	420.34	0.00	0.00	PIF
6501323460 PER24A	MCMAHAN, AMANDA N	11/01/17	11/02/17	25.00		0.00	23.0800	5.77	19.23	5.77	0.00	440.69	
9912629861 PER24A	YEE, CRAIG	11/28/17	11/28/17		17,538.18	0.00	23.0800	4,047.29	-4,047.29	4,047.28	0.01	41.47	
3105141603 PER24A	HEALD, LALA	11/16/17	11/17/17		25.92	0.00	23.0800	5.98	-5.98	5.98	0.00	0.00	PIF
3105141603 PER24A	HEALD, LALA	11/01/17	11/02/17		9,401.68	0.00	23.0800	2,169.63	-2,169.63	2,169.62	0.01	0.00	PIF
<b>Totals for Creditor 99999:</b>		<b>71079.12</b>		<b>1,846.47</b>	<b>69,232.65</b>			<b>16,402.94</b>	<b>-14,556.47</b>	<b>16,402.90</b>	<b>0.04</b>		<b>Tally: 10</b>

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

In accordance with federal regulations, our computer system has the ability to identify any federal Perkins student account that has been placed twelve (12) months. For accounts other than Perkins loans the criteria for closing is set based upon the institutions policy. If there is no on-going payment arrangement or proposal for payment, the account will be closed and returned to the Institution. If we have a prospect for payment within the next thirty (30) days and/or we are in the process of obtaining a deferment, forbearance, cancellation, or consolidation we will advise the institution of the status. Final discretion will be left to the Institution as to whether we may continue to pursue collections or proceed to close the accounts.

Some of the criteria used by **Williams & Fudge** for closing accounts are as follows:

- ✓ The account is eligible for a deferment/forbearance/partial cancellation and the Institution desires to grant such to the consumer.
- ✓ The consumer is rehabilitating his/her account and has made the nine consecutive monthly payments as required.
- ✓ The consumer was skipped and despite our intense efforts we are unable to locate.
- ✓ The consumer will not respond to our collection efforts.
- ✓ The consumer has refused to pay.
- ✓ The consumer is disputing the validity of the debt and there is no supporting documentation to prove that the debt is indeed valid.
- ✓ The consumer is deceased.
- ✓ The consumer is incarcerated.

**Williams & Fudge** agrees to suspend action, either temporarily or permanently, without fee or penalty to the Institution or consumer on any account upon receipt of verbal or written notification from the Institution.

### **BANKRUPTCY**

Like many legal issues our industry faces, bankruptcy is subject to the ebb and flow of our country's Courts. Two developments in bankruptcy case law have altered the utility of the Bankruptcy Code's exception to discharge provision governing higher education debt. 11 U.S.C. 523(a)(8). First, the Ninth Circuit and Tenth Circuit Court of Appeals issued opinions restricting a schools' ability to re-open a bankruptcy file and obtain the judicial authority to collect a non-dischargeable student loan when the confirmed plan states the loan in question has been discharged (*In re Pardee*, 193 F.3d 1083 (9<sup>th</sup> Cir. 1999), and *In re Andersen*, 179 F.3d 1253 (10<sup>th</sup> Cir. 1999)). Second, the Seventh Circuit Court of Appeals held tuition and fee accounts to be extensions of credit by the school and therefore not subject to bankruptcies discharge exception (*In re Chambers*, 348 F.3d 650 (7<sup>th</sup> Cir. 2003)).

Although the primary purpose of bankruptcy is to provide consumers with an opportunity for a fresh start, Congress felt that it was vital to protect student loan funds for future availability. Thus, Section 523(a) (8) of the Bankruptcy Code was passed in

1978. The original law defined non-dischargeability for Chapter 7 bankruptcy as loans in repayment for less than five (5) years. In November of 1990 the bankruptcy act was expanded to include Chapter 13 bankruptcy. The law was amended again in May 1991 changing the period of non-dischargeability from five (5) to seven (7) years. As of October 1, 1998, the act was once again amended so that student loans and other educational benefits were non-dischargeable regardless of how many years the loan had been in repayment. The only exception to non-dischargeability was if the court ruled that there was undue hardship on the consumer during an administrative hearing brought by the consumer.

Overall the non-dischargeability protection continues to be secure for student loans (accounts that have promissory notes, signed instruments of agreement, or are a part of a federal student loan program); however, courts in many bankruptcy districts have interpreted 523(8)(a) differently in respect to other types of educational debt. Prior to the recent trend student receivable debt was defined as an education benefit and determined to be non-dischargeable.

**Williams & Fudge** utilizes LexisNexis Banko Solutions to monitor our active inventory. Upon notification of a new bankruptcy, **Williams & Fudge's** procedures, described below, are to protect clients from possible liability from trying to collect legally discharged debts, to provide an understanding of how we handle bankruptcy accounts, and to better manage our bankruptcy accounts so efficiency and recovery are at a premium.

- Upon receipt of any bankruptcy notification we will forward the information immediately through file upload to our secure website. An email will be sent to the institution contact(s) making them aware of information available for download.
- The account will be closed and returned to avoid any contact with the consumer while in bankruptcy and to provide accuracy with the billing service's inventories.
- If our office receives a discharge notice on a Federal Loan or institutional receivable with a signed agreement, we will upload that information to the institution accompanied with a letter requesting permission to reopen the account. We will reopen the account once we receive approval from our clients. Once reopened our office will also send a letter to the bankruptcy attorney to clarify whether the attorney is continuing to represent the consumer beyond the bankruptcy.
- If our office receives a bankruptcy dismissal, we will forward that information to the institution with a request to reopen the account in order to pursue collection efforts. We will reopen the account once we receive approval from our clients.

### **PERKINS LOANS: POSTPONEMENTS, DEFERMENTS, & CANCELLATIONS**

**Williams & Fudge** assists the institutions in securing the necessary forms for processing any benefit that the student is entitled to file. There is no charge for assistance in securing forms. We do not use a standard deferment/cancellation form. We direct the student to the institution's web site, utilize the outside billing servicers

web site, or send a government forbearance form. WE CUSTOMIZE THE STUDENTS' NEEDS TO THE INSTITUTION'S POLICY. We do not charge the institution for these services, but we do reward our account representatives for assisting in this process.

### **DEATH BENEFIT CANCELLATIONS**

In respect to death benefit cancellations, we may receive notification that a consumer is deceased from a variety of sources. Those sources include the flagging of a credit bureau record, returned mail marked deceased, or notification from a spouse or next of kin.

Once we have been advised that the consumer may be deceased, our account representatives begin the process of confirming that information. Our goal is to obtain a certified copy of the death certificate so that the institution can proceed with cancellation of the debt.

All of the support documentation is reviewed to see if there is a family member that can be contacted in order to obtain a certified copy of the death certificate. If there is no additional family and/or reference information available for contacting purposes, the account representative will go online via the Internet to see if there is any information on the web site [www.ancestry.com](http://www.ancestry.com). This particular web site ([www.ancestry.com](http://www.ancestry.com)) will provide the date and location of death.

In a final attempt to obtain a copy of the death certificate, the account representatives will contact funeral homes, and state agencies that maintain vital records. If the information is available but not accessible to **Williams & Fudge**, we will provide all known information to the client and proceed to close the account with the flag "consumer deceased."

### **TOTAL DISABILITY PROCEDURES**

If a consumer notifies our office that they are totally disabled and in need of a cancellation, the account representative will forward a disability cancellation request form to the consumer. **Williams & Fudge** will send the consumer either the cancellation form used by the institution or, if one is not available, we will send one of our forms.

The consumer will be instructed to complete the form and have the physician fill out the appropriate areas and certify the fact that in his/her professional opinion the consumer is permanently disabled.

Once the form is received at our office, the disability cancellation request will be forwarded to the institution for final review. If the institution determines that the consumer does qualify for cancellation the account will be closed and returned.

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

**Williams & Fudge** software allows the acceptance of accounts by any means, including automatic placements from the institution's billing servicer, manual placements,

diskettes, tape-to-tape, FTP, web-based ([www.wfcorp.com](http://www.wfcorp.com)), or any other format currently in use.

**Williams & Fudge** can receive electronic business from all data types, and we encourage electronic data to be transferred securely through our web site [clients.wfcorp.com](http://clients.wfcorp.com) or by a dedicated FTP. All data is transferred through the Help Systems Managed File Transfer (MFT) Gateway hosted on our network which has the following capabilities and security controls:

- Easy to use web-browser uploads through secure client website (HTTPS);
- Unique usernames and passwords required for each client user;
- SFTP server for secure FTP over SSH;
- Automatic/scheduling capabilities for SFTP send and receive;
- Detailed audit logs for all activity (e.g. logins, file transfers, errors, etc.); and
- IP Blacklisting.

With the Help Systems MFT Gateway, no sensitive information (files, users, passwords, certificates, etc.) is stored in the DMZ and no inbound ports are opened into the private (internal) network. The process provides flexibility to reformat data if needed and all SFTP transmissions are over an encrypted connection for security. PGP file encryption is also supported.

Upon placement of accounts, **Williams & Fudge** requests the following information:

- Consumer Name
- Social Security Number
- Last Known Address (If Available)
- Last Known Phone Number (If Available)
- Account Type
- Principal Balance Due
- Total Interest Due (if applicable)
- Late Charges Due (if applicable)
- Interest Rate (if applicable)
- Default Date

We will contact the University on an as-needed basis, if additional information is required.

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

**Williams & Fudge** will perform contracted functions in compliance with all current and future provisions of The Fair Debt Collection Practices Act (FDCPA), Consumer Credit Protection Act (Public Law 95-109), Family Educational Rights and Privacy Act (FERPA), Fair Credit Reporting Act (FCRA), Telephone Consumer Protection Act (TCPA), Consumer Financial Protection Bureau (CFPB), National Defense (Federal Perkins) Education Act of 1958, Title II, and the Public Health Service Act Titles VII, and

VIII. Regarding federal regulations pertaining to the Higher Education Act of 1965 Title IV, as amended, specifically those statutory provisions in Section 668.25 (contracts between an institution and third-party servicer); **Williams & Fudge** agrees to comply with all current and future applicable requirements.

**Williams & Fudge** employees are the most completely trained student loans and receivables staff in the higher education collection industry. Training begins with the Fair Debt Collection Practices Act (**FDCPA**) and Unfair, Deceptive and Abusive Acts and Practices (**UDAAP**). A complete understanding, governing all collection laws, is required of all new employees; and an oral essay and computerized test is taken and reviewed before the training program continues. Training is continuous and all new employees are required to complete the Professional Collection Specialist and Higher Education Collection Specialist exams offered through ACA International. As stated, collectors are tested on FDCPA during new hire training. In addition, they are again trained on FDCPA while preparing for the Professional Collection Specialist certification and lastly, minimally, once a year via our in-house knowledge evaluation, GOT IT!

The training continues with the development of a thorough understanding of the federal Perkins loan program, campus based institutional loans, student receivables, private/alternative loans and programs administered by the Department of Health & Human Services. We provide training on the complete financial aid process and how programs administered by the campus financial aid office affect the tuition balance. Following a complete understanding of all programs, our account representatives are then educated on proper telephone techniques and our computer software programs. All forms and letters used in daily collections, including renegotiated payment agreements, are presented and discussed.

**Williams & Fudge** employees are required after nine (9) months of employment to receive the designation of Higher Education Collection Specialist. This designation is an in-house certification similar to the Higher Education Collection Specialist certification that ACA International used to offer and requires attending two, 8-hour seminars (ACA's Professional Collection Specialist seminar and **Williams & Fudge's** Higher Education Collection seminar) and passing two, 100-question exams.

Bob Perrin, CEO of **Williams & Fudge**, is responsible for reviewing, updating, and maintaining compliance with student loan regulations. Bob is the immediate past-president of the Coalition for Higher Education Assistance Organization (COHEAO) and spends a large amount of his time in Washington, D.C. lobbying in support of the Higher Education industry, in particular the Federal Perkins loan and other campus-based aid programs. Bob communicates directly with the Department of Education and has served numerous times as an expert witness in the process of negotiated rule making. Bob testified in front of the House Budget Committee in support of the Perkins Loan and H.R.5448, the Perkins Loan Extension Act.

In order to keep pace with the fast-changing world of higher education collections, **Williams & Fudge** developed a continuing education program, Cornerstone for Professional Growth, under the direction of the training

department. Examples of training programs offered include new bankruptcy laws and how they affect collections, skip tracing techniques, portfolio management, handling 3rd parties, collector baiting, collecting without conflict, the consolidation process, and curing cohorts. In addition to Cornerstone, mandatory yearly re-training of FDCPA/UDAAP, Ethics and Compliance in the Workplace and Company Data Security is required of all employees.

**Williams & Fudge** has six (6) full-time trainers under the leadership of our Director of Strategic Recovery Division (SRD) and Director of Training. The Director of Training is responsible for overseeing all aspects of the **Williams & Fudge** training program and works directly with our compliance team to ensure all company policies and procedures are trained properly. The Director of SRD functions as a training expert, available to all account representatives, as a personal training concierge.

Ongoing team reviews, weekly collection meetings, and continuous training support the collections and support staff. A summary of **Williams & Fudge's** in-house training and personal development program follows.

Williams & Fudge, Inc. presents

# 2018 Cornerstone for Professional Growth

## 2018 Continuing Education

Individuals are awarded annual certification upon successful completion of classes valued at a minimum total of 32 points which must include the 3 core training classes & 2 required certifications. See the list below for additional requirements.

### *Required Core Training Classes (2 points each)*

*Core classes must be attended every year*

Fair Debt Collections Practices Act (FDCPA)

Ethics in the Workplace with Hot Topics in Compliance

Company Security

### *Required Certification*

*(4 points each)*

Professional Collection Specialist,

*ACA International Certification*

Higher Education Specialist,

*Williams & Fudge, Inc. Certification*

### *Additional Continuing Education Seminars*

*Combine any of the following for the remaining points required.*

*Classes are subject to change and additional ones will be added as needed.*

Alternative Lenders (2 points)

Bankruptcy & Legal Issues (2 points)

Business Ownership (2 points)

Compliance Updates (2 points)

Family Feud (2 Points)

Finish Strong (2 points)

Generational Collections (2 points)

Jeopardy (2 points)

Overcoming the Stall (2 points)

People Skills (2 points)

Registration Season (2 points)

Ted X Workshops (2 points)

Tax Season (2 points)

Top Collector Q&A (2 points)

Vacation Planning (2 points)

CPG Collection Books (2 points)

Webinar/Sales Conference (2 points)

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

**Williams & Fudge's** most recent attestation audit for the period ending December 31, 2017 follows.

# **COMPLIANCE REPORT**

**WILLIAMS & FUDGE, INC.**

**ROCK HILL, SOUTH CAROLINA**

**TIN: 57-0826165**

**OPE ID # NA**

**DUNS # 60-196-3226**

## **COMPLIANCE AUDIT OF THE TITLE IV PROGRAMS**

**At Rock Hill, SC**

Compliance Attestation Examination  
Of the Title IV Student Financial Assistance Program  
Federal Perkins CFDA #84.038

For the Fiscal Year Ended December 31, 2017

C. DeWitt Foard & Company, P.A.  
Certified Public Accountants

# ***C. DEWITT FOARD & COMPANY, P.A.***

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*CERTIFIED PUBLIC ACCOUNTANTS  
817 EAST MOREHEAD STREET • SUITE 100  
CHARLOTTE, NORTH CAROLINA 28202-2767  
TELEPHONE: 704-372-1515 • FACSIMILE: 704-372-6066*

*PHILLIP G. WILSON  
TERRY W. LANCASTER*

## INDEPENDENT ACCOUNTANTS' REPORT

To the Board of Directors  
Williams & Fudge, Inc.  
Rock Hill, South Carolina

We have examined management of William's & Fudge, Inc.'s assertions regarding its compliance requirements regarding Institutional Eligibility and Participation; Reporting; Student Eligibility; Disbursements; Return of Title IV Funds; G5 and Cash Management; Perkins Loan Program; Administrative Requirements; and Close Out Audit Requirements described in Chapter 3 of the 2016 edition of the U. S. Department of Education's Guide For Audits of Proprietary Schools and For Compliance Attestation Engagements of Third-Party Servicers Administering Title IV Programs (Guide) relative to Williams & Fudge's Student Financial Assistance (SFA) programs, for the year ended December 31, 2017. Management is responsible its assertions. Our responsibility is to express an opinion on compliance for Williams & Fudge, Inc.'s SFA programs based on our examination of the compliance requirements referred to above.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above have occurred, and is presented in accordance with (or based on) the criteria, in all material aspects. An examination involves performing procedures to obtain evidence about Williams & Fudge, Inc.'s compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of Institutional Eligibility and Participation; Reporting; Student Eligibility; Disbursements; Return of Title IV Funds; G5 and Cash Management; Perkins Loan Program; Administrative Requirements; and Close Out Audit Requirements, 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, the management of Williams & Fudge, Inc.'s assertions that it complied with the requirements regarding Institutional Eligibility and Participation; Reporting; Student Eligibility; Disbursements; Return of Title IV Funds; G5 and Cash Management; Perkins Loan Program; Administrative Requirements; and Close Out Audit Requirements described in Chapter 3 of the 2016 edition of the U. S. Department of Education's Guide For Audits of Proprietary Schools and For Compliance Attestation Engagements of Third-Party Servicers Administering Title IV Programs (Guide) relative to Williams & Fudge's Student Financial

Williams & Fudge, Inc.  
Page 2

Assistance (SFA) programs is fairly stated, in all material respects for the year ended December 31, 2017.

Management of Williams & Fudge, Inc., is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our examination of compliance, we considered Williams & Fudge, Inc.'s, internal control over compliance with the compliance requirements to determine the examination procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for SFA programs and to test and report on internal control over compliance in accordance with the Guide, but not for the purpose of expressing an opinion on the internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Williams & Fudge, Inc.'s internal control over compliance.

A handwritten signature in black ink that reads "C. Dewitt Ford & Company, P.A." The signature is written in a cursive, flowing style.

Charlotte, NC  
March 7, 2018

**Williams & Fudge, Inc.  
December 31, 2017**

**Schedule of Findings and Questioned Costs**

**Total Population:**

	Pell	IASG	Direct Loan	FSEOG	Perkins	TEACH	FWS	Total <sup>66</sup>
Universe								
Dollars								
Number of Students								

**Students Enrolled, graduated or students on an approved leave of absence:**

	Pell	IASG	Direct Loan	FSEOG	Perkins	TEACH	FWS	Total <sup>67</sup>
Universe								
Dollars								
Number of Students								
Sample								
Dollars								
Number of Students								

**NO NON-COMPLIANCE AUDIT FINDINGS**

**Williams & Fudge, Inc.  
December 31, 2017**

**Withdrew, dropped out, enrolled but never began attendance during the audit, or terminated students:**

	Pell	IASG	Direct Loan	FSEOG	Perkins	TEACH	FWS	Total
Universe								
Dollars Returned/Refunded								
Number of Students								
Sample								
Dollars Returned/Refunded								
Number of Students								

**NO NON-COMPLIANCE AUDIT FINDINGS**

## ***C. DEWITT FOARD & COMPANY, P.A.***

---

*CERTIFIED PUBLIC ACCOUNTANTS  
817 EAST MOREHEAD STREET • SUITE 100  
CHARLOTTE, NORTH CAROLINA 28202-2767  
TELEPHONE: 704-372-1515 • FACSIMILE: 704-372-6066*

*PHILLIP G. WILSON  
TERRY W. LANCASTER*

### INDEPENDENT ACCOUNTANTS' COMMENT ON RESOLUTION OF PRIOR EXAMINATION FINDINGS

Action taken on prior attestation findings in the 2016 engagement report are:

#### Finding for Consumer 1621375

The finding is closed. The servicer's System Application Department reviews a sample of closed/returned accounts and compares them to issued Return Reports to confirm that those accounts are included in the report and properly confirm that all associated information contained within the return report is accurate.

#### Finding for Consumer 1764045

The finding is closed. The servicer's Divisional Directors review the close/return units associated with all collection teams for the purpose of assuring that final disposition has been determined and completed in a timely manner.

*C. Dewitt Foard & Company, P.A.*

March 7, 2018



# Williams & Fudge

p 803.329.9791 | tf 1.800.849.9791

wfcorp.com

300 Chatham Avenue | PO Box 11590  
Rock Hill, SC 29731

## CORRECTIVE ACTION PLAN

Audit Firm:	C. DeWitt Foard & Company, P.A.
Audit Period:	December 31, 2017
Audit Finding 2017 – 01:	Williams & Fudge, Inc. failed to include debtor's updated address on month-end Demographic Report.  Auditor does NOT assign a number to the audit finding in the Schedule of Findings and Questioned Costs. Reference to the finding is explained at the bottom of that page.
Audit Recommendation:	Williams & Fudge, Inc. should implement new controls to insure all applicable debtor information is included in every required month-end Demographic Report.

Williams & Fudge, Inc agrees with the auditor's finding.

Williams & Fudge, Inc. has implemented the following plan effective February 22, 2017.

### Consumer 4668192

- Determination of root causes:
  - Address changes in the Demographic Reports previously populated from new entries in the Consumer Address History table. It was determined that an address change does not always result in a new entry in the Consumer Address History table. In some instances, the existing addresses were just edited, which did not populate an address change in the Demographic Reports.
- Corrective action:
  - The system process that loads data for the Demographic Reports has been altered to compare the current system address to the address history. Any new address that is not identical to the previous address creates an Address Change AR event that populates an address change in the Demographic Report. The process has been tested and completed successfully.

Williams & Fudge, Inc. has no prior Corrective Action Plan in place for the audit period ending December 31, 2017.

A handwritten signature in black ink, appearing to read "David Williams".

David Williams, President  
Williams & Fudge, Inc.  
Phone: 803-326-9791  
Fax: 803-329-0797  
[dwilliams@wfcorp.com](mailto:dwilliams@wfcorp.com)

**Auditor Information Sheet**

NAME OF SCHOOL  
SCHOOL ADDRESS  
TIN NUMBER(S)  
OPE ID NUMBER(S)  
DUNS NUMBER  
Not Applicable

School Information: Not Applicable  
Telephone Number (\_\_\_\_) \_\_\_\_-\_\_\_\_  
Fax Number (\_\_\_\_) \_\_\_\_-\_\_\_\_  
President \_\_\_\_\_  
Contact Person and Title \_\_\_\_\_

Audit Firm Information:  
Lead Auditor Michele Brewer  
Email Address michele@cdfco.com  
License Number: (Home State) 36928 NC  
(Out of State) \_\_\_\_\_  
Firm's Name C. DeWitt Foard & Company, P.A.  
Partner In Charge Terry Lancaster  
Street 817 East Morehead St, Ste 100  
City, State, Zip Charlotte, NC 2822-2767  
Telephone Number 704-372-1515  
Fax Number 704-372-6066

Programs Audited: (place an "X" next to each program audited)

FSEOG	84.007	_____
FWS	84.033	_____
Perkins	84.037 and 84.038	<u>  X  </u>
PELL	84.063	_____
Direct Loan	84.268	_____
TEACH	84.379	_____
IASG	84.408	_____

For the award year that ended during the audit period, provide the audited ratios for establishing institutional eligibility required by 34 C.F.R. § 600.7 (Chapter 3, Section C.1.9.)

Correspondence courses to total courses	_____ %	Regular students enrolled in correspondence courses to total regular students	NA %
Regular students who are incarcerated to total regular students	_____ %	Regular students enrolled based on ability to benefit to total regular students	NA %

Provide the audited completion rate (as calculated under 34 C.F.R. § 668.8(f)) and the audited placement rate (as calculated under 34 C.F.R. § 668.8(g)) for all of the school's short term programs as described in 34 C.F.R. § 668.8(d)(3)). Use additional pages if necessary. (Chapter 3, Section C.1.4.c.)

<b>Program Name:</b>	<b>Completion Rate:</b>	<b>Placement Rate:</b>
NA	%	%
	%	%
	%	%

List the campuses/locations that are considered to be part of the school and provide the requested information about each location. If necessary, attach additional pages. (Chapter 3, Sections B.9 and C.1.2.)

Address and Name of Location	Was 50% or more of a program offered at this location?	Is location listed on the school's eligibility letter?	Did school notify ED before offering instruction here?	Date location was opened (mm/dd/yyyy)	Date location was closed (mm/dd/yyyy)	Date of auditor's last visit to the location (mm/dd/yyyy)	Reason the location was not visited for this audit engagement
NA							
	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No				
	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No				
	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No				
	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No				

Name and address of the school's primary accrediting organization: NA

Name and address of any other organizations accrediting the school or its programs: NA

Does the school use a servicer to help it administer all or any portion of its Title IV program responsibilities? NA

Yes  No

If yes, how many servicers does the school use? \_\_\_\_\_ You should complete and include a separate Servicer Information Sheet for each of these servicers (Chapter 4, Section D.8-8.).

Location of the school's accounting and administrative records for Title IV programs administered: NA

Has the school stopped participating in all Title IV programs?  Yes  No

If yes, provide the school name, address and account number for all of the school's open accounts that may contain Federal funds or unexercised sureties that are posted in ED's favor.

<b>School Name:</b>	<b>School's Address:</b>	<b>Account Number:</b>
NA		

**SERVICER INFORMATION SHEET**

**Williams & Fudge, Inc.  
 300 Chatham Avenue  
 Post Office Box 11590  
 Rock Hill, SC 29731**

President: David Williams  
 Contact Person: David Williams, President  
 Telephone No.: **803.329.9791**  
 Fax No.: **803.329.0797**

Servicer Auditor Information

Firm's Name:	<b>C. DeWitt Foard &amp; Company, P. A.</b>
Partner in Charge:	<b>Terry Lancaster</b>
Address:	<b>817 East Morehead Street, Suite 100          Charlotte, NC 28202</b>
Lead Auditor:	<b>Michele Brewer</b>
E Mail Address:	<a href="mailto:michele@cdfco.com">michele@cdfco.com</a>
Telephone No.:	<b>704.372.1515</b>
Fax No.:	<b>704.372.6066</b>
Last Compliance Attestation	<b>Year Ended 12/31/2016</b>
Engagement Period	<b>Year Ended 12/31/2017</b>
Dates of Field Work	<b>03/05/2018 - 03/07/2018</b>

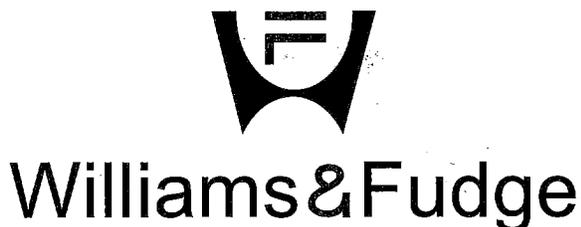
**DIVISION OF DUTIES FOR COMPLIANCE REQUIREMENTS**

Compliance Requirements	Performed by School	Performed by Williams & Fudge	Explanation of Divided Performance
1. Institutional Eligibility and Participation A. Participation agreement/ECAR B. Legal authorization C. Approved locations D. Eligible programs E. Accreditation F. Bonuses, commissions and other incentive payments G. Student recruiting and admissions H. Zone alternative I. TEACH grant eligibility and administration J. Calculation of 90/10 ratio K. Calculation of other institutional eligibility ratios	X		

Compliance Requirements	Performed by School	Performed by Williams & Fudge	Explanation of Divided Performance
2. Reporting A. Enrollment reporting roster file i. Completion or ability to benefit ii. Changes in enrollment status programs B. FISAP C. Gainful Employment Reporting	X		
3. Student Eligibility A. Determining eligibility B. Regular student C. Enrolled in eligible programs D. Citizenship E. Social Security Number F. Not in overpayment or default status G. Selective service H. Academic credentials I. SAR/ISIR J. Verification K. Prior degrees L. Incarcerated students M. Maintaining satisfactory academic progress N. Professional judgment decisions O. Dependency overrides P. Financial need Q. Calculating the Pell R. Calculating loan amounts S. Master promissory note confirmation process T. PLUS loan amounts and confirmation process U. TEACH grant V. IASG W. Attendance in distance education program X. Student Confirmations	X		
4. Disbursements A. Confirmation student eligible for each disbursement B. Valid ISIR/SAR on file C. Determining payment period D. Entering COD data E. Early disbursements F. Verification is complete G. Notices H. Transfer students I. FWS J. Initial counseling K. Exit counseling L. Delivering credit balances and authorizations M. If applicable, maintaining subsidiary ledger for students with credit balances	X		

Compliance Requirements	Performed by School	Performed by Williams & Fudge	Explanation of Divided Performance
5. Return of Title IV Funds A. Policy B. Determining date of withdrawal C. Post-withdrawal disbursements D. Return calculations E. Overpayment calculations F. Allocation of return of Title IV funds G. Timing of return of Title IV funds H. Notifying borrowers of returns of loan proceeds	X		
6. G5 and Cash Management A. Forecasting cash needs B. Withdrawing Federal funds C. Disbursing Funds i. Posting credits to student accounts ii. Making the funds available to the student D. Returning excess funds E. Accounting for and returning interest earnings F. Performing monthly Direct Loan reconciliations	X		
7. Perkins Loan Program A. Approving and maintaining deferment, loan cancellation, and discharge for death or disability documentation B. Perkins master promissory notes C. Loan status and loan balances in NSLDS D. Deferment of loan payments E. Billing and collection F. Liquidation	X  X X X X	X	WF works as agent for institutional collections.
8. Administrative Requirements A. Written procedures B. Direct Loan quality assurance system C. Satisfactory academic progress measurements D. Reporting change in ownership E. Reporting possible illegal conduct. F. Perkins Loan and grant overpayments G. Annual security and fire safety report H. Completion, graduation, and transfer-out rates I. Prospective student disclosures for gainful employment programs J. Student Warnings for gainful employment program eligibility	X X X X X X X X X X	X  X X X	Williams & Fudge, Inc does the following administrative functions to support the Institution as a vendor. The institution has final responsibility for some of the items.

Compliance Requirements	Performed by School	Performed by Williams & Fudge	Explanation of Divided Performance
9. Close Out Audit (If Applicable) A. Retaining and storing of records B. Collection of outstanding Perkins Loans C. Continuing to comply with withdrawal calculations during "teach-out", if applicable D. Returning unexpended Title IV funds to ED E. Returning to Direct loan proceeds received but not delievered or credited to student accounts F. Disbursements after participation ends	X X X X X X	X X       X	Williams & Fudge shares responsibility for storing records and collecting outstanding Perkins Loans with the institutions conracted with.



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300 Chatham Avenue | PO Box 11590  
Rock Hill, SC 29731

March 7, 2018

Mr. Terry Lancaster  
C. DeWitt Foard & Co., PA  
Certified Public Accountants  
817 East Morehead Street  
Suite 100  
Charlotte, NC 28202

Dear Mr. Lancaster:

Williams & Fudge, Inc., makes the following assertions in connection with the attestation you are performing for us under the US Department of Education Audit Guide for Audits of Proprietary Schools and for Compliance Attestation Engagements of Third-Party Servicers Administering Title IV Programs, issued in 2016, as updated, for the year ended December 31, 2017.

Williams & Fudge, Inc. was an eligible servicer for audit year 2017, and has established systems of internal control to ensure compliance with those services which it provides.

We make these assertions with the understanding that Williams & Fudge's customers are responsible for all origination activities, including student eligibility, entrance interviews, loan disbursements, and accounting. We have no obligations with respect to activities for a loan that occurred prior to the placement of the account for collection with Williams & Fudge or after the account was closed and returned to the client.

In making the following assertions, we assume that all servicing activities performed by any other entities (i.e. billing, collections, awarding, etc.) were properly undertaken. We make the following assertions with the complete understanding and support of the upper management of Williams & Fudge. The following assertions are made with the understanding that you will provide an attestation opinion that such assertions are fairly stated in all material respects.

**1. Servicer Eligibility**

Williams & Fudge, Inc. complied with all criteria effective during the attestation period, as appropriate, for the Servicer Eligibility attest objectives included in Chapter 4, Section C of the *Guide for Audits of Proprietary Schools and for Compliance Attestation Engagements of Third-Party Servicers Administering Title IV Programs*.

**2. Servicer's Systems and Internal Controls**

Williams & Fudge, Inc. has established systems with Internal Control, which assure compliance with attestation objectives included in Chapter 4, Section C of the *Guide for Audits of Proprietary Schools and for Compliance Attestation Engagements of Third-Party Servicers Administering Title IV Programs* for those services that it provides.

**3. Institutional Eligibility and Participation**

This assertion is not applicable given the nature of the contracts with our clients.

**4. Reporting**

This assertion is not applicable given the nature of the contracts with our clients.

**5. Student Eligibility**

This assertion is not applicable given the nature of the contracts with our clients.

**6. Disbursements**

This assertion is not applicable given the nature of the contracts with our clients.

**7. Return of Title IV Funds.**

This assertion is not applicable given the nature of the contracts with our clients.

**8. G5 and Cash Management**

This assertion is not applicable given the nature of the contracts with our clients.

**9. Perkins Loan Program**

Williams & Fudge, Inc. complied with all criteria effective during the attestation period, as appropriate, for the Perkins Loan attest objectives included in Chapter 4, Section C of the *Guide for Audits of Proprietary Schools and for Compliance Attestation Engagements of Third-Party Servicers Administering Title IV Programs* as applicable to our clients.

**10. Administrative Requirements**

This assertion is not applicable given the nature of the contracts with our clients.

**11. Close Out (If Applicable)**

Williams & Fudge, Inc. complied with all criteria effective during the attestation period, as appropriate, for the Close Out Audit attest objectives included in Chapter 4, Section C of the *Guide for Audits of Proprietary Schools and for Compliance Attestation Engagements of Third-Party Servicers Administering Title IV Programs* as applicable to our clients.

Sincerely,



Williams & Fudge, Inc.  
David Williams  
President







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.

**Williams & Fudge** employees are the most completely trained student loans and receivables staff in the higher education collection industry. Training begins with the Fair Debt Collection Practices Act (**FDCPA**) and Unfair, Deceptive and Abusive Acts and Practices (**UDAAP**). Collectors are tested on FDCPA during new hire training. In addition, they are again trained on FDCPA while preparing for the Professional Collection Specialist certification and lastly, minimally, once a year via our in-house knowledge evaluation, GOT IT!

**Williams & Fudge** follows ACA International's Professional Practices Management System (PPMS) in all of our company's activities. The program is similar to ISO 9000; however, PPMS is specific to the collection industry. The program requires all company procedures be documented, followed, and continuously improved. An integral part of the PPMS program is random account audits by one of our compliance officers.

In addition to manual audits, **Williams & Fudge** utilizes CallMiner *Eureka* as our solution for voice recording and conversational analytics. CallMiner delivers performance insight from voice of customer analytics (text and speech analytics) through two means – an analyst application providing flexible ad hoc analysis of consumer contacts, and personalized performance portals for managers and account representatives. *Eureka*, with the following key capabilities, allows **Williams & Fudge** to monitor all calls for compliance:

- Automatically evaluates every contact for sentiment/acoustics, categorization, and performance scoring (FDCPA compliance)
- Allows for free form search to find and playback contacts containing certain words and phrases or sharing other characteristics in a familiar web search user experience
- Allows for evaluation and comparison of performance and key metrics using data visualization

**Williams & Fudge's** voice recording system allows our Compliance Officers and Team Leaders access to live and recorded calls. All incoming and outgoing calls are recorded and maintained for a period of at least thirty-six months. Audio files from call recording are available to clients upon request.

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.

**Williams & Fudge** acknowledges the privacy rights of education loan recipients as expressed in the Federal Family Education Rights and Privacy Act (FERPA), as well as under the Gramm-Leach-Bliley Act (GLBA). **Williams & Fudge** does not release student loan records or any other information without the written authorization by the University. In addition, we adhere to all federal and state privacy laws.

**Williams & Fudge** has always abided by the principals of the Gramm-Leach-Bliley Act (GLB) prior to the actual passing of the privacy act. There has been some recent discussion as to whether the Gramm-Leach-Bliley Act applies to institutions since they are governed under FERPA. As an extension of the university (contractual), **Williams & Fudge** complied with the restrictions as outlined in FERPA and all Federal & State Laws that referenced issues of privacy. The Federal Trade Commission (FTC) has clarified the fact that institutions that engage in financial activities will need to file a safeguard.

**Williams & Fudge** has presented our safeguard procedures to our auditors to include in the attestation audits as required by the Department of Education United States Code 15 USC, Subchapter I, Subchapter I, Sec. 6801-6809 of the Gramm-Leach-Bliley Act which addresses the disclosure of nonpublic personal information.

A copy of **Williams & Fudge's** Safeguard of Information Procedure Report follows.




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### Safeguard of Information Procedure Report

While information is the cornerstone of our ability to provide efficient and superior service, our most important asset is our client's trust. Keeping consumer information secure and using it only as our clients and the law allow is of major importance to **Williams & Fudge, Inc.** The following is our pledge to protect personal and financial privacy at **Williams & Fudge, Inc.**

1. We will safeguard, according to strict standards of security and confidentiality, any information our clients, per our contractual arrangement, share with us about any consumer.
2. We do not sell consumer information to third parties.
3. We permit only authorized employees, who are trained in the proper handling of our client's customer information, to have access to that information. Employees who violate our privacy expectations will be subject to our normal disciplinary process.
4. We have training for the entire staff regarding the importance of protecting consumer data and the appropriate ways to ensure compliance.
5. We maintain a variety of physical security and monitoring technology to assist in the protection of all data stored at **Williams & Fudge, Inc.**
6. We utilize imaging and shredding to minimize the presence of sensitive data in a paper format.
7. We will not reveal consumer information to any external organization unless we have previously informed the consumer in disclosures or agreements, have been authorized by the consumer, or are permitted or required by law or government regulators.
8. We will always maintain control over the confidentiality of non-public personal information in our custody.
9. We require independent contractors and outside companies who work with us to adhere to strict privacy standards through their contracts with us.
10. For purposes of credit reporting (if specified in the client contract) we may provide information to the national credit bureaus.
11. We use technological means (such as backup files, virus detection and eradication software, firewalls, and other computer software and hardware) to protect against unauthorized access or alterations to consumer data.

12. We will not use or share any of a client's customer's personally identifiable medical information for any purpose without the express consent of the client's customer.
13. We will make every effort to keep all account files complete, up to date, and accurate. We will tell our clients and consumers how and where to access account information (except where prohibited by law) and how to notify us about errors which we will attempt to promptly correct.

**Williams & Fudge, Inc.** protects personal information by maintaining physical, electronic, and procedural safeguards that meet or exceed applicable law. We are committed to protecting the non-public personal information of consumers in every transaction, at every level of our organization.

Third parties who have access to personal information must agree to follow appropriate standards of security and confidentiality. **Williams & Fudge, Inc.** trains people who work for us how to properly handle personal information and we restrict access to it. This privacy policy remains, at all times, applicable to both our clients and their respective customers.

**Williams & Fudge, Inc.** values each client relationship and we work very hard to honor the trust placed in our company.

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.

Non-federal student loans and/or any other institutional receivables that are placed for collection with **Williams & Fudge** shall have additional student paid collection costs or Institution fees added only when permitted by law. Where an agreement is required to be permitted by law, the Institution understands and agrees there is an express written agreement, promissory note, electronic signature, and/or any other contractual instrument that meets the legal standards where the debt was incurred creating a legal obligation between the student and the Institution. Placement of accounts with student paid collection costs and/or Institution fees added to the accounts is on an individual account basis by the Institution at the Institution's sole discretion. Costs/fees will be added and/or assessed by the Institution based upon the reasonableness standard under all the applicable laws governing placement and/or collection of any additional amounts.

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.

**Williams & Fudge** reports to the consumer credit reporting agency Equifax. One of the largest credit reporting agencies, Equifax collects and aggregates information on over 800 million individual consumers and more than 88 million businesses worldwide. To report, we must have the actual "date of delinquency" as defined by institutional policy. The Fair Credit Reporting Act (FCRA) only allows reporting up to seven years from this date. The institution must have an accurate date or be on the conservative side with an estimated default date.

Electronic files are sent to the credit bureaus on the first and fifteenth of each month. This file includes adjustments to outstanding balances, payments, disputes and deleted or closed accounts. It is **Williams & Fudge's** procedure to report accounts to the credit bureau with a minimum balance of twenty-five (25) dollars and unless payment is received in full, sixty (60) days after initial placement. This procedure can be customized based on the needs of the Institution.

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

**Williams & Fudge** has online capabilities with all of the national billing servicers: **AES, Campus Partners, EDSI, EFR, Heartland/ECSI, UNISA, UAS and Xerox Higher Education Services (ACS)**. The method used to identify and post direct payments is dependent upon the Institution's policies. Some of the current methods being used are listed below:

- If a consumer advises the account representative that they have submitted a payment directly to the billing servicer, we will go online to confirm payment and post the appropriate amount of the payment to the account based on the real time posting date as indicated by the billing servicer.

- If the Institution requests that posting of direct payments be done upon receipt of direct payment reports from the billing servicer, no direct payments will be posted until we receive confirmation from the billing servicer.
- If the billing service has the capability to report payments via an electronic file, then **Williams & Fudge** will post payments once a file is received and uploaded into our computer system.

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

In addition to service and collections, it is also the responsibility of **Williams & Fudge** to ensure control of funds received for consumer accounts. The following steps outline our cash management procedures:

1. The mail is received daily from the US Postal Service through our box or street address by an employee of the company.
2. All mail is opened by at least two employees. The mail is sorted by payments, letters only, and company mail.
3. Payments made by check (through the mail) are identified with the internal master number and scanned through a check scanner.
4. Cash payments are put into a cash envelope with the internal master number, amount and student first initial and last name recorded on the envelope.
5. All payments are totaled on calculator with print tape on.
6. Scanned checks are posted automatically to individual accounts through CR Software. Total from calculator tape is verified to the clerk cash journal from CR Software.
7. All non-cash payments (payments received by client) are verified by a supervisor and posted to the proper account.
8. The daily cash and non-cash totals are reviewed by our Financial Coordinator and the totals are posted to the accounting software, Peachtree.
9. The account representatives review on line the daily posting and verify that all payments were properly credited.
10. The deposits are made daily into a client trust account by our bank's courier service.
11. The daily cash journals are reconciled monthly with a monthly cash journal.
12. All monthly invoices are mailed by the fifth of each month.
13. The accounting information, including accounts payable and receivable, is reviewed and reconciled monthly by the CPA firm of Bernard N. Ackerman, CPA, PA.

An annual examination is conducted by **Williams & Fudge's** accounting firm in accordance with attestation standards established by the American Institute of Certified Public Accountants. Accordingly, this includes obtaining an understanding of the internal control over collection cash receipts and cash posting procedures, as well as testing and evaluating the design and operating effectiveness of the internal control.

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

With the exception of personal checks mailed to our office, **Williams & Fudge** utilizes ACH in order to reduce the chance of returned checks. Should a check be returned due to insufficient funds, we will attempt to process any returned check for the second time. If a check fails to clear the bank on the second attempt, the consumer is notified that certified funds will be required for all future payments.

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

In accordance with the Fair Debt Collections Practices Act (FDCPA), **Williams & Fudge** staff have been trained to handle a consumer who is disputing the validity of the debt. The account is immediately put into a state of suspension. The request for support documentation to prove the debt is indeed valid is then sent to our client. Upon receipt of this information, **Williams & Fudge** will forward the information to the consumer. After a reasonable period of time, we will attempt resolution of the debt. If the institution cannot provide **Williams & Fudge** with the supporting documentation to validate the debt, the account will be closed and returned.

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

One of the attributes that distinguishes **Williams & Fudge** is our commitment to excellent customer service to both our clients and consumers. It is not merely a public relations slogan; it is the goal of each department. There are many management slogans and philosophies in the business world today on how to treat the customer. **Williams & Fudge's** philosophy is simple: OUR CLIENTS ARE OUR BOARD OF DIRECTORS.

The methods utilized by **Williams & Fudge** to record, verify and report on our services include, but are not limited to:

- Periodic campus visits by our sales representatives to discuss any outstanding issues, provide updated performance (recovery) results, and/or perform necessary training.
- Quality service calls are made by the **Williams & Fudge** client support representatives. These calls are to ensure 100% client satisfaction and assist us in finding areas where we can improve.

- Annual client surveys are personally delivered by **Williams & Fudge** sales representatives to all clients with the request to share opinions and concerns, if any, with us. The survey gives our clients an opportunity to let us know how we are doing in the areas of customer service, accounting, technology, and collections. The surveys are reviewed by each member of the **Williams & Fudge** management team.

**Williams & Fudge's** client support department consists of one team leader and seven full-time representatives. The Client Support department reports directly to the Executive Vice President. Each client service representative is teamed with a **Williams & Fudge** sales representative and is dedicated to specific clients. This team approach allows for relationship-building and quality service based on each client's respective needs. This department is the first stop for all your needs.

A few examples of the assistance that the client support personnel provide for our clients:

- ✓ Assistance with Loan Verification Certificates during the consolidation process;
- ✓ Answer questions regarding statement and placement issues;
- ✓ Provide Cohort review reports;
- ✓ Coordinate proof of debt documentation for accounts in dispute;
- ✓ Liaison with the collection staff to communicate and acquire specific information to resolve account issues; and
- ✓ Quality Service calls each quarter to make sure we are addressing any special issues and refining the services we provide for our clients.

The client support staff is available by phone, fax or email Monday through Thursday from 8:00AM to 7:00PM (EST) and on Fridays from 8:00 AM until 5:00PM (EST).

### **INFORMATION TECHNOLOGY AND APPLICATION SERVICES STAFF**

**Williams & Fudge** places importance on seeking the latest technology to provide the highest service and optimize recoveries for our clients. Our technology allows us to recover your accounts receivable, efficiently and effectively in a safe and secure environment. **Williams & Fudge** has the following full time IT staff available to assist clients. The IT staff is available 24/7 to support **Williams & Fudge** and our systems.

- Phillip Reynolds, VP of IT and Compliance
- Adam Parham, VP of Operations
- Jon Balon, VP of Product and Innovation
- Michelle Collett, Senior Systems Engineer
- KC Crane, Director of User Support and Facilities Manager
- Andrew Kiel, Systems Engineer
- Bill Caldwell, Systems Manager
- Vincent Vallone, Analytics Specialist
- Carrie Land, Conversion Specialist
- Jason Hunsinger, Conversion Specialist

- Jacob Land, Programmer
- Mandy Ashley, Programmer
- Justin Parsons, Project Manager
- Derek Hollis, Product Program Manager

### **REAL-TIME ONLINE ACCESS CAPABILITIES**

All **Williams & Fudge** clients have access to consumer accounts and statements/reports through our client portal, [clients.wfcorp.com](http://clients.wfcorp.com). Site access includes management reports and current account activity in real-time and is available 24 hours a day.

Statements and reports are available in both PDF and CSV (Excel) and are uploaded to our website, [www.wfcorp.com](http://www.wfcorp.com), at the time frequency desired by the client. An email notification is sent to client contacts upon upload of statements/reports. Reports are archived for a period of 14 months.

The **Williams & Fudge** web site is a singular place that enables our clients to obtain any information that might be necessary to perform daily collection functions. To maintain security, we employ a number of measures described below:

- Unique user account for each client contact
- Passwords are encrypted and expire every 90 days
- Passwords must be at least 8-20 characters and contain letters, numbers and a special character (% , % , # , etc.)
- Users can reset/recover or change their password at anytime
- A time-out feature will automatically log out users after a period of inactivity
- All pages are sent over Https and is encrypted while in transit

### **WF CLIENT**

**Williams & Fudge's** client mobile application is designed for college and university personnel responsible for compliance with the Federal loan programs and accounts receivable management.

[\*\*WF Client\*\*](#) provides convenient and easily searchable access to regulations that govern the student loan industry. Resources include a monthly payment calculator, the Federal Perkins Student Loan Regulations, Federal Student Aid Handbook, Family Educational Rights & Privacy Act (FERPA), and the Telephone Consumer Protection Act (TCPA) along with other regulatory documents.

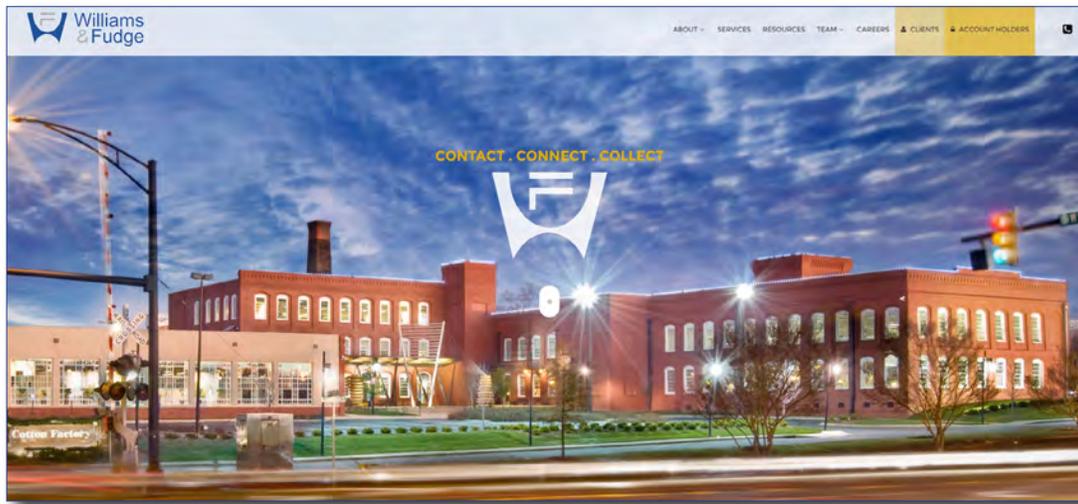
It's free, easy to use and provides immediate access to regulations while on the go or in the office! Download [\*\*WF Client\*\*](#) today!

A complete set of work instructions to the **Williams & Fudge** websites follows.

# Williams & Fudge Websites

The Williams & Fudge websites are designed to be a resource that provides easy navigation for both clients and consumers. We are committed to updating our web pages with new features and technology. Our goal is to provide live access 24 hours a day 7 days a week for our clients and our consumers. Williams & Fudge provides separate portals for both clients and consumers where both can access real time information.

## Williams & Fudge's Client Website <https://www.wfcorp.com>



Williams & Fudge's secure client portal provides a multitude of features that allows clients to perform the following functions online: place accounts for collections, upload and download capabilities to transfer electronic files, providing current industry updates, the viewing of account transactions in real time, and the ability to view reports including monthly statements.

Williams & Fudge's client portal is organized by tabs that provide both industry related information and resources for clients. A brief description of each tab follows.

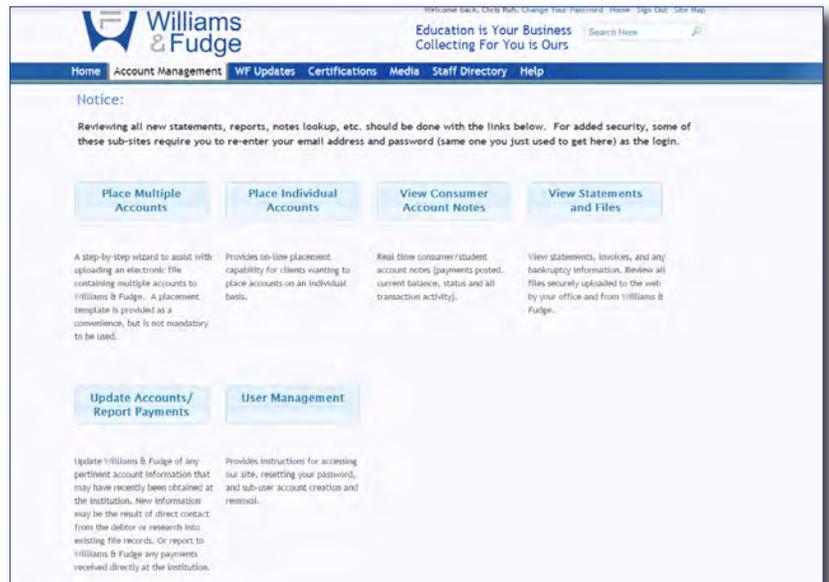
- **Home:** A spotlight of upcoming Williams & Fudge events and new developments in the collection industry.
- **About Us:** Information regarding our history, management team and office philosophy.
- **Our Services:** Information regarding the scope of Williams & Fudge's services.
- **Resources:** A convenient summary to access information that is pertinent to the collections industry developments and regulations.
- **Careers:** Our greatest assets are our employees! This tab is a link for individuals that seek to begin a career with Williams & Fudge.
- **Client Center:** The Client Center is a centralized repository of secure client information. This secure portal allows clients to: Upload Files For Placement, Place Accounts Individually, View Consumer Notes, View Statements & Reports and Update Accounts & Report Payments

Access to the Client Center requires an ID and password for each individual which must first be approved and created by Williams & Fudge. Access has been simplified and can be granted by clicking the New Account Registration button and completing the required form. Users will also have the ability to reset their password by clicking the Reset Your Password button.

# Account Management

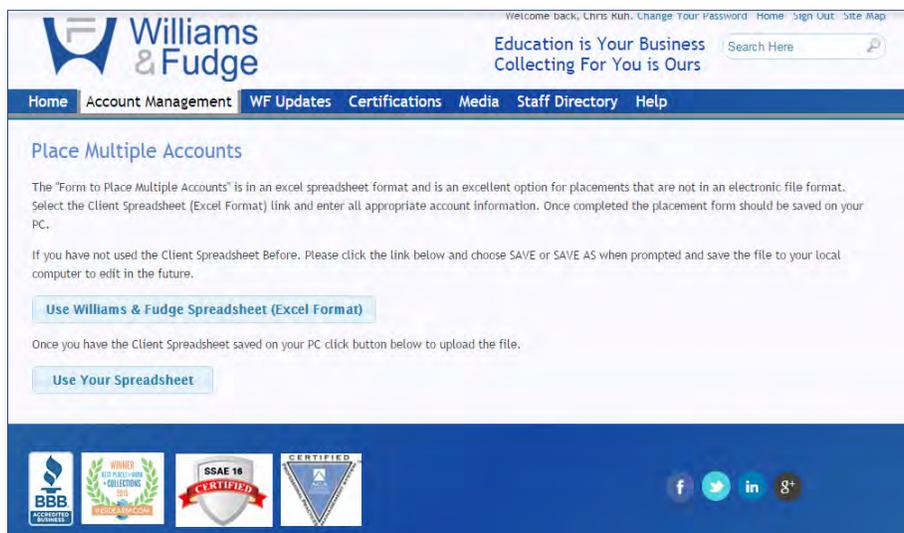
Once securely signed into the Client Center, the Account Management tab provides clients with access to:

- Place Multiple Accounts (file upload)
- Place Individual Accounts
- View Consumer Account Notes
- View Statements and Files
- Update Accounts & Report Payments
- Communicate Changes at the Institution



Place Multiple  
Accounts

**Place Multiple Accounts** – A step-by-step wizard to assist with uploading multiple accounts to Williams & Fudge through a secure FTP.



Place Individual  
Accounts

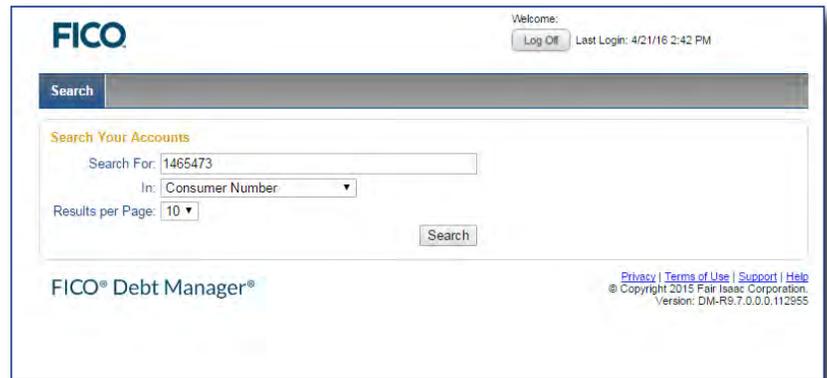
**Place Individual Accounts** – A secure online placement form for clients that prefer to place collection accounts on an individual basis.

View Consumer  
Account Notes

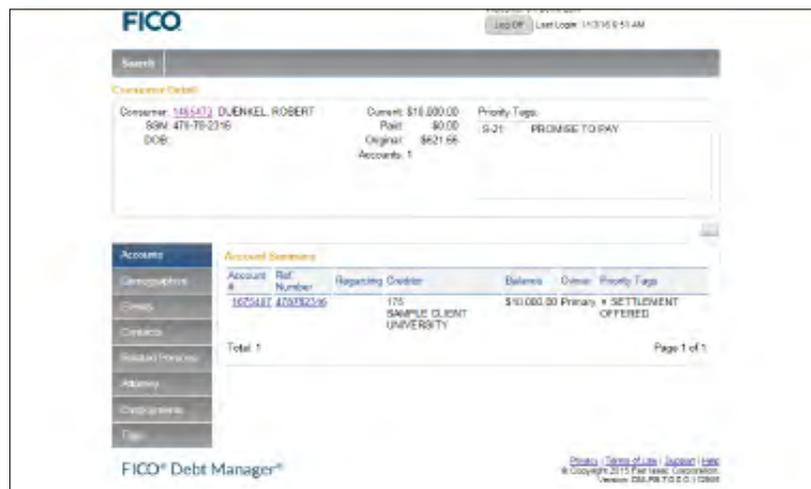
**View Consumer Account Notes** – Redirects clients to our secure web portal, Debt Manager, for real-time consumer account notes and transactions including balance information, payments posted, and current status.

## Account Management (cont.)

Once logged into Debt Manager, the “Search For” option provides clients numerous options to locate an individual account record. Selections such as Account Number or Identifier (SSN or EIN) are more data specific and will narrow the search. A wildcard (asterisk “\*”) can be used when searching (i.e. Smi\* will pull all consumers with last name starting with Smi).



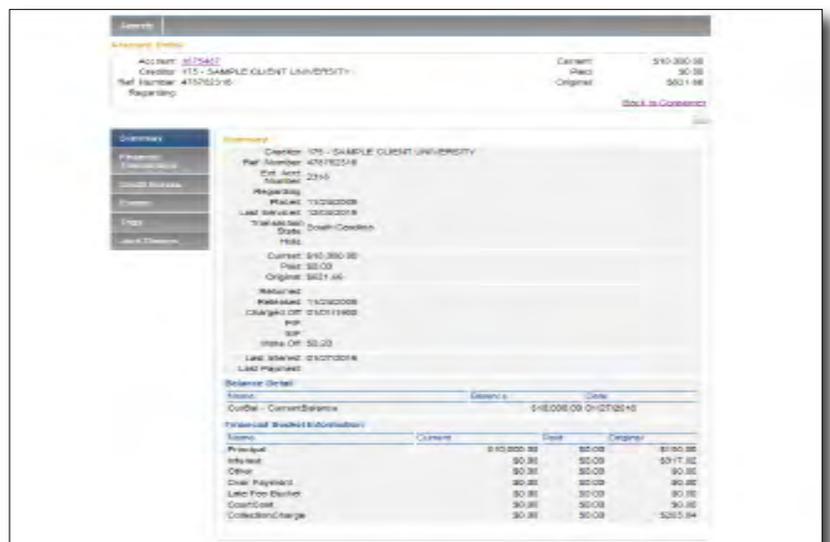
At the consumer detail level clients have the ability to view real time information such as:



- **Account Summary** – Includes account balance, status and debt description
- **Demographic Information** – Current address on file
- **Events** – A chronological listing of all actions and results taken on the account
- **Attorney** – If represented by an attorney contact info is provided
- **Employment** – Place of employment
- **Tags** – Status of the account

At the account detail level clients also have the ability to view real time information such as:

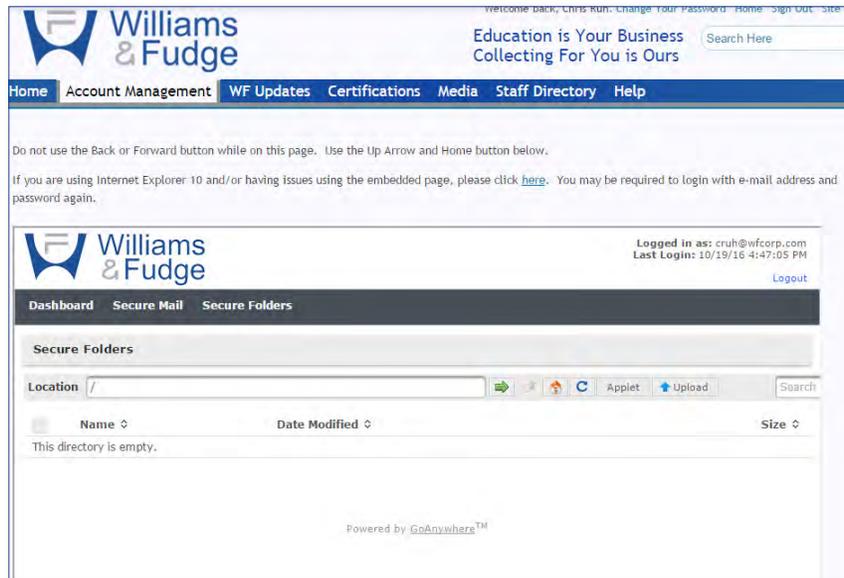
- **Summary** – Includes account balance, status and debt description
- **Financial Transactions** – History of all payment details and adjustments
- **Credit Bureau** – Credit reporting specifics
- **Events** – A chronological listing of all actions and results taken on the account
- **Tags** – Status of the account
- **Joint Owners** – Co-maker information



## Account Management (cont.)

### View Statements and Files

**View Statement and Files** – Client access to invoices and reports along with individual consumer bankruptcy and deceased notifications.



### Update Accounts/ Report Payments

**Update Accounts/ Report Payments** – button allows clients to update Williams & Fudge of any pertinent account information that may have recently been obtained at the institution. New information may be the result of direct contact from the consumer or research into existing file records. In addition, clients may report to Williams & Fudge any payments received directly at the institution.

 A screenshot of the Williams & Fudge 'Report Payments - Update Accounts' form. The form is titled 'Report Payments - Update Accounts - Update Your Information - Contact Us'. It contains several input fields: 'Institution\*', 'Submitter Name\*', 'Email\*', and 'Request Type\*'. Below these fields is a large text area for 'Request information\* (Please provide as much information as possible)'. A 'Submit' button is located at the bottom of the form.

### User Management

**User Management** – button provides instructions for accessing our website, resetting your password, new user access request and access removal.

## Account Management (cont.)

The following tabs provide specific Williams & Fudge information as well as industry related resources for clients.

**WF Updates** - The WF Updates tab allows clients to view the most recent Williams & Fudge newsletters.

**Certifications** - The Certifications tab allows clients to browse Williams & Fudge's awards, certifications, and regulatory documents.

**Media** - The Media tab allows clients to view our most recent webinars as well as conference sessions from our annual Student Loan & Receivables Collection Conference.

**Staff Directory** - The Staff Directory tab allows clients access to view Williams & Fudge's staff contact information.

**Help** - The Help tab is a convenient overview of the previously presented tabs.

## Williams & Fudge's Consumer Website

A separate website is available for consumers that are currently in collections with Williams & Fudge. This website allows them to not only access their account information securely 24 hours a day 7 days a week, but also make payments on their account(s).

<http://www.wfpayaccounts.com>



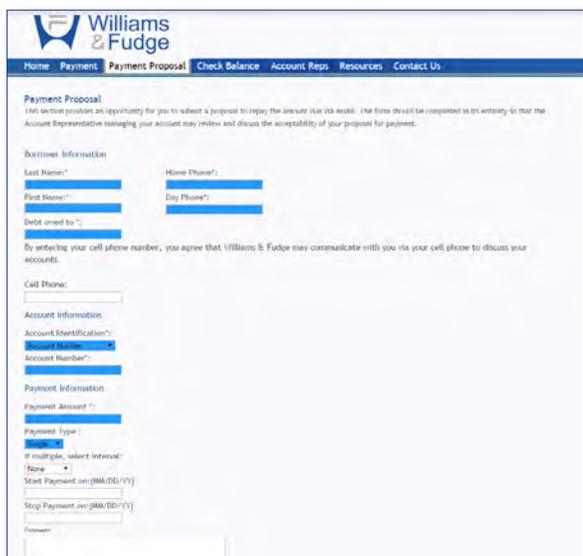
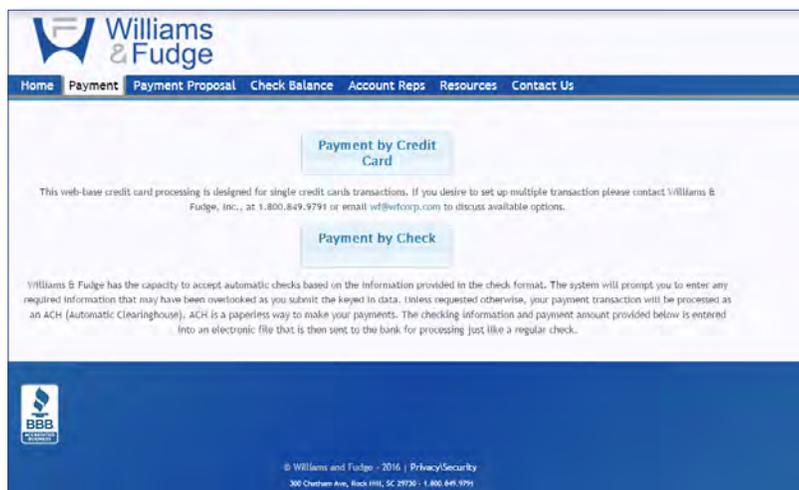
The consumer portal is organized similar to the client portal where several tabs provides links to each section that provides both industry related information and resources for clients.

Consumers can access their account online by entering an assigned identifier, pin, and their social security number. Each time the consumer views their account, a record of the account review will automatically be entered into the transaction history of the account so that the account representative and client is aware the consumer reviewed the file online.

## Payment:

The *Payment* tab allows consumers to make a payment with a Credit/Debit Card or an electronic check if allowed by the client.

Williams & Fudge accepts Visa, Master Card, and Discover. The consumer enters all pertinent data and then submits the transaction for approval. The information will be authenticated and transmitted to the Williams & Fudge accounting department for posting.



## Payment Proposal:

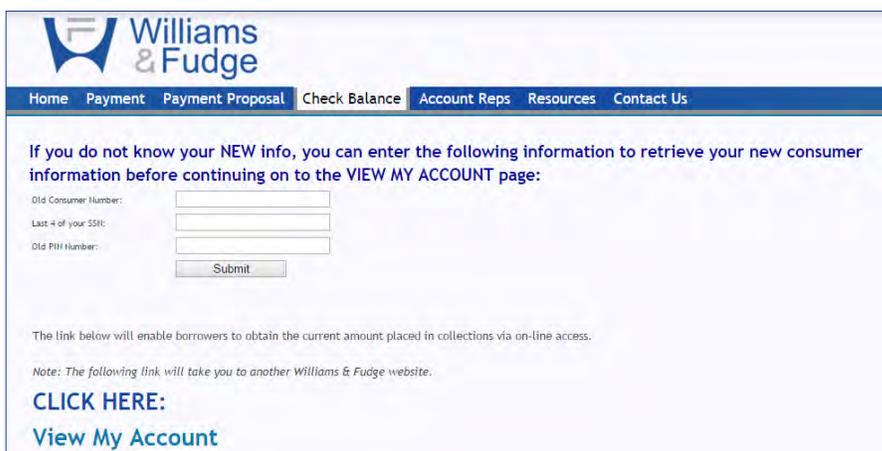
The *Payment Proposal* tab allows consumers to have the ability to propose payment arrangements on-line.

An account representative will receive the proposal and determine if the amount is reasonable and acceptable to what the individual client requires.

## Check Balance:

The *Check Balance* tab allows consumers is an opportunity to access their account details real time and check the amount owed that remains in collections.

In addition, the consumer can login and view all payments that have been applied since the account was placed into collections and also access the contact information of the assigned account representative.



## Account Representatives:

The *Account Representatives* tab provides phone numbers and email addresses for all of Williams & Fudge's Account Representatives. The consumer has the ability to communicate directly with the individual handling their account either by phone or email.

## Resources:

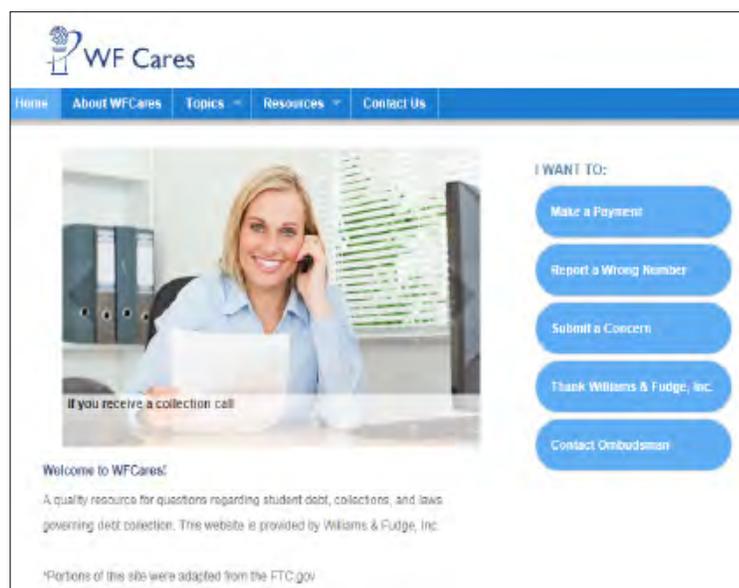
The *Resources* tab provides several links to information regarding:

- Loan Consolidation
- Financial Literacy
- National Student Loan Data System (NSLDS)
- Federal Loan Form

# Williams & Fudge's WF Cares

<http://wfcare.com/>

WF Cares is designed to provide a portal as an open forum for consumers to communicate to Williams & Fudge. It is our desire to use this portal as an open line of communication and hope that this forum will allow consumers to address any concerns, answer any questions, and to also be able to provide the opportunity to respond in such a way as to assist the consumer in a quality manner. Williams & Fudge goal is to resolve concerns efficiently and effectively while also being transparent.



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

In accordance with federal regulations, our computer system can identify any federal Perkins student account that has been placed twelve (12) months. For accounts other than Perkins loans the criteria for closing is set based upon the institutions policy. If there is no on-going payment arrangement or proposal for payment, the account will be closed and returned to the Institution. If we have a prospect for payment within the next thirty (30) days and/or we are in the process of obtaining a deferment, forbearance, cancellation, or consolidation we will advise the institution of the status. Final discretion will be left to the Institution as to whether we may continue to pursue collections or proceed to close the accounts.

**Williams & Fudge's** goal is to achieve collection success before the twelve-month threshold. Our system has the ability to customize the account criteria based on the specific needs of the Institution. In addition to our automated auditing process, we maintain a constant schedule of account reviews by the management team.

During the collection process our account representatives will evaluate the status of the accounts in their units and make professional judgments on which technique might motivate the consumer into repayment. If the original account representative has not been able to obtain payments, that representative will request other members of his group to make additional contact attempts in hopes that a different voice might be the key to success.

Once an account has been transferred for closing, a member of the management team will review all transactions that relate to that account. If any new information is received or the manager feels that a new direction is needed, that account will be transferred to our final effort group who will pursue collections and determine final disposition of the consumer.

As noted above, accounts will not be maintained for more than twelve (12) months. Our goal is to recover monies without pursuing legal options; however, if the consumer has refused to pay, then an asset evaluation will be performed to determine if there are any attachable assets or if the consumer resides in a garnishable state. If any of the previous conditions exist, **Williams & Fudge** will request authorization for legal action. Some of the criteria used by **Williams & Fudge** for closing accounts are as follows:

- ✓ The account is eligible for a deferment/forbearance/partial cancellation and the Institution desires to grant such to the consumer.
- ✓ The consumer is rehabilitating his/her account and has made the nine consecutive monthly payments as required.
- ✓ The consumer was skipped and despite our intense efforts we are unable to locate.
- ✓ The consumer will not respond to our collection efforts.
- ✓ The consumer has refused to pay.

- ✓ The consumer is disputing the validity of the debt and there is no supporting documentation to prove that the debt is indeed valid.
- ✓ The consumer is deceased.
- ✓ The consumer is incarcerated.

**Williams & Fudge** agrees to suspend action, either temporarily or permanently, without fee or penalty to the Institution or consumer on any account upon receipt of verbal or written notification from the 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.

Accounts transferred from another Contractor to **Williams & Fudge** would be treated as any other account placement from a VASCUPP institution. We do not anticipate any issues from such a transfer and will work with the VASCUPP institution to ensure a smooth transfer for the institution and consumer (former student).

**Williams & Fudge** can receive electronic business from all data types, and we encourage electronic data to be transferred securely through our web site [clients.wfcorp.com](http://clients.wfcorp.com) or by a dedicated FTP. All data is transferred through the Help Systems Managed File Transfer (MFT) Gateway hosted on our network which has the following capabilities and security controls:

- Easy to use web-browser uploads through secure client website (HTTPS);
- Unique usernames and passwords required for each client user;
- SFTP server for secure FTP over SSH;
- Automatic/scheduling capabilities for SFTP send and receive;
- Detailed audit logs for all activity (e.g. logins, file transfers, errors, etc.); and
- IP Blacklisting.

With the Help Systems MFT Gateway, no sensitive information (files, users, passwords, certificates, etc.) is stored in the DMZ and no inbound ports are opened into the private (internal) network. The process provides flexibility to reformat data if needed and all SFTP transmissions are over an encrypted connection for security. PGP file encryption is also supported.

Upon placement of accounts, **Williams & Fudge** requests the following information:

- Consumer Name
- Social Security Number
- Last Known Address (If Available)
- Last Known Phone Number (If Available)
- Account Type
- Principal Balance Due
- Total Interest Due (if applicable)
- Late Charges Due (if applicable)

- Interest Rate (if applicable)
- Default Date

We will contact the institution on an as-needed basis, if additional information is required; however, this is basic information that should be available from the previous Contractor.

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.

**Williams & Fudge** provides each of our clients with the following reports as described below. Separate reports are provided for each institutional program. Statements and reports are available in both PDF and Excel and are uploaded to our client portal, [clients.wfcorp.com](http://clients.wfcorp.com), at the time frequency desired by the client. An email notification is sent to client contacts upon upload of statements/reports. Web reports are real time and available twenty-four hours a day, seven days a week. Reports are archived for a period of 14 months. **Williams & Fudge** has the ability to remit funds collected via Automated Clearing House (ACH) or paper check.

- **Acknowledgement of Accounts**: All accounts referred for collection will be computer-acknowledged as soon as they are placed on our collection system. Information on the acknowledgement includes student (borrower) ID, name, principal balance, interest, collection costs and any other amounts due. Our system also has the capability to produce separate (single page) acknowledgements for each account placed.
- **History Analysis**: This report measures recovery performance by placement period and is provided monthly through automatic upload to our secure web site. Report can also be generated in real-time via [www.wfcorp.com](http://www.wfcorp.com).
- **Account Status Report**: This report is an inventory of active accounts and is provided monthly through automatic upload to our secure web site. Report can also be generated in real-time via [www.wfcorp.com](http://www.wfcorp.com).
- **Legal Account Status Report**: This report is an inventory of active legal accounts and is provided monthly through automatic upload to our secure web site. Included on the report is balance information, the current status of legal accounts along with the attorney name, address and phone number.
- **Cohort Report**: Uploaded to the web on a monthly basis, this report provides a detailed history to include all notes for Cohort accounts covering the most recent 30-day period.
- **Returned Account Report**: Report is provided monthly through automatic upload to our secure client web site and details any account closed during the previous month. Information provided includes name, current address (on our system), balance and reason for closing. Our system also has the capability to produce separate (single page) closing reports for each account returned.
- **Address Changes**: Provided monthly through automatic upload to our secure client web site this report will reflect new and/or changed addresses.

Sample reports follow.



p 803.329.9791 | tf 1.800.849.9791  
 wfcorp.com  
 300 Chatham Avenue | PO Box 11590  
 Rock Hill, SC 29731

**Acknowledgement**

11/15/2017  
 SAMPLE STATE UNIVERSITY  
 123 MAIN ST BOX 356  
 AURAVISTA MD 01257  
 Attn: ARIELLE CLANCY

We are pleased to acknowledge receipt of the accounts you placed with us for collection.  
 Request for payment is being made immediately.  
 You can be assured that we are going to utilize all of our resources to collect these accounts for you.

Creditor: 99999 - SAMPLE STATE UNIVERSITY

Consumer No	Consumer First Name	Consumer Last Name	Creditor Reference ID Number	Original Amount	Principal Amount	Interest Amount	Collection Fee	Other Fees	Placement Date
6654927	NATHAN	ROJO	8708128627 PER24A	\$13,270.78	\$8,000.00	\$2,599.74	\$2,654.16	\$16.88	11/14/2017
3794304	ROGELIO	MONGE	2111259422 PER24A	\$2,713.75	\$1,765.81	\$405.19	\$542.75	\$0.00	11/14/2017
5461724	ROMELIA	RYLANDER	2297360271 PER24A	\$4,286.46	\$2,968.47	\$420.70	\$857.29	\$40.00	11/14/2017
6549415	AWILDA	ROUSE	5375100355 PER24A	\$2,844.46	\$2,000.00	\$241.57	\$568.89	\$34.00	11/14/2017
1050988	PATRICE	VANCLEVE	9104446073 PER24A	\$8,146.43	\$5,000.00	\$1,517.14	\$1,629.29	\$0.00	11/14/2017
<b>Count: 5</b>				<b>\$31,261.88</b>	<b>\$19,734.28</b>	<b>\$5,184.34</b>	<b>\$6,252.38</b>	<b>\$90.88</b>	



History Analysis

Payments per Batch From: 1/1/2013 to 11/30/2017

Creditor: 99995 - SAMPLE STATE UNIVERSITY

Placed	New Business			Collections		Liquidity	Commissions		Returned			Pif	Sif
	# of Accounts	Amount	Average	In Month	LTD	Gross	LTD	%	# of Returned Accounts	Amount	%		
11/17	2	\$10,161.14	\$5,080.57	\$15,137.71	\$0.00	0.000 %	\$0.00	0.00%	1	\$3,031.16	29.83%	0	0
10/17	1	\$6,784.19	\$6,784.19	\$2,555.45	\$0.00	0.000 %	\$0.00	0.00%	0	\$0.00	0.00%	0	0
09/17	4	\$15,322.57	\$3,830.64	\$130.00	\$9,785.15	63.9 %	\$1,957.02	20.00%	2	\$0.00	0.00%	2	0
08/17	6	\$29,309.05	\$4,884.84	\$12,335.97	\$5,222.56	17.8 %	\$1,044.51	20.00%	1	\$0.00	0.00%	1	0
07/17	4	\$13,885.76	\$3,471.44	\$4,376.80	\$0.00	0.000 %	\$0.00	0.00%	1	\$12,888.08	92.82%	0	0
06/17	0	\$0.00	\$0.00	\$130.00	\$0.00	0.000 %	\$0.00	0.00%	1	\$2,663.17	0.00%	0	0
05/17	6	\$8,832.58	\$1,472.10	\$12,852.89	\$4,074.42	46.1 %	\$814.88	20.00%	2	\$4,180.93	47.34%	2	0
04/17	1	\$3,182.01	\$3,182.01	\$3,324.48	\$3,182.01	100.0 %	\$636.40	20.00%	1	\$0.00	0.00%	1	0
03/17	3	\$6,414.06	\$2,138.02	\$130.00	\$3,478.53	54.2 %	\$695.70	20.00%	3	\$15,243.98	237.67%	1	0
02/17	3	\$9,032.41	\$3,010.80	\$1,961.91	\$9,032.41	100.0 %	\$1,806.50	20.00%	3	\$0.00	0.00%	3	0
01/17	2	\$3,389.40	\$1,694.70	\$10,596.12	\$0.00	0.000 %	\$0.00	0.00%	0	\$0.00	0.00%	0	0
12/16	2	\$19,345.70	\$9,672.85	\$3,644.14	\$0.00	0.000 %	\$0.00	0.00%	0	\$0.00	0.00%	0	0
Previous	148	\$504,026.59	\$3,405.59	\$6,714.82	\$215,480.98	42.8 %	\$43,096.17	20.00%	177	\$431,911.21	85.69%	52	0
	182	\$629,685.46	\$3,459.81	\$73,890.29	\$250,256.06	39.7 %	\$50,051.18	20.00%	192	\$469,918.53	74.63%	62	0



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## Account Status Report

Creditor: 99999-Sample State University

Period Ending: 11/30/2017

Your Acct #	Name	Placement	Orig. Balance	Curr. Balance	Collected	Remarks
2684481758	ZWILLING, KASIE	2/18/2017	\$934.08	\$998.04	\$0.00	FINANCIAL REVIEW
4372663462	GARLING, VANITA	2/6/2014	\$1,099.92	\$1,175.23	\$0.00	COLL EFFORT CONT
2670302166	NUSS, KATIE	11/2/2014	\$50.73	\$55.78	\$0.00	COLL EFFORT CONT
6869154836	BONGIORNO, ISOBEL	2/3/2016	\$1,584.68	\$1,708.37	\$0.00	COLL EFFORT CONT
9317151985	DUNAGAN, ELVIA	7/7/2016	\$699.38	\$739.50	\$0.00	COLL EFFORT CONT
5376942734	REDFIELD, FRANCES	8/18/2015	\$1,558.46	\$1,617.12	\$0.00	COLL EFFORT CONT
5050033907	BERA, TANIKA	4/7/2013	\$3,260.80	\$3,515.32	\$0.00	COLL EFFORT CONT
1195566802	ARDREY, TONISHA	5/31/2015	\$435.77	\$451.99	\$0.00	COLL EFFORT CONT
8306025591	KONG, MERRI	8/31/2013	\$1,257.73	\$1,058.26	\$0.00	COLL EFFORT CONT
8549157146	MANNIX, KIMBERLEY	5/18/2015	\$137.18	\$142.29	\$0.00	BROKEN ARRANGEMT
8056041740	DOBLES, ANA	1/4/2014	\$461.49	\$487.51	\$0.00	COLL EFFORT CONT
3765582676	SPAGNOLI, CLARA	4/27/2015	\$7,639.88	\$7,855.22	\$212.37	COLL EFFORT CONT
9004438166	ABRON, DOLLIE	11/2/2017	\$178.87	\$18.98	\$0.00	SKIP TRACING
1271020375	FAVER, KRYSTLE	4/11/2017	\$126.83	\$139.45	\$0.00	SKIP TRACING
8321717442	KROGH, SHEREE	10/2/2013	\$3,420.57	\$2,565.66	\$1,025.00	COLL EFFORT CONT
1770484989	MAAG, KATHLEEN	9/12/2015	\$492.41	\$512.11	\$0.00	COLL EFFORT CONT
5686457366	MAURER, ANA	1/20/2017	\$81.17	\$89.25	\$0.00	COLL EFFORT CONT
8201945175	OBRYANT, CARLENA	5/18/2016	\$8.89	\$9.75	\$0.00	SKIP TRACING
<b>Total Accounts: 18</b>			<b>\$23,428.84</b>	<b>\$23,139.83</b>	<b>\$1,237.37</b>	



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## Account Status Report

Creditor: 99999-Sample State University

Period Ending: 11/30/2017

Your Acct #	Name	Placement	Orig. Balance	Curr. Balance	Collected	Remarks	PRI	INT	LF	Other	Coll Fee	ICC
2684481758	ZWILLING, KASIE	2/18/2017	\$934.08	\$998.04	\$0.00	FINANCIAL REVIEW	\$934.08	\$63.96	\$0.00	\$0.00	\$0.00	\$0.00
4372663462	GARLING, VANITA	2/6/2014	\$1,099.92	\$1,175.23	\$0.00	COLL EFFORT CONT	\$1099.92	\$75.31	\$0.00	\$0.00	\$0.00	\$0.00
2670302166	NUSS, KATIE	11/2/2014	\$50.73	\$55.78	\$0.00	COLL EFFORT CONT	\$50.00	\$5.78	\$0.00	\$0.00	\$0.00	\$0.00
6869154836	BONGIORNO, ISOBEL	2/3/2016	\$1,584.68	\$1,708.37	\$0.00	COLL EFFORT CONT	\$1584.68	\$123.69	\$0.00	\$0.00	\$0.00	\$0.00
9317151985	DUNAGAN, ELVIA	7/7/2016	\$699.38	\$739.50	\$0.00	COLL EFFORT CONT	\$699.38	\$40.12	\$0.00	\$0.00	\$0.00	\$0.00
5376942734	REDFIELD, FRANCES	8/18/2015	\$1,558.46	\$1,617.12	\$0.00	COLL EFFORT CONT	\$1558.46	\$58.66	\$0.00	\$0.00	\$0.00	\$0.00
5050033907	BERA, TANIKA	4/7/2013	\$3,260.80	\$3,515.32	\$0.00	COLL EFFORT CONT	\$3260.80	\$254.52	\$0.00	\$0.00	\$0.00	\$0.00
1195566802	ARDREY, TONISHA	5/31/2015	\$435.77	\$451.99	\$0.00	COLL EFFORT CONT	\$435.77	\$16.22	\$0.00	\$0.00	\$0.00	\$0.00
8306025591	KONG, MERRI	8/31/2013	\$1,257.73	\$1,058.26	\$0.00	COLL EFFORT CONT	\$1022.75	\$35.51	\$0.00	\$0.00	\$0.00	\$0.00
8549157146	MANNIX, KIMBERLEY	5/18/2015	\$137.18	\$142.29	\$0.00	BROKEN ARRANGEMT	\$137.18	\$5.11	\$0.00	\$0.00	\$0.00	\$0.00
8056041740	DOBLES, ANA	1/4/2014	\$461.49	\$487.51	\$0.00	COLL EFFORT CONT	\$461.49	\$26.02	\$0.00	\$0.00	\$0.00	\$0.00
3765582676	SPAGNOLI, CLARA	4/27/2015	\$7,639.88	\$7,855.22	\$212.37	COLL EFFORT CONT	\$7447.67	\$407.55	\$0.00	\$0.00	\$0.00	\$0.00
9004438166	ABRON, DOLLIE	11/2/2017	\$178.87	\$18.98	\$0.00	SKIP TRACING	\$17.54	\$1.44	\$0.00	\$0.00	\$0.00	\$0.00
1271020375	FAVER, KRISTLE	4/11/2017	\$126.83	\$139.45	\$0.00	SKIP TRACING	\$125.00	\$14.45	\$0.00	\$0.00	\$0.00	\$0.00
8321717442	KROGH, SHEREE	10/2/2013	\$3,420.57	\$2,565.66	\$1,025.00	COLL EFFORT CONT	\$2273.49	\$292.17	\$0.00	\$0.00	\$0.00	\$0.00
1770484989	MAAG, KATHLEEN	9/12/2015	\$492.41	\$512.11	\$0.00	COLL EFFORT CONT	\$492.41	\$19.70	\$0.00	\$0.00	\$0.00	\$0.00
5686457366	MAURER, ANA	1/20/2017	\$81.17	\$89.25	\$0.00	COLL EFFORT CONT	\$80.00	\$9.25	\$0.00	\$0.00	\$0.00	\$0.00
8201945175	OBRYANT, CARLENA	5/18/2016	\$8.89	\$9.75	\$0.00	SKIP TRACING	\$8.67	\$1.08	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total Accounts: 18</b>			<b>\$23,428.84</b>	<b>\$23,139.83</b>	<b>\$1,237.37</b>		<b>\$21,689.29</b>	<b>\$1,450.54</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>



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**Legal Account Status Report**

Creditor: 99999-SAMPLE STATE UNIVERSITY

Period Ending: 11/30/2017

Your Acct #	Name	Orig. Balance	Curr. Balance	Collected	Remarks	PRI	INT	LF	Other	Coll Fee	Court Cost	ICC
8317604628 PER24A	WIEGAND, KATHLEEN	\$3,292.28	\$3,854.03		SUIT FILED	\$1500.00	\$882.88	\$0.00	\$120.00	\$1001.15	\$350.00	\$0.00
2179820382 PER24A	GEDDIE, MARGET	\$5,930.28	\$4,824.82		REC JUDGMENT	\$2900.00	\$1446.82	\$0.00	\$128.00	\$0.00	\$350.00	\$0.00
6103161689 PER24A	HEARNS, MARYLIN	\$2,700.51	\$3,759.40		REC JUDGMENT	\$2623.09	\$886.31	\$0.00	\$0.00	\$0.00	\$250.00	\$0.00
8980043836 PER24A	SPAGNOLI, NOELIA	\$2,955.21	\$3,485.07		SUIT FILED	\$1903.24	\$279.14	\$0.00	\$57.00	\$895.69	\$350.00	\$0.00
9254083707 PER24A	CONNELLY, DANYELL	\$2,781.03	\$3,946.60		REC JUDGMENT	\$2924.13	\$37.47	\$0.00	\$560.00	\$0.00	\$425.00	\$0.00
<b>Total Accounts: 5</b>		<b>\$17,659.31</b>	<b>\$19,869.92</b>			<b>\$11850.46</b>	<b>\$3532.62</b>	<b>\$0.00</b>	<b>\$865.00</b>	<b>\$1896.84</b>	<b>\$1,725.00</b>	<b>0</b>



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**Cohort Account Status Report**

Creditor: 99999-Sample State University  
 Period Ending: 11/30/2017

Your Acct #	Name	Placement Date	Orig. Balance	Curr. Balance	Collected	Remarks	Return Date	Reason
1259427136 PER24A	STINE, LYNSAY	5/31/2017	\$4,001.48	\$0.00	\$4,091.18	PURSING CONSOLID	11/22/2017	RET-PAID IN FULL
9115326781 PER24A	BELLANGER, LASHONDA	5/5/2017	\$4,059.09	\$4,165.69	\$0.00	COLL EFFORT CONT		
5579676524 PER24A	BAYS, KRISTEEN	10/31/2017	\$1,321.43	\$1,324.03	\$0.00	COLL EFFORT		
7877131985 PER24A	UMLAND, VANITA	10/3/2017	\$2,066.21	\$2,077.42	\$0.00	PM CALL		
6096231264 PER24A	FESTER, BETHANN	10/3/2017	\$2,050.00	\$2,062.44	\$0.00	GOING TO		
4322210606 PER24A	GULICK, CARLOTTA	5/5/2017	\$4,059.09	\$4,166.78	\$0.00	COLL EFFORT		
6260563985 PER24A	WEISSINGER, RACHEL	10/31/2017	\$1,379.04	\$1,381.56	\$0.00	GOING TO BORROW		
8112715019 PER24A	PANTHER, CORRINNE	5/5/2017	\$999.35	\$1,024.80	\$0.00	PM CALL		
1082243589 PER24A	PYE, SINDY	10/3/2017	\$4,062.99	\$4,086.80	\$0.00	PURSING		
4749386901 PER24A	NUSS, TERESSA	10/3/2017	\$1,379.04	\$0.00	\$1387.34	PURSING CONSOLID	11/30/2017	RET-PAID IN FULL
5528871861 PER24A	PANTHER, AMIE	5/5/2017	\$2,046.10	\$2,099.40	\$0.00	COLL EFFORT		
<b>Total Accounts: 11</b>			<b>\$27,423.82</b>	<b>\$22,388.92</b>	<b>\$5478.52</b>			



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**Returned Accounts**

Creditor: 99999-SAMPLE STATE UNIVERSITY  
 Period Ending: 11/30/2017

The accounts listed below are being returned to you for the reasons specified.  
 These accounts are recorded permanently in our master files which will enable us to resume collection activity should new or additional information become available.

Please be assured we have strenuously pursued the collection of each account using all of the information available to us.

If your office has any additional information or questions concerning these closed accounts, do not hesitate to call us.

Your Acct #	Name	Consumer #	Orig. Balance	Curr. Balance	Last Pay Date	Placement Date	Return Date	Reason
9009255203	HOLADA, PHYLCIA	1652124	\$4,220.38	\$0.00	11/15/2017	3/27/2017	11/15/2017	RET-PAID IN FULL
3439373348	BERA, MARGET	1949522	\$521.65	\$0.00	11/1/2017	12/3/2014	11/22/2017	RET-PAID IN FULL
2132574434	ROULEAU, CLARINDA	5608638	\$987.23	\$987.23		11/18/2016	11/19/2017	RET- Y1 CONTRACT CLOSE
9973382181	WASSON, CORIE	6846534	\$78.65	\$0.00	11/11/2017	10/5/2014	11/10/2017	RET-PD BY TAX OFFSET
7313543839	ABRON, WILMA	6053498	\$1,354.60	\$0.00	11/6/2017	5/1/2013	11/14/2017	RET-PAID IN FULL
3065290021	BERA, DAKOTA	2432250	\$8,985.10	\$8,985.10		9/20/2014	11/15/2017	RET-DECEASED
1498184848	ROLLAND, LASHONDA	1837285	\$356.87	\$0.00	11/25/2017	9/8/2014	11/19/2017	RET-SETTLE IN FULL
3948897841	BAROS, GAYLA	2430863	\$689.20	\$0.00	11/24/2017	6/24/2015	11/15/2017	RET-PAID IN FULL
1061870215	FAVORS, WILLIEMAE	1900443	\$7,425.60	\$7,425.60		9/26/2017	11/9/2017	RET - DISPUTE/ADVISED
9195750389	ZANDER, GRADY	1406445	\$45.65	\$0.00	11/27/2017	6/30/2014	11/21/2017	RET-SETTLE IN FULL
9564176877	STOTTS, CARLENA	3853550	\$878.23	\$878.23		12/7/2013	11/19/2017	RET- BANKRUPTCY
9195764545	GREGO, VANITA	1730822	\$232.87	\$232.87		11/18/2016	11/19/2017	RET - Y1 CONTRACT CLOSE
4639153691	ERVING, DEBBY	1193991	\$658.64	\$0.00	11/21/2017	7/30/2013	11/11/2017	RET-PAID IN FULL
1182862781	SONNTAG, ALVIN	1115193	\$444.54	\$325.15	11/7/2016	3/28/2015	11/17/2017	RET-Y1 CONTRACT CLOSE
4863042907	SPAGNOLI, CORTNEY	2824014	\$521.60	\$0.00	6/15/2017	11/6/2013	11/20/2017	RET-PAID IN FULL
7997772085	GATES, VANITA	5898346	\$653.90	\$653.90		3/17/2013	11/8/2017	RET-PLACED IN ERROR
9421059027	DAMRON, AUBREY	4227624	\$235.12	\$0.00		1/29/2014	11/13/2017	RET-PAID IN FULL
<b>Total Accounts: 17</b>			<b>\$28,289.83</b>	<b>\$0.00</b>				



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**Demographic Report**

Creditor: 99999-SAMPLE STATE UNIVERSITY  
 Period Ending: 11/30/2017

Creditor Account Number	Field	Old Demographics	New Demographics
8394880712	BRUENING, KASIE		
	Address 1	127 FREEDOM WAY	7 PARK RD
	Address 2	APT 302	
	Address 3		
	Address CSZ	CHARLOTTE VA 19620	ATLANTIS ID 71117
	New Phone 1		9683091228
	New Phone 2		
	New Phone 3		
6766505591	SERGI, EARNESTINE		
	Address 1		
	Address 2		
	Address 3		
	Address CSZ		
	New Phone 1		3890031259
	New Phone 2		
	New Phone 3		
2204129802	ASBURY, MARVIN		
	Address 1		
	Address 2		
	Address 3		
	Address CSZ		
	New Phone 1		5807106505
	New Phone 2		
	New Phone 3		

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

Separate reports will be provided by **Williams & Fudge** for each institutional program (i.e. Perkins, tuition, Institutional Loans, etc.).

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

**Williams & Fudge** can generate ad-hoc (custom) reports on demand. Reports are provided at no cost and are generally available within 24 hours of request.

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

**Williams & Fudge** can assist VASCUPP institutions with the FISAP by providing a fiscal year summary of collections along with inventory reports and any other custom report desired by the institution from information stored and retained by **Williams & Fudge**.

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

**Williams & Fudge** employs multi-lingual account representatives and utilizes numerous international skip tracing sites for locating foreign consumers. The languages currently spoken, in addition to English, include French and Spanish. **Williams & Fudge** has successfully collected accounts from consumers residing in over 50 foreign countries. **Williams & Fudge's** current recovery rate, by account type, for international consumers is as follows:

- Perkins 1<sup>st</sup> – 43.70%
- Perkins 2<sup>nd</sup> – 17.44%
- Institutional/AR 1<sup>st</sup> – 21.29%
- Institutional/AR 2<sup>nd</sup> – 8.86%

The collection process for international accounts is the same as for domestic consumers.

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

**Williams & Fudge** is very involved with the national and regional associations that are directly related to the federal student loan programs and receivables management. The involvement of our company's leadership is important to successful collections. In addition to being members of the following associations, Bob Perrin, CEO of **Williams & Fudge**, monitors and disseminates any change in federal student loan regulations to **Williams & Fudge** personnel. Bob is current immediate past-president of COHEAO (Coalition of Higher Education Assistance Organization) and leads the TCPA and CFPB task forces. He has been involved on the national scene along with members of the Education Community to work with Congress and the Department of Education to preserve the Federal Perkins Loan Program through

congressional testimony and committee meetings. Bob has spoken at numerous national conferences on topics relating to higher education issues currently faced by loan administrations.

<b>Member Since:</b>	<b>Association:</b>
(1998)	ACA International Members' Attorney Program (MAP)
(1987)	ACA International, The Association of Credit and Collection Professionals
(1986)	South Carolina Collectors Association
(1996)	Coalition of Higher Education Assistance Organization (COHEAO)
(2006)	Colorado Association of Administrators of Student Loans and Accounts Receivables (CAASLAR)
(2007)	Consumer Bankers Associations (CBA)
(2016)	East Coast Higher Education Administration Organization (ECHEAO) Current Commercial Board Member
(1996)	Educational Accounts Receivable Management Association (EARMA)
(2001)	Florida Association of Bursars & Student Accounting Administrators (FABSAA) Current Commercial Board Member
(2015)	Higher Education Account Receivables Organization (HEARO)
(2012)	Illinois Bursar Organization (IBO)
(2014)	Illinois Student Loan Administrators (ISLA) Current Commercial Board Member
(2011)	Kansas Association of Student Financial Aid Administrators (KASFAA)
(1999)	Kentucky Association of Student Receivable Officers (KASRO) Current Vice President of Professional Development
(2004)	Michigan Association of Student Financial Services Administrators (MASFSA)
(1999)	Minnesota Collections Network
(1993)	National Association of College & University Business Officers (NACUBO)
(2001)	New York State Organization of Bursars & Business Administrators (NYSOBBA)
(2004)	Ohio Bursar's Association (OBA)
(2010)	Oklahoma Association of College and University Business Officers (OACUBO)
(2003)	Pacific Western Student Financial Services Association (Pac West SFS)
(2001)	Southern Association of Colleges & University Business Officers (SACUBO)
(2005)	Texas Association of Community College Business Officers (TACCBO)
(1999)	Texas Bursars & University Cashiers Association (TX BUC\$)
(1999)	Utah Association of Student Loan Administrators (UASLA) Current Commercial Board Member
(2003)	Washington Association of Financial Aid Administrators (WAFAA)
(2003)	Western Student Financial Services
(2005)	Wisconsin Association of Student Business Office Personnel and Administrators (WASBOPA)
(2007)	Alabama Association of College & University Business Officers (AACUBO)
(2012)	Association of Business Administrators of Christian Colleges (ABACC)
(2013)	Mid-Atlantic Banner Users Group (MABUG)

In addition to attending the following national and regional conferences, **Williams & Fudge** employees are often asked to present at industry conferences and events. Conferences that we regularly attend and presentations made by **Williams & Fudge** employees over the past two (2) years follow.

- ACA International Leadership Forum
- ACA International Convention

- (COHEAO) Coalition of Higher Education Assistance Organization Mid-year and Annual Conferences
- (CAASLAR) Colorado Association of Administrators of Student Loans and Accounts Receivables
- (CBA) Consumer Bankers Association Live
- (EARMA) Educational Accounts Receivables Management Association
- ECSI Group Training Conference
- (FOCUS) Commonwealth of Virginia Fiscal Officers of Colleges and Universities State Supported
- (FABSAA) Florida Association of Bursars & Student Accounting Administrators
- (KASFAA) Kansas Association of Student Financial Aid Administrators Conference
- (KASRO) Kentucky Association of Student Receivable Officers
- Minnesota Collection Network Conference
- NACUBO Student Financial Services Conference
- (NYSOBBA) New York State Organization of Bursars and Business Administrators
- (OACUBO) Oklahoma Association of College and University Business Officers
- Western Student Financial Services Conference
- PacWest Student Financial Services Conference
- PDG Student Loans Conference
- PDG Bursar Conference
- Texas BUC\$ Conference
- (UASLA) Utah Association of Student Loan Administrators

#### **Greg Ruffino, Director of Training**

July	2018	Nashville, TN	ACA International Annual Convention
May	2018	Grand Rapids, MI	MASFSA
May	2018	Lake Cumberland	KASRO
April	2018	Daytona Beach	FABSAA
April	2018	Asheville, NC	ACA Regional Association Meeting
Oct	2017	Minneapolis	MN Mega Conference
Sept	2017	Charlotte, NC	Student Loans & Receivables Collection Conference
July	2017	Seattle, WA	ACA International Annual Convention
April	2017	Columbus, OH	Ohio Bursar Association

#### **Chad Echols, Outside General Counsel**

July	2018	Portland, OR	Western Regional Conference
May	2018	Newport Beach	PAC-West
April	2018	Wisconsin Dells	WASBOPA
April	2018	Estes Park, CO	CAASLAR
March	2018	Orlando, FL	NACUBO SFS Conference
Jan	2018	Washington, DC	COHEAO Annual Meeting
Oct	2017	Minneapolis	MN Mega Conference
Oct	2017	Corpus Christi	Texas BUC\$ Conference
Oct	2017	Chicago, IL	Illinois Student Loan Association
Sept	2017	Charlotte, NC	Student Loans & Receivables Collection Conference
Aug	2017	Webinar	Williams & Fudge FREE webinar on Collection Fees

May	2017	La Jolla, CA	PAC-West
April	2017	Blackhawk, CO	CAASLAR
March	2017	Las Vegas	NACUBO SFS Conference
March	2017	Pinehurst, NC	ACCBO

**Tricia Palm, Vice President of Human Resources**

April	2018	Estes Park, CO	CAASLAR
April	2018	Daytona Beach	FABSAA
April	2018	Asheville, NC	ACA Regional Association Meeting
Oct	2017	Corpus Christi	Texas BUC\$ Conference
Sept	2017	Charlotte, NC	Student Loans & Receivables Collection 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.

**Williams & Fudge** has not been purchased or merged within the last five years.

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.

**Williams & Fudge** has not been cited for any audit exceptions within the last five years.

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

The lawsuits listed represent the current claims and/or litigation for **Williams & Fudge**. **Williams & Fudge** has admitted no liability in any of the cases and all cases are being actively defended. The employees of **Williams & Fudge** generate over 50,000 daily contacts with seriously delinquent consumers. **Williams & Fudge's** complaint ratio is less than 0.00095%.

Date Received	Case #	State	Allegations	Update
1/12/2018	2016-M6-000470/ 1:18-cv-02187	IL	FDCPA- Class Action Counterclaim vs. WFI- charging unlawful penalties on balance	Motion to Dismiss filed
4/9/2018	603715/2018	NY	FDCPA, NYGBL, N.Y.C.R.R.	Actively defending
4/13/2018	1:17-cv-07074- RRM-RLM	NY	FDCPA- false, deceptive, misleading representation	Actively defending
6/1/2018	1:18-cv-01330- LTB	CO	FDCPA & TCPA- third party disclosure; harassment; false, deceptive, misleading representation; use of ATDS	Actively defending
6/1/2018	5:18-cv-00532- OLG	TX	FDCPA & TCPA- third party disclosure; harassment; false, deceptive, misleading representation; use of ATDS	Actively defending
6/13/2018	18SL-AC16150	MO	FDCPA- engaging in harassing, abusive, deceptive, misleading conduct	Actively defending

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

**Williams & Fudge** is a privately held corporation. Stockholders of the corporation are Gary L. Williams, David C. Williams, and Alice Williams Davis. **Williams & Fudge** has no financial interest in any other contracting firm or loan billing agent. The company has not been, nor is it considering being a party to any mergers or acquisitions. We have never had any liens or judgments resulting from litigation against the company or its officers since the onset of business, July 1986. **Williams & Fudge** has never had a name change.

**Williams & Fudge** maintains a single collections office in Rock Hill, SC, to collect from students located all over the United States and in many foreign countries. This single collection office concept promotes excellent communications between our clients and our account representatives, as well as allows the supervision and education of our staff needed to ensure the best possible collections. To better serve our clients; sales offices are located in Broomfield, CO, Prosper, TX, and Winston-Salem, NC.

**Williams & Fudge** currently employs three hundred and fifty-one (351) full-time employees. The following is the personnel breakdown:

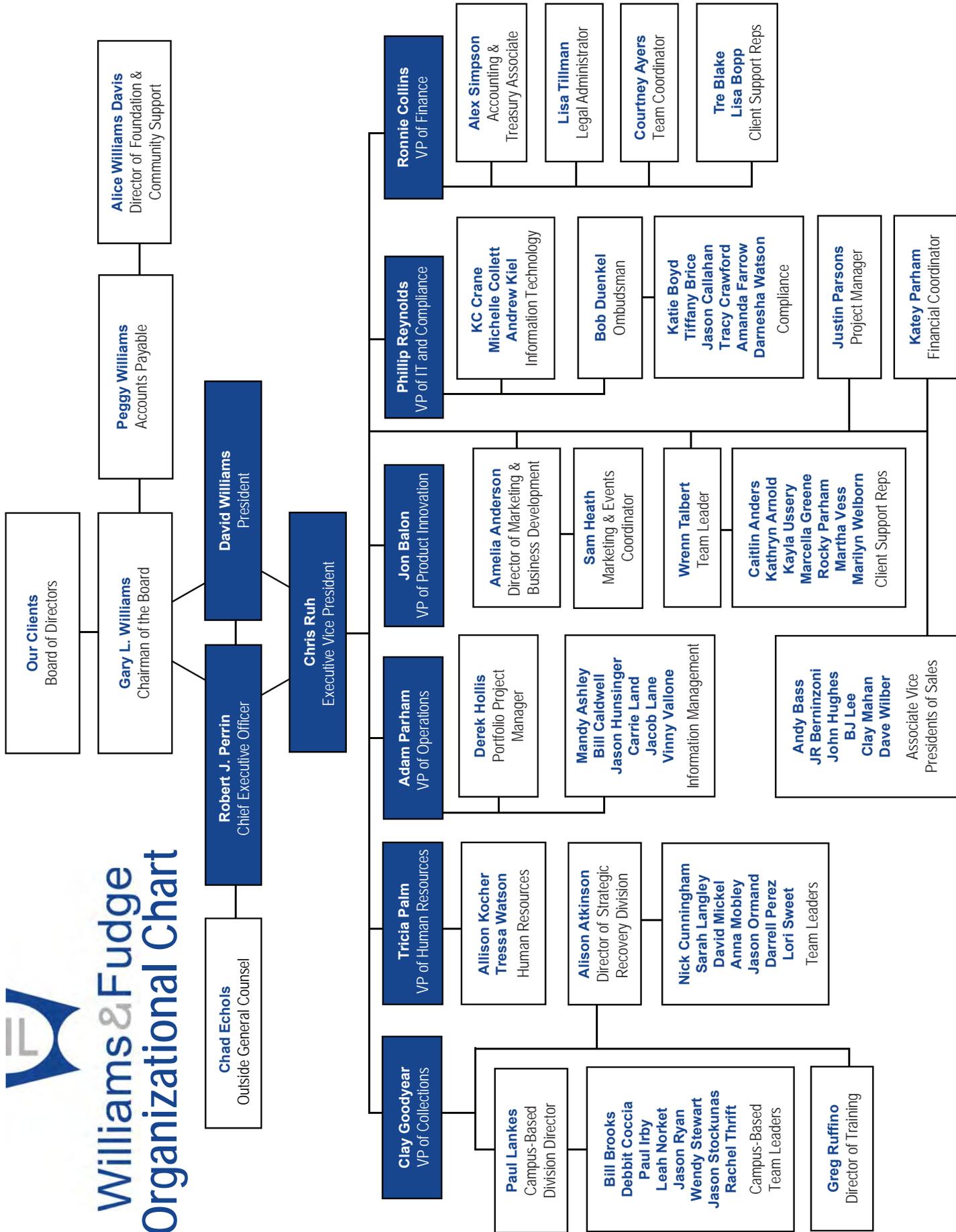
DEPARTMENT	FULL-TIME	PART-TIME
Management	12	
Account Representatives	281	2
Training	2	
Information Technology	9	
Compliance	8	
Client Support/Accounting	12	1
Sales	7	
Marketing	2	
Human Resources	2	
Special Projects	2	
Team Leaders	14	

Account representatives at **Williams & Fudge** are assigned a portfolio that averages 700 accounts. All of our account representatives work exclusively with college/university portfolios.

**Williams & Fudge's** organizational chart follows.



# Williams & Fudge Organizational Chart



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.

**Williams & Fudge's** experience is extensive and can be observed throughout the bid document. Student loan and receivable collections are not only our area of specialization; IT IS OUR ONLY BUSINESS! Important information to remember:

- **Williams & Fudge** has been in business since July 18, 1986.
- **Williams & Fudge** was the first collection agency to implement the Professional Practices Management System (PPMS) through ACA International, The Association of Credit and Collection Professionals.
- **Williams & Fudge** has never lost a client due to client service or recovery concerns.
- In 2018, for the 10<sup>th</sup> year in a row, **Williams & Fudge** was named one of the *Best Call Centers to Work For* (previously known as *Best Places to Work in Collections*). **Williams & Fudge** ranked #1 in the large companies' category for the years 2011-2013 and 2015-2017 and #1 in the medium companies' category in 2009 and 2010.
- **Williams & Fudge** has its Statement on Standards for Attestation Engagements No. 16 (SSAE 16) certification for Service Organizations
- **Williams & Fudge** is a TECH LOCK® Certified Service Provider
- **Williams & Fudge** is PCI-DSS certified
- Collectively, the management team has over 225 years of experience in collections.
- Cohort rate reduction is our specialty.
- **Williams & Fudge's** staff has been employed an average of 5.9 years.
- **Williams & Fudge's** management is involved in national leadership within the industry; Gary Williams, Chairman of the Board, is a past president of ACA International; Bob Perrin, CEO, is immediate-past president and continues to serve on the executive board of the Coalition of Higher Education Assistance Organization (COHEAO); David Williams, President, serves on the ACA International 15-member Board of Directors, Clay Goodyear, Vice President of Collections, is a certified instructor through ACA International and Bob Duenkel our Ombudsman, is an ACA Fellow, an ACA Scholar in Collection Business Management, an ACA Training Specialist, and also an ACA Credit and Collection Compliance Officer.
- **Williams & Fudge** specializes in the collection of student loans and accounts receivables for colleges and universities. 100% of our gross revenue comes from higher education debt collections.

**Williams & Fudge** was founded in 1986 with the purpose of serving the higher education community by aiding colleges and universities in the recovery of education-related receivables through its first and third-party collection services. Specific debt types include federal Perkins loans (cohort management), tuition, campus-based institutional loans, Health Profession and Nursing Student Loans, private education/alternative loans, and miscellaneous accounts receivables.

**Williams & Fudge** takes pride in our commitment to the client, as well as the borrower. Realizing we are an extension of our client's office, we approach students with a debt counseling approach rather than hard core collections seen in other industries. By restricting our collection services to colleges and universities, we can fully appreciate the importance of our clients' reputation.

**Williams & Fudge** partners with over 1,450 colleges and universities for the collection of defaulted student loans and receivables. **Williams & Fudge** has provided collection services to VASCUPP institutions dating back to 1993 and currently partners with the following Virginia colleges and universities.

Averett University	Randolph-Macon College
Bridgewater College	Roanoke College
Christopher Newport University	Shenandoah University
Delta Career Education Corporation	Southern Virginia University
Eastern Virginia Medical School	Strayer University
ECPI College of Technology	Sweet Briar College
Emory & Henry College	The Art Institute of Virginia Beach
Ferrum College	The Art Institute of Washington
George Mason University	The Art Institute of Washington - Northern Virginia
Hampden-Sydney College	The College of William & Mary
Hampton University	University of Lynchburg
Hollins University	University of Mary Washington
James Madison University	University of Richmond
Liberty University	University of Virginia
Longwood University	Virginia Commonwealth University
Mary Baldwin College	Virginia Military Institute
Marymount University	Virginia State University
Patrick Henry College	Virginia Tech
Radford University	Virginia Wesleyan University
Randolph College	Washington and Lee University

Should a contract be awarded to **Williams & Fudge**, the following sales and client support representatives will work directly with the VASCUPP institutions. Also provided is information on the years of experience for **Williams & Fudge's** executive leadership team.

# Dave Wilber

## Associate Vice President of Sales



### Professional Experience

November 2005 - Present	Williams & Fudge, Inc. Associate Vice President of Sales
February 2005 - November 2005	Williams & Fudge, Inc. Account Representative
June 2003 - December 2004	Athlon Pharmaceuticals District Trainer
February 2002 - June 2003	Impact Gym Manager
August 1996 - January 2002	CATS Facility Manager

### Contact Information

Direct Line: (803)326-1262  
Email: [dwilber@wfcorp.com](mailto:dwilber@wfcorp.com)

### Education

*North Carolina State University*  
Major: BA in Communications

### Community Involvement & Special Interest

Former Professional Cheerleader for the Charlotte Bobcats, NBA Team

Former Assistant Cheerleading Coach, NC State University

Avid Weightlifter and Tri-Athlete

### Professional Certifications & Associations

ACA International Certified

Higher Education Collection Specialist

Continuing Education Achievement Award

# *Kathryn Arnold*

## Client Support Representative



### Professional Experience

- December 2010 - Present Williams & Fudge, Inc.  
Client Support Representative
- February 2007-December 2010 Williams & Fudge, Inc.  
Account Representative
- August 2003-January 2007 McKinney, Givens, Tucker and Rhea LLC Attorneys at Law  
Office Assistant

### Contact Information

Direct Line: (803)326-1347  
Email: karnold@wfcorp.com

### Education

*Winthrop University*  
Major: English  
Minor: Social Scinces

### Community Involvement & Special Interest

- The Palmetto School at the Children's Attention Home
- Old Towne: St. Patrick's Day Festival
- Playing the Piano
- Painting

### Professional Certifications & Associations

- ACA International Professional Collection Specialist
- Higher Education Collection Specialist

# Executive Management Team

## *Gary L. Williams, Chairman of the Board*



Gary has been involved and innovative in student loan management since 1978. Since founding Williams & Fudge in 1986, Gary has grown the company to be one of the leaders in the student loan collection industry. Being very knowledgeable of the industry has allowed Gary to speak at many student loan and collection conferences.

Gary served as President of ACA International, the Association of Credit and Collection Professionals. He also served in national leadership positions including Vice President, Treasurer, and on the Board of Directors of this 5,400-member organization. This national leadership enables him to communicate with the top government collection agencies in the country. Locally, he was elected by the citizens of Rock Hill to serve on the School Board and has served the community through his church, Boy Scouts, the Museum of York County, and York County Community Foundation. He is currently Chairman of the Deacons at his church, President of Winthrop University Foundation, And Area 5 President of the BSA. He also was recently honored by Winthrop University with an Honorary Doctorate of Humane Letters.

## *Robert J. Perrin, CEO*

Since 1980, Bob has been directly involved in the daily operations of student loan management. For eleven years, he directed the fourteen Federal loan programs for the University of South Carolina's nine campuses. Under his leadership, the default rate was drastically reduced from 27.9% to 2.1%.

Bob has served as Treasurer, Secretary, Vice President and President of COHEAO (Coalition Of Higher Education Assistance Organization). He is currently immediate-past president and continues to serve on the executive board of COHEAO. He is also involved on the national scene through recent presentations on Electronic Payments, Web Usage For Collection Agencies, Agency Interfacing, and Default Reduction Management in conferences held in Florida, Chicago, Boston, Atlanta, and Washington. He is in constant communication with the Departments of Education and Health & Human Services on issues facing loan administrators.



# Executive Management Team (Cont.)

## *David C. Williams, President*

David has been employed at Williams and Fudge full time since August of 2000, previous to that spending time as an account representative. After spending six years in the sales and marketing area, David moved inside to become a part of the executive management team and help with all facets of the company. These include, but are not limited to finance, compliance, human resources, technology, client services, and overseeing projects related to the growth of the organization.

David has served as Treasurer, Vice President, and President of the South Carolina Collectors Association, and currently serves as the South Carolina delegate to ACA International's Council of Delegates. Nationally, David serves as Chairman of ACA's PPMS Committee, is a member of their Governance Task Force, and also serves on the ACPAC committee of ACA. Locally, David serves on many Boards including that of the York Technical College Foundation, a Winthrop University Advisory Board, the Upper Palmetto YMCA, and is or has been involved in many other local organizations and events.



## *Chris P. Ruh, Executive Vice President*



Chris joined us after having worked extensively in management and training with a large national company. He has a wealth of business knowledge and a vast understanding of the importance of customer/employee relations. Chris has served in various roles throughout his tenure at Williams & Fudge and was promoted to his current position in March 2018.

In addition to attaining the Scholar Degree from ACA International, The Association of Credit and Collection Professionals; Chris holds certifications as a Professional Collection Specialist (PCS) and Higher Education Collection Specialist (HECS). He is a Board of Trustees member for the South Carolina Independent Colleges and Universities (SCICU) and a Board of Directors member for Family Trust Federal Credit Union.

## *Clay Goodyear, Vice President Of Collections*

Clay has been in the collection industry since 1986. His management experience in the collection industry has equipped Clay to direct the revenue needs and the corporate training needs of the Williams & Fudge staff.

Clay has earned the degree of Fellow in Collection Business Management, which is the ACA International's highest scholastic achievement award in continuing education. Additionally, public speaking skills make Clay a valuable asset for collection instruction for all of our clients. In our community, Clay serves on the board of two charitable organizations - Renew Our Community and the Minority Scholarship Foundation of York County.



# Executive Management Team (Cont.)

## *Chad Echols, Outside General Counsel*



Chad joined Williams & Fudge in August of 2003 as the company's Corporate Counsel. He currently serves as Outside General Counsel managing the company's legal compliance issues, employment law issues, contracts, and litigation defense. He is the owner of The Echols Firm, LLC located in Rock Hill. Chad is an active member of the South Carolina Bar Association, the York County Bar Association, and the ACA International Member Attorney Program (MAP). Chad serves as the South Carolina State Chair for MAP.

In addition to practicing law Chad is an Elder at Oakland Avenue Presbyterian Church, on the board of the York County Clemson Club, serves as a business leader advisor to the Winthrop University Development Office, serves on the board of directors for the York County Department of Disabilities and Special Needs, and enjoys time with his wife and two children.

## *Patricia Palm, Vice President Of Human Resources*

Tricia joined the staff of Williams & Fudge as the Human Resources Manager in May 2006. Currently, she has 25 years of Human Resources experience in Training & Development, Employee Relations, Conflict Resolution, Onboarding, Leadership & Career Development. Tricia's experience of working in family businesses for the last 23 years has helped her align the HR Mission and Strategic Goals at Williams & Fudge.

She has a broad background of experience in Human Resources as well as being an adjunct faculty for a Minnesota Technical College. Tricia's experience working in a family business will be an asset to the HR mission and strategic goals at Williams & Fudge.



## *Ronnie Collins, Vice President of Finance*



Ronnie came to Williams & Fudge in March 2012 with over 12 years of service in public and private accounting, most recently having worked for a multinational textile company.

As a certified professional accountant, he brings a wealth of experience with financial and managerial accounting, budgeting and forecasting, and business analysis. His responsibilities with Williams & Fudge include overseeing daily transaction processing and financial operations; treasury functions; various payroll and benefit responsibilities; planning and risk management; and all accounting and reporting responsibilities, both internal and external in nature.

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.

**Williams & Fudge** is financially sound as evidenced by the following financial statements. Our current D&B rating is 1R2 and a bank reference follows.

South State Bank  
1127 Ebenezer Road  
Rock Hill, SC 29732  
Contact: John Pearson, Senior Vice President  
Phone: 803-329-1222

***WILLIAMS & FUDGE, INC.***  
***FINANCIAL STATEMENTS***  
***DECEMBER 31, 2017 AND 2016***

# C. DEWITT FOARD & COMPANY, P.A.

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CERTIFIED PUBLIC ACCOUNTANTS  
817 EAST MOREHEAD STREET • SUITE 100  
CHARLOTTE, NORTH CAROLINA 28202  
TELEPHONE: 704-372-1515 • FACSIMILE: 704-372-6066

PHILLIP G. WILSON  
TERRY W. LANCASTER

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Williams & Fudge, Inc.  
Rock Hill, South Carolina

We have audited the accompanying financial statements of Williams & Fudge, Inc. (An 'S' Corporation) which comprise the balance sheet as of December 31, 2017 and 2016, and the related statements of income, retained earnings, and cash flows for the years then ended, and the related notes to the financial statements.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Williams & Fudge, Inc as of December 31, 2017 and 2016, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

*C. DeWitt Foard & Company, P.A.*

March 10, 2018  
Charlotte, North Carolina

**Williams & Fudge, Inc.**  
**(An 'S' Corporation)**  
**Balance Sheets**  
**December 31, 2017 and 2016**

	<b>Current Year</b>	<b>Prior Year</b>
<b><u>Assets</u></b>		
<b><u>Current Assets:</u></b>		
Cash (Note 1)	\$ 4,180,078	\$ 4,352,289
Accounts Receivable – Trade (Note 1)	3,616,896	3,069,433
Accounts Receivable – Other	11,591	69,008
Prepaid expenses and other current assets	478,140	580,317
 Total Current Assets	 8,286,705	 8,071,047
<b><u>Property and Equipment (At Cost) (Note 1):</u></b>		
Furniture & Fixtures	1,522,738	1,533,243
Leasehold Improvements	1,336,140	1,336,140
Computer Hardware	1,669,403	1,503,591
Equipment	266,766	242,030
Vehicles	182,082	183,094
Software	1,211,502	645,204
Construction in Progress	-	647,582
 Total Property and Equipment	 6,188,631	 6,090,884
Accumulated Depreciation	(3,972,942)	(3,313,891)
Property and Equipment, Net	2,215,689	2,776,993
Other Assets	130,402	-
 <b>Total Assets</b>	 <b>\$ 10,632,796</b>	 <b>\$ 10,848,040</b>

**Williams & Fudge, Inc.**  
**(An 'S' Corporation)**  
**Balance Sheets**  
**December 31, 2017 and 2016**

	<u>Current Year</u>	<u>Prior Year</u>
<b><u>Liabilities and Stockholders' Equity</u></b>		
<b><u>Current Liabilities:</u></b>		
Accounts Payable – Trade	\$ 122,446	\$ 72,587
Accounts Payable – Other	208,586	195,685
Accrued Payroll and Related Taxes	1,631,785	1,467,947
Capital Lease Liability (Note 6)	-	325,449
Accrued Taxes and Other Liabilities	<u>310</u>	<u>285</u>
 Total Current Liabilities	 <u>1,963,127</u>	 <u>2,061,953</u>
<b><u>Stockholders' Equity:</u></b>		
Common Stock, \$1 Par Value, Authorized 200,000 Shares; 85,000 Shares Issued And Outstanding (Note 3)	51,000	51,000
Retained Earnings	<u>8,618,669</u>	<u>8,735,087</u>
 Total Stockholders' Equity	 <u>8,669,669</u>	 <u>8,786,087</u>
 <b>Total Liabilities and Stockholders' Equity</b>	 <b><u>\$ 10,632,796</u></b>	 <b><u>\$ 10,848,040</u></b>

**Williams & Fudge, Inc.**  
**(An 'S' Corporation)**  
**Statements of Income and Retained Earnings**  
**For the Years Ended December 31, 2017 and 2016**

	<u>Current Year</u>	<u>Prior Year</u>
<u>Collection Revenue:</u>		
Collection Revenue	\$ 39,588,419	\$ 36,367,988
Fees and Reimbursements	<u>83,629</u>	<u>83,778</u>
Total Collection Revenue	<u>39,672,048</u>	<u>36,451,766</u>
<u>Operating Expenses:</u>		
General and Administrative Expenses	<u>37,713,067</u>	<u>34,483,006</u>
Total Operating Expenses	<u>37,713,067</u>	<u>34,483,006</u>
Income from Operations	<u>1,958,981</u>	<u>1,968,760</u>
<u>Other Income (Expense):</u>		
Interest and Dividend Income	13,626	11,904
Other Income	11,000	-
Foreign Taxes Paid	<u>(25)</u>	<u>(24)</u>
Total Other Income (Expense)	<u>24,601</u>	<u>11,880</u>
<b>Net Income</b>	<b>1,983,582</b>	<b>1,980,640</b>
Retained Earnings at Beginning of Year	8,735,087	8,854,447
Shareholder Distributions	<u>(2,100,000)</u>	<u>(2,100,000)</u>
<b>Retained Earnings at End of Year</b>	<b><u>\$ 8,618,669</u></b>	<b><u>\$ 8,735,087</u></b>

**Williams & Fudge, Inc.**  
**(An 'S' Corporation)**  
**Statements of Cash Flow**  
**For the Years Ended December 31, 2017 and 2016**

	<u>Current Year</u>	<u>Prior Year</u>
<u>Cash Flows from Operating Activities:</u>		
Net income	\$ 1,983,582	\$ 1,980,640
<u>Adjustments to reconcile net income to net cash provided by operating activities:</u>		
Depreciation	712,222	705,488
(Gain) loss on disposal of property, net	(14,075)	(23,708)
(Increase) decrease in receivables	(490,046)	(126,181)
(Increase) decrease in prepaid expenses and other assets	(28,225)	(57,893)
Increase (decrease) in accounts payable	62,760	(185,929)
Increase (decrease) in other accrued liabilities	<u>163,863</u>	<u>62,459</u>
Total Adjustments	<u>406,499</u>	<u>374,236</u>
Net Cash Provided by Operating Activities	<u>2,390,081</u>	<u>2,354,876</u>
<u>Cash Flows from Investing Activities:</u>		
Proceeds from sales of property	28,930	28,000
Property additions	<u>(165,773)</u>	<u>(395,269)</u>
Net Cash Used in Investing Activities	<u>(136,843)</u>	<u>(367,269)</u>
<u>Cash Flows from Financing Activities:</u>		
Capital Lease Obligation	(325,449)	325,449
Cash distributions to shareholder	<u>(2,100,000)</u>	<u>(2,100,000)</u>
Net Cash Used in Financing Activities	<u>(2,425,449)</u>	<u>(1,774,551)</u>
Increase (Decrease) in Cash	(172,211)	213,056
Cash at Beginning of Year	<u>4,352,289</u>	<u>4,139,233</u>
Cash at End of Year	<u>\$ 4,180,078</u>	<u>\$ 4,352,289</u>

**Williams & Fudge, Inc.**  
**(An 'S' Corporation)**  
**Notes to Financial Statements**  
**For the Years Ended December 31, 2017 and 2016**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

Nature of Operations

The Company was incorporated under the laws of the State of South Carolina on July 7, 1986. The Company's principal business activity is that of a collection agency. The Company's principal customers are colleges and universities for which it collects amounts owed by students for loans, tuition, and fees (ASC 275-10-50-2).

Method of Accounting

Assets, liabilities, revenue, and expenses are recorded using the accrual method of accounting. Amounts collected on behalf of others are deposited into bank accounts used only for trust funds, and a corresponding liability is recorded. Amounts collected are then remitted or reported to clients on a weekly, bi-weekly, or monthly basis. Clients elect to have the amounts remitted to them either in full or net of the Company's collection fees. The actual loans that the Company is collecting remain the property of the Company's clients. As such, no assets or liabilities for the actual client receivable are included in these financial statements (ASC 235-10-50-3 and 50-6).

Cash

The Company invests certain cash balances in overnight Sweep Accounts. The Company considers all cash accounts to be cash equivalents. In addition, cash includes restricted cash balances related to amounts due to its clients of \$122,446 and \$72,587 at December 31, 2017 and 2016, respectively (ASC 230-10-45-6; 230-10-50-1).

Accounts Receivable

Accounts receivable represents balances due from clients for collection fees earned by the Company. Any debtor with an uncollectible account is returned to the issuing institution for handling. As a result, the Company does not utilize an allowance for bad debts (ASC 310-10-50-9).

**Williams & Fudge, Inc.**  
**(An 'S' Corporation)**  
**Notes to Financial Statements**  
**For the Years Ended December 31, 2017 and 2016**

Property and Equipment

Property and equipment are carried at cost. Maintenance and repairs are charged to operations when incurred. Depreciation expense is calculated for financial reporting purposes using the straight-line method over the estimated useful lives of the assets. Salvage values are not utilized. Depreciation expense for income tax purposes is computed utilizing the straight-line, accelerated, and modified accelerated cost recovery system, the expensing election allowed under Internal Revenue Code Section 179 (ASC 360-10-50-1).

The decision to capitalize new assets is made on a per-item basis. New assets are evaluated if the costs exceed \$5,000 per invoice or when their cost exceeds \$600 per-item, and they are capitalized when the useful life is greater than one year.

The following estimated useful lives are used for Property and Equipment:

	<u>Years</u>
Furniture & Fixtures	5 – 10
Leasehold Improvements	5 – 39
Computer Hardware	3 – 10
Equipment	3 – 10
Vehicles	5
Software	3

For the years ended December 31, 2017 and 2016, depreciation expense was \$712,222 and \$705,488, respectively (ASC 360-10-50-1).

Other Assets

The Company has a deposit with its healthcare provider equal to one month of total expected claims, which is held until termination of the contract and applied to its terminal claim liability during the second month following termination.

Statements of Cash Flow

The Company uses the indirect method in preparing its statements of changes in cash flows. (ASC 230-10-50-2).

**Williams & Fudge, Inc.**  
**(An 'S' Corporation)**  
**Notes to Financial Statements**  
**For the Years Ended December 31, 2017 and 2016**

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates (ASC 275-10-50-4).

Concentrations of Risk

The Company regularly maintains cash balances in excess of insured limits in both its operating and trust accounts at South State Bank. Management believes that the risk associated with these accounts is minimal. For Company funds held at South State Bank, uninsured cash balances at December 31, 2017 and 2016 totaled \$9,161,953 and \$9,021,176, respectively, given a deposit insurance amount of \$250,000 for 2017 and 2016 (ASC 275-10-50-16 through 50-22).

Income Taxes

The Company has elected to be taxed under the provisions of Subchapter S of the Internal Revenue Code. Accordingly, the financial statements do not include a provision for income taxes because the Company does not incur federal or state income taxes. Instead, its earnings and losses are included in the Shareholders' personal income tax returns (ASC 740-10-50-16).

U.S. generally accepted accounting principles require an organization to recognize a tax benefit or expense from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The Company has no uncertain tax positions as of December 31, 2017.

**Williams & Fudge, Inc.**  
**(An 'S' Corporation)**  
**Notes to Financial Statements**  
**For the Years Ended December 31, 2017 and 2016**

Advertising

The Company's policy is to expense advertising costs as incurred. Costs incurred during the years ended December 31, 2017 and 2016, totaled \$53,024 and \$75,631, respectively (ASC 720-35-50-1).

**2. TRANSACTIONS WITH RELATED PARTIES:**

A Shareholder and the CEO of the Company are each 33% members in a related entity, Old Cotton Factory Manager, LLC, from which the Company rents its current office space. No receivables or payables existed between these two parties on December 31, 2017 or 2016. See Note 6 for lease details (ASC 850-10-50-5).

**3. STOCKHOLDERS' EQUITY:**

The capital stock structure is as follows (ASC 505):

Common Stock, Voting:	
Class A, \$1 Par Value, 100,000 Shares Authorized, 51,000 Shares Issued and Outstanding	\$ 51,000
Common Stock, Non-Voting:	
Class B, No Par Value, 100,000 Shares Authorized, 34,000 Shares Issued and Outstanding	-
	<u>\$ 51,000</u>

**Williams & Fudge, Inc.**  
**(An 'S' Corporation)**  
**Notes to Financial Statements**  
**For the Years Ended December 31, 2017 and 2016**

**4. CHANGE IN STOCKHOLDERS' ACCUMULATED ADJUSTMENTS ACCOUNT:**

The following is a schedule of changes in the Company's accumulated adjustments account:

	<u>Current Year</u>	<u>Prior Year</u>
Accumulated adjustments account, Beginning of year	\$ 7,715,925	\$ 7,722,541
Taxable income	1,918,844	2,423,041
Other additions	13,626	11,904
Other reductions	(282,561)	(341,561)
Cash distributions to shareholders	<u>(2,100,000)</u>	<u>(2,100,000)</u>
Accumulated adjustments account, End of year	<u>\$ 7,265,834</u>	<u>\$ 7,715,925</u>

**5. PENSION PLAN**

The Company participates in a group defined contribution pension plan known as the Williams & Fudge, Inc. Retirement Savings Plan (the Plan). The Plan covers all employees who are age twenty-one and older that have completed six months of service. The Company currently makes matching contributions of fifty percent of employee contributions up to four percent. Participants are immediately vested in their salary deferral contributions plus the actual earnings thereon. Vesting on employer contributions occurs at a rate of twenty percent per year after one year of service. During the years ended December 31, 2017 and 2016, the Company's matching contributions were \$317,398 and \$280,190, respectively. Plan assets were \$15,291,102 and \$12,574,536 at December 31, 2017 and 2016, respectively. (ASC 715-20-50-1).

**Williams & Fudge, Inc.**  
**(An 'S' Corporation)**  
**Notes to Financial Statements**  
**For the Years Ended December 31, 2017 and 2016**

## 6. LEASE COMMITMENTS

The Company leases its Rock Hill, SC location. The initial lease, which commenced on September 1, 2007, was for a term of ten years. On July 13, 2017, the lease term was extended for up to an additional three "renewal term years" (as defined) through August 31, 2020. The Company has the right to terminate this lease at the end of each renewal term year by delivery of written notice to the landlord no later than 180 days prior to the end of a renewal term year. Rent for this office space for the years ended December 31, 2017 and 2016 was \$699,220 and \$699,013, respectively.

The approximate minimum lease payments under non-cancellable operating leases are as follows (ASC 840-20-50-1 & 2) (FAS-13, par. 16):

For the Years Ending December 31:	
2018	\$ 759,318
2019	735,865
2020	440,799
2021	<u>5,750</u>
	<u>\$ 1,941,732</u>

## 7. SUBSEQUENT EVENTS

The Company has evaluated subsequent events from the date of the balance sheet through March 10, 2018. No subsequent events have been identified that would affect the financial statements for the year ended December 31, 2017. The financial statements will be available for issue shortly after the audit date of March 10, 2018 (ASC 855-10-50-1).

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.

CLIENT	CONTACT	SERVICE BEGAN
Clemson University Rm G-08 Sikes Hall PO Box 345307 Clemson, SC 29634	Christi Chambers Associate Director Student Financial Services P: (864) 656-9061 chchamb@clemson.edu	8/1/1997
Mississippi State University PO Box 5227 Mississippi State, MS 39762	Joy Holley, Manager AR Collections P: 662-325-9412 jholley@controller.msstate.edu	8/1/1999
North Carolina State University 2005 Harris Hall Box 7213 Raleigh, NC 27695	Martha Andre Assistant Director P: 919-515-9507 martha_andre@ncsu.edu	9/1/2008
Pennsylvania State University 108 Shields Bldg University Park, PA 16802	Jeffrey Norris Student Loan Officer P: 814-865-4926 jan1@psu.edu	5/11/2005
Syracuse University 101 Archbold North Syracuse, NY 13244	Steve Kelly Director, Student Debt Management P: 315-443-3411 stkelly@syr.edu	10/21/2011
University of Maine System Office P.O. Box 412 Nevill Hall Orono, ME 04402	Jolynn Campbell Student Loan Manager P: 207-561-3449 jolynn@maine.edu	1/26/2010
University of South Florida 4202 E. Folwer Avenue ALN 147 Tampa, FL 33620	Derek McKinney Cashier's Office Manager P: 813-974-5748 dmckinney@usf.edu	10/1/1994
University of Virginia Student Financial Services P O Box 400201 Charlottesville, VA 22904	Trudy Taylor Manager P: (434) 924-3597 tjt8n@eservices.virginia.edu	9/1/1998
Virginia Commonwealth University 809 West Broad St P O Box 843054 Richmond, VA 23284	Ed Stables Manager P: 804-828-4365 jestables@vcu.edu	10/1/1999
West Virginia University PO Box 6003 62 Morrill Way Morgantown, WV 26505	Cassie Grizzell Brown Assistant Director P: 304-293-3921 cassie.brown@mail.wvu.edu	12/1/2004

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.

**Williams & Fudge** computes Overall Recovery % by dividing dollars (\$) collected by dollars (\$) placed. Accounts returned as uncollectible are not removed from the dollars placed. The following table provides recovery rates by account type.

Account Type	Overall Recovery %
Federal Perkins Loans 1 <sup>st</sup>	49.61
Federal Perkins Loans 2 <sup>nd</sup>	17.90
Institutional Loans/AR 1 <sup>st</sup>	19.69
Institutional Loans/AR 2 <sup>nd</sup>	7.25
Private/Alternative Loans 1 <sup>st</sup>	9.68
Private/Alternative Loans 2 <sup>nd</sup>	4.79
Nursing/HPSL 1 <sup>st</sup>	39.54
Nursing/HPSL 2 <sup>nd</sup>	20.56
College/University Parking Violations	34.91

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*).

**Williams & Fudge** partners with over 1,450 colleges and universities for the collection of defaulted student loans and receivables. **Williams & Fudge** places importance on seeking the latest technology to provide the highest service and optimize recoveries for our clients. Our technology allows us to recover your accounts receivable, efficiently and effectively in a safe and secure environment. The technology described below allows us to accommodate the needs of VASCUPP institutions along with our other clients.

**Williams & Fudge** recently upgraded our collection software and phone system to FICO Debt Manager (DM) and Noble Systems (Noble). DM is a complete accounts receivable management solution for maximizing returns, controlling costs and delivering strong borrower engagement. Specifically designed to address today's complex economic and regulatory challenges, DM controls the entire platform in a real-time, open receivables environment (ORE) allowing **Williams & Fudge** to manage collections with unparalleled scalability, simplicity and speed. The system allows us to manage many different tools from a single point and provides total integration with Noble; thus, providing a unified suite of inbound, outbound and blended omnichannel contact processing, strategy planning, resource management and compliance monitoring. Data is encrypted in the database and at rest at the disk level. The system is backed up nightly to the local backup system and incremental changes to the data on DM9 are copied live to our disaster recovery site.

**Williams & Fudge** uses a data-mirror to provide access to account information to increase our reporting capacity. Customized reports, if needed, can be produced through the Crystal Reports and PostgreSQL relational database.

Whether an active or closed file, all activity and transaction records remain stored and preserved on the system. Any entry into an account record remains part of the account permanently. To preserve the integrity of the data, DM9 does not allow any editing of entries after they have been entered into the account file.

### **NOBLE SYSTEMS AND CISCO PHONE SYSTEM (VoIP)**

The Noble solution allows **Williams & Fudge** to more effectively communicate with borrowers via multiple channels, including inbound, outbound and blended voice. The combination of the two provides for easy access to regulatory requirements at the federal, state, local and postal code levels as well as specific client policy/requirements through a centralized compliance framework. Examples include pop-up messages alerting collectors to regulations and an audit capability logs records for all users and actions. Both DM and Noble solutions are scalable and designed to grow as business demands/requirements change.

**Williams & Fudge** uses the latest in voice and data technology in a Voice over IP (VoIP) phone system manufactured by Cisco, the leading provider of VoIP business phone systems. This foundation provides the flexibility to grow and meet the technology standards of the future. With a unified communications system, we can easily support both analog and IP phones. We track calls to ensure customers are being helped immediately.

Features of the system include:

- Intuitive system management software for managing moves, adds, and changes to our system.
- Direct monitoring capabilities on account activity.

### **VOICE RECORDING AND SPEECH ANALYTICS**

**Williams & Fudge** utilizes CallMiner *Eureka* as our solution for voice recording and conversational analytics. CallMiner delivers performance insight from voice of customer analytics (text and speech analytics) through two means – an analyst application providing flexible ad hoc analysis of consumer contacts, and personalized performance portals for managers and account representatives. *Eureka*, with the following key capabilities, allows **Williams & Fudge** to monitor all calls for compliance:

- Automatically evaluates every contact for sentiment/acoustics, categorization, and performance scoring
- Allows for free form search to find and playback contacts containing certain words and phrases or sharing other characteristics in a familiar web search user experience
- Allows for evaluation and comparison of performance and key metrics using data visualization

**Williams & Fudge's** voice recording system allows our Compliance Officers and Team Leaders access to live and recorded calls. All incoming and outgoing calls are recorded and maintained for a period of at least thirty-six months. Audio files from call recording are available to clients upon request.

37. Describe all methods for processing payments from debtors.

**Williams & Fudge** accepts the following forms of payment:

- Automated Clearing House (ACH)
- Personal checks
- Visa/MasterCard/Discover
- Certified Funds (bank check, money order, etc.)
- Electronic Funds Transfer (EFT)
- Military allotment
- Cash
- Check by Phone
- Post-dated checks
- Western Union
- Loan Consolidation

Consumers can also make on-line payments via [www.wfpayaccounts.com](http://www.wfpayaccounts.com) or from their smart phone (iPhone and Android) through the use of **Williams & Fudge's** mobile application, [WF Mobile](#). A secure application, WF Mobile enables **Williams & Fudge** account holders' mobile access to review balances, make payments and communicate directly with a **Williams & Fudge** account representative. WF Mobile can be downloaded for free from iTunes or Google Play. It's free, easy to use and convenient!

**Williams & Fudge's** goal is to achieve collection success within the guidelines of the Fair Debt Collections Practices Act. Our first collection attempt is always to collect the balance. If this is not possible, payments are then established in accordance with the consumer's ability to repay the debt. The account representative explains to the consumer that this may be temporary and a reevaluation will be done in 90 days to reassess the consumer's ability to pay. At that time, the payment arrangements may be increased or the consumer may be asked to pay in full. Typically, this process is done after a financial analysis review.

**Williams & Fudge** account representatives expect the consumer to sign a renegotiated payment agreement should this be the only way to ensure recovery. This signed agreement re-establishes an agreement between the former student and the institution. For accounts set up on a post-date (ACH or credit card) series a reminder letter is sent 7-10 days prior to the payment date. **Williams & Fudge** does not have a minimum payment. We work with your consumers to determine acceptable payment amounts to the Institution and consumer.

Payment arrangements are not taken lightly. **Williams & Fudge** account reps monitor consumers' payment schedules and immediately follow up when the payment is not received on the scheduled date. The consumer is called immediately and a solution is secured that day. A quick response to broken arrangements results in re-establishing payments.

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.

**Williams & Fudge** has completed all of the requirements to be considered a TECH LOCK Certified Service Provider by being assessed against the following data security standards, regulations, and laws:

- Red Flags
- Health Information Protection and Accountability Act (HIPAA)
- Gramm-Leach-Bliley Act (GLBA) Safeguards Rule
- Massachusetts Standards for the Protection of Personal Information of Residents of the Commonwealth (Mass 201 CMR 17.00)
- Nevada Security of Personal Information (NRS 603A)
- ISO 27002
- Payment Card Industry Data Security Standard (PCI DSS) version 3.2
- FISMA – NIST SP800-53r4

# CERTIFICATE OF COMPLIANCE

As of **8/15/2017**,

**Williams & Fudge Inc.** has successfully completed all of the requirements to be considered a **TECH LOCK**<sup>®</sup> Certified Service Provider by being assessed against the following data security standards, regulations, and laws:

- GLBA
- Red Flags Rule
- ISO 27002
- Massachusetts 201 CMR 17.00
- Nevada Personal Information Law NRS 603a
- PCI DSS 3.2
- HIPAA
- FISMA

TECH LOCK has evaluated Williams & Fudge Inc. and is certifying Williams & Fudge Inc. is compliant with the required controls of the listed laws and data security standards bulleted above. As part of the TECH LOCK<sup>®</sup> Certified Program, Williams & Fudge Inc. is required to inform TECH LOCK of any significant changes to its environment that impacts validation conditions as laid out within the laws and standards Williams & Fudge Inc. has been certified in. To maintain TECH LOCK<sup>®</sup> Certified, Williams & Fudge Inc. is required to submit successfully passed ongoing quarterly scans for its systems and provide to TECH LOCK information regarding any new systems or components that store, process, or transmit confidential, cardholder, or client data. This certificate is valid for **NO MORE THAN ONE YEAR** from the above date of compliance. This certificate is for the sole purpose of identifying the laws or standards reviewed and documented in the TECH LOCK report.





## Payment Card Industry (PCI) Executive Report

07/10/2018

**ASV Scan Report Attestation of Scan Compliance**

A1. Scan Customer Information				A2. Approved Scanning Vendor Information			
Company:	Williams & Fudge			Company:	Qualys		
Contact Name:	Phillip Reynolds	Job Title:	IT Director-Manager	Contact Name:	Qualys PCI Support	Job Title:	Qualys PCI Support
Telephone:	+1.803.329.9791	Email:	reynolds@wfcorp.com	Telephone:	1(866)801-6161	Email:	support@qualys.com
Business Address:	300 Chatham Ave, Rock Hill SC			Business Address:	919 E Hillsdale Blvd, 4th Floor		
City:		State/Province:		City:	Foster City	State/Province:	California
ZIP/postal code:	29730	Country:	United States of America	ZIP/postal code:	94404	Country:	United States of America
URL:				URL:	http://www.qualys.com/		

A3. Scan Status			
Date scan completed	06/28/2018	Scan expiration date (90 days from date scan completed)	09/26/2018
Compliance Status	<b>PASS</b>	Scan report type	Full scan
Number of unique in-scope components scanned			11
Number of identified failing vulnerabilities			0
Number of components found by ASV but not scanned because scan customer confirmed components were out of scope			60

A.4 Scan Customer Attestation
<p>Williams &amp; Fudge attests on 07/10/2018 at 20:02:31 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>Williams &amp; Fudge 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:	Williams & Fudge	ASV Company:	Qualys
Date scan was completed:	06/28/2018	Scan expiration date:	09/26/2018

## Part 2. Component Compliance Summary

IP Address: 199.15.171.178	<b>PASS</b>
IP Address: 199.15.171.179	<b>PASS</b>
IP Address: 208.83.79.100	<b>PASS</b>
IP Address: 208.104.28.73	<b>PASS</b>
IP Address: 208.104.28.74	<b>PASS</b>
IP Address: 208.104.28.75	<b>PASS</b>
IP Address: 208.104.28.76	<b>PASS</b>
IP Address: 208.104.28.78	<b>PASS</b>
IP Address: 208.104.28.86	<b>PASS</b>
IP Address: 208.104.28.90	<b>PASS</b>
IP Address: 208.104.28.94	<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>
199.15.171.178 <small>port 443/tcp-SSL</small>	38657 - Birthday attacks against TLS ciphers with 64bit block size vulnerability (Sweet32) CVE-2016-2183	<b>MED</b>	5	<b>PASS</b>	ASV Score 2.6 : Currently PCI DSS reference "3DES" as a valid encryption cipher. 112-bit keys are acceptable until 2030 per document NIST SP800-57 part 1 Rev 4.
199.15.171.178 <small>port 443/tcp-SSL</small>	38170 - SSL Certificate - Subject Common Name Does Not Match Server FQDN	<b>LOW</b>	2.6	<b>PASS</b>	The vulnerability is not included in the NVD. ASV Score = 2.6
199.15.171.179 <small>port 443/tcp-SSL</small>	38657 - Birthday attacks against TLS ciphers with 64bit block size vulnerability (Sweet32) CVE-2016-2183	<b>MED</b>	5	<b>PASS</b>	ASV Score 2.6 : Currently PCI DSS reference "3DES" as a valid encryption cipher. 112-bit keys are acceptable until 2030 per document NIST SP800-57 part 1 Rev 4.
199.15.171.179 <small>port 443/tcp-SSL</small>	38170 - SSL Certificate - Subject Common Name Does Not Match Server FQDN	<b>LOW</b>	2.6	<b>PASS</b>	The vulnerability is not included in the NVD. ASV Score = 2.6
208.83.79.100 <small>port 443/tcp-SSL</small>	13168 - NETGEAR DGN2200v1/v2/v3/v4 - 'ping.cgi' Remote Command Execution Vulnerability CVE-2017-6077	<b>HIGH</b>	10	<b>PASS</b>	Accepted as per submitted information.

208.83.79.100 port 443/tcp	11827 - HTTP Security Header Not Detected		4.3		The Qualys PCI Support Team has accepted these false positives based on the information provided by the client. CRM#394694
208.104.28.73 port 443/tcp-SSL	13168 - NETGEAR DGN2200v1/v2/v3/v4 - 'ping.cgi' Remote Command Execution Vulnerability CVE-2017-6077		10		Accepted as per submitted information.
208.104.28.73 port 443/tcp	11827 - HTTP Security Header Not Detected		4.3		The Qualys PCI Support Team has accepted these false positives based on the information provided by the client. CRM#394694
208.104.28.74	42432 - Possible Scan Interference		4		Accepted as per submitted information.
208.104.28.75 port 443/tcp	13162 - Session Cookie Does Not Contain the "Secure" Attribute		5		Accepted as per submitted information.
208.104.28.75 port 443/tcp-SSL	38170 - SSL Certificate - Subject Common Name Does Not Match Server FQDN		2.6		The vulnerability is not included in the NVD. ASV Score = 2.6
208.104.28.75 port 80/tcp	150123 - Cookie Does Not Contain The "HTTPOnly" Attribute		0		The vulnerability is not included in the NVD. ASV Score = 0
208.104.28.75 port 443/tcp	150123 - Cookie Does Not Contain The "HTTPOnly" Attribute		0		The vulnerability is not included in the NVD. ASV Score = 0
208.104.28.76 port 8443/tcp-SSL	38173 - SSL Certificate - Signature Verification Failed Vulnerability		9.4		Accepted per customer statement.
208.104.28.76 port 4172/tcp-SSL	38173 - SSL Certificate - Signature Verification Failed Vulnerability		9.4		Accepted per customer statement.
208.104.28.76 port 4172/tcp-SSL	38169 - SSL Certificate - Self-Signed Certificate		9.4		Accepted as per submitted information.
208.104.28.76 port 4172/tcp-SSL	38598 - Deprecated Public Key Length		5		The vulnerability is not included in the NVD. NIST recommendation is in effect as of January 2014
208.104.28.76 port 4172/tcp-SSL	38655 - X.509 Certificate SHA1 Signature Collision Vulnerability		4.3		Accepted as per submitted information.
208.104.28.76 port 4172/tcp-SSL	38170 - SSL Certificate - Subject Common Name Does Not Match Server FQDN		2.6		The vulnerability is not included in the NVD. ASV Score = 2.6
208.104.28.76 port 443/tcp	150123 - Cookie Does Not Contain The "HTTPOnly" Attribute		0		The vulnerability is not included in the NVD. ASV Score = 0
208.104.28.78 port 443/tcp-SSL	38170 - SSL Certificate - Subject Common Name Does Not Match Server FQDN		2.6		The vulnerability is not included in the NVD. ASV Score = 2.6
208.104.28.86 port 443/tcp	150122 - Cookie Does Not Contain The "secure" Attribute		6.4		Accepted as per submitted information.
208.104.28.86 port 443/tcp	13162 - Session Cookie Does Not Contain the "Secure" Attribute		5		Accepted as per submitted information.
208.104.28.86 port 443/tcp	11827 - HTTP Security Header Not Detected		4.3		Accepted per customer statement.
208.104.28.86 port 443/tcp	86247 - Web Server Internal IP Address/Internal Network Name Disclosure Vulnerability CVE-2000-0649		2.6		Accepted per customer statement.
208.104.28.86 port 443/tcp-SSL	38170 - SSL Certificate - Subject Common Name Does Not Match Server FQDN		2.6		The vulnerability is not included in the NVD. ASV Score = 2.6
208.104.28.86 port 993/tcp-SSL	38170 - SSL Certificate - Subject Common Name Does Not Match Server FQDN		2.6		The vulnerability is not included in the NVD. ASV Score = 2.6
208.104.28.86 port 587/tcp-SSL	38170 - SSL Certificate - Subject Common Name Does Not Match Server FQDN		2.6		The vulnerability is not included in the NVD. ASV Score = 2.6
208.104.28.86 port 465/tcp-SSL	38170 - SSL Certificate - Subject Common Name Does Not Match Server FQDN		2.6		The vulnerability is not included in the NVD. ASV Score = 2.6
208.104.28.86 port 25/tcp-SSL	38170 - SSL Certificate - Subject Common Name Does Not Match Server FQDN		2.6		The vulnerability is not included in the NVD. ASV Score = 2.6

208.104.28.86 port 443/tcp	150123 - Cookie Does Not Contain The "HTTPOnly" Attribute		0		The vulnerability is not included in the NVD. ASV Score = 0
208.104.28.90	11550 - Red Hat JBoss EAP/Web Server Java UnSerialize Common-Collections Remote Code Execution Vulnerability CVE-2015-7501		10		Accepted as per submitted information.
208.104.28.90 port 443/tcp-SSL	38657 - Birthday attacks against TLS ciphers with 64bit block size vulnerability (Sweet32) CVE-2016-2183		5		ASV Score 2.6 : Currently PCI DSS reference "3DES" as a valid encryption cipher. 112-bit keys are acceptable until 2030 per document NIST SP800-57 part 1 Rev 4.
208.104.28.90 port 443/tcp-SSL	38170 - SSL Certificate - Subject Common Name Does Not Match Server FQDN		2.6		The vulnerability is not included in the NVD. ASV Score = 2.6
208.104.28.94 port 443/tcp-SSL	38170 - SSL Certificate - Subject Common Name Does Not Match Server FQDN		2.6		The vulnerability is not included in the NVD. ASV Score = 2.6

### 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
199.15.171.178	Embedded links or code from out-of-scope domains	150010 - External Links Discovered (Web Application: port 443/tcp)	Yes - Secure services required for business use. They are securely implemented where possible.
208.104.28.74	Unknown services	82023 - Open TCP Services List (TCP/IP)	Yes - Secure services required for business use. They are securely implemented where possible.
208.104.28.76	Embedded links or code from out-of-scope domains	150010 - External Links Discovered (Web Application: port 443/tcp)	Yes - Secure services required for business use. They are securely implemented where possible.
208.104.28.86	Embedded links or code from out-of-scope domains	150010 - External Links Discovered (Web Application: port 443/tcp)	Yes - Secure services required for business use. They are securely implemented where possible.
208.104.28.90	Embedded links or code from out-of-scope domains	150010 - External Links Discovered (Web Application: port 80/tcp)	Yes - Secure services required for business use. They are securely implemented where possible.
208.104.28.90	Embedded links or code from out-of-scope domains	150010 - External Links Discovered (Web Application: port 443/tcp)	Yes - Secure services required for business use. They are securely implemented where possible.
208.104.28.94	Embedded links or code from out-of-scope domains	150010 - External Links Discovered (Web Application: port 443/tcp)	Yes - Secure services required for business use. They are securely implemented where possible.
208.104.28.94	Remote Access	42017 - Remote Access or Management Service Detected (SSH:port 22/TCP)	Yes - Secure services required for business use. They are securely implemented where possible.

### 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.

Unknown services

Note to Scan Customer : Unidentified services have been detected. Due to increased risk to the cardholder data environment, identify the service, then either 1) justify the business need for this service and confirm it is securely implemented, or 2) identify the service and confirm that it is disabled. Consult your ASV if you have questions about this Special Note.

Remote Access

Note to Scan Customer : Due to increased risk to the cardholder data environment when remote access software is present, please 1) justify the business need for this software to the ASV and 2) confirm it is either implemented securely or disabled/removed.

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

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

IP Addresses/Ranges :

199.15.171.178-199.15.171.179,208.83.79.100,208.104.28.73-208.104.28.76,208.104.28.78,208.104.28.82-208.104.28.83,208.104.28.86,208.104.28.90,208.104.28.94

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

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

IP Addresses/Ranges :

199.15.171.178-199.15.171.179,208.83.79.100,208.104.28.73-208.104.28.76,208.104.28.78,208.104.28.86,208.104.28.90,208.104.28.94

**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:	Williams & Fudge
Hosts in Account:	13
Hosts Scanned:	13
Hosts Active:	11
Scan Date:	06/22/2018 at 21:59:59 GMT
Report Date:	07/10/2018 at 20:02:51 GMT
Report Title:	Q3 July 2018
Template Title:	Payment Card Industry (PCI) Executive Report

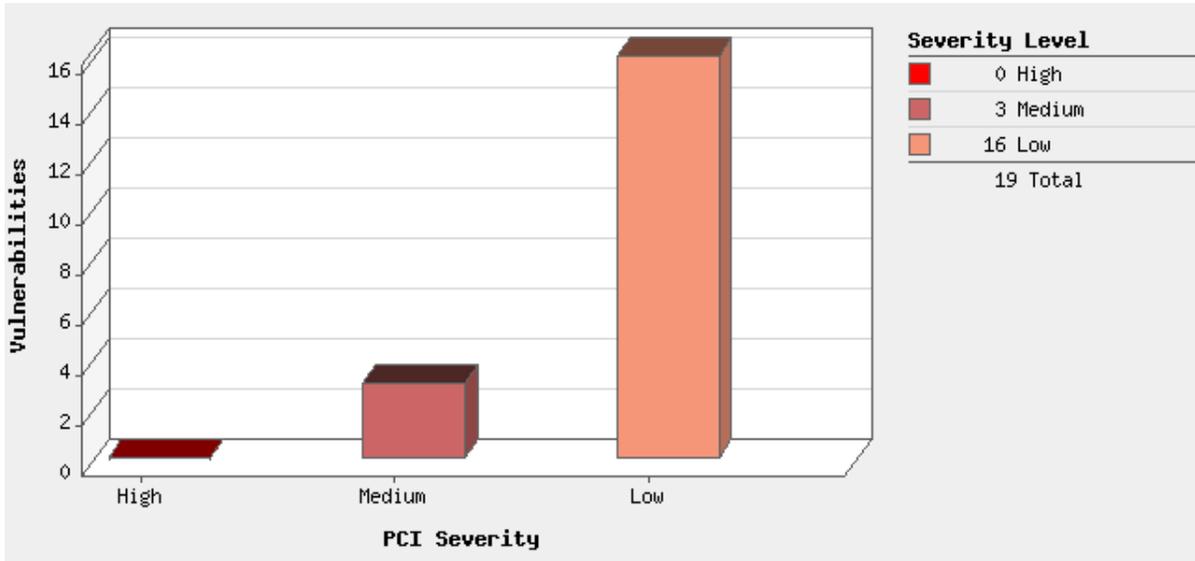
**Summary of Vulnerabilities**

Vulnerabilities Total	364	Average Security Risk		1.7
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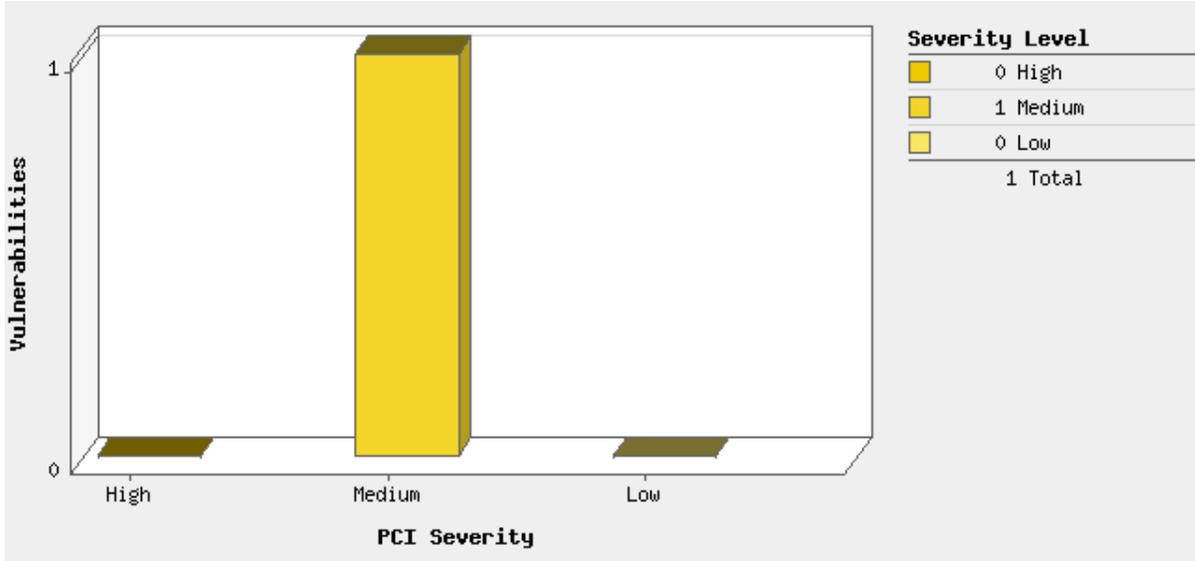
by Severity				
Severity	Confirmed	Potential	Information Gathered	Total
5	0	0	0	0
4	0	0	0	0
3	3	0	2	5
2	16	1	37	54
1	0	0	305	305
<b>Total</b>	<b>19</b>	<b>1</b>	<b>344</b>	<b>364</b>

by PCI Severity			
PCI Severity	Confirmed	Potential	Total
High	0	0	0
Medium	3	1	4
Low	16	0	16
<b>Total</b>	<b>19</b>	<b>1</b>	<b>20</b>

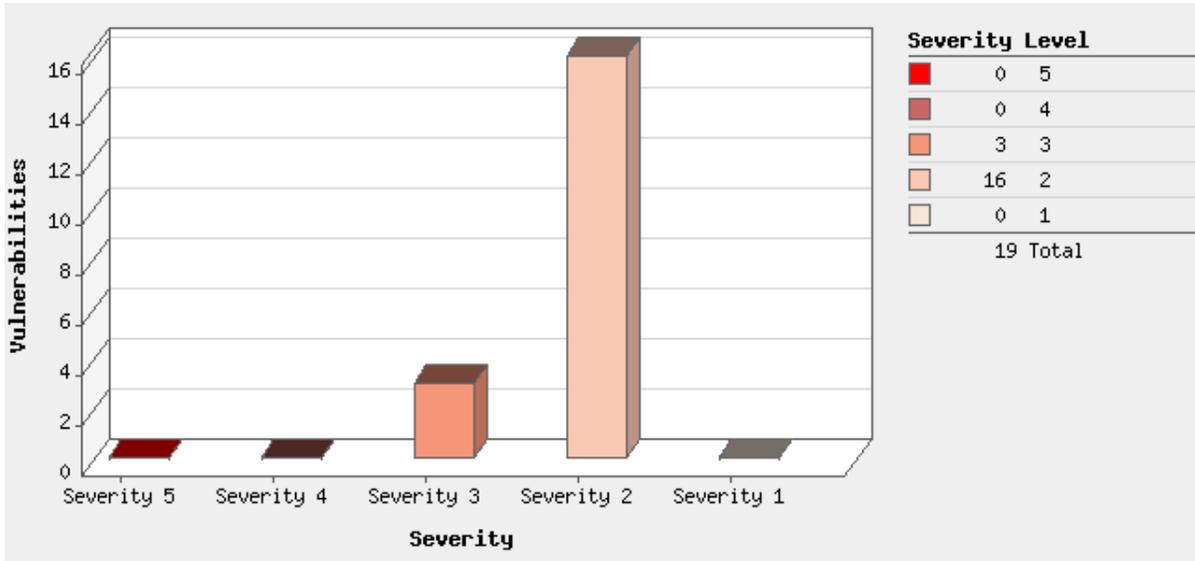
Vulnerabilities by PCI Severity



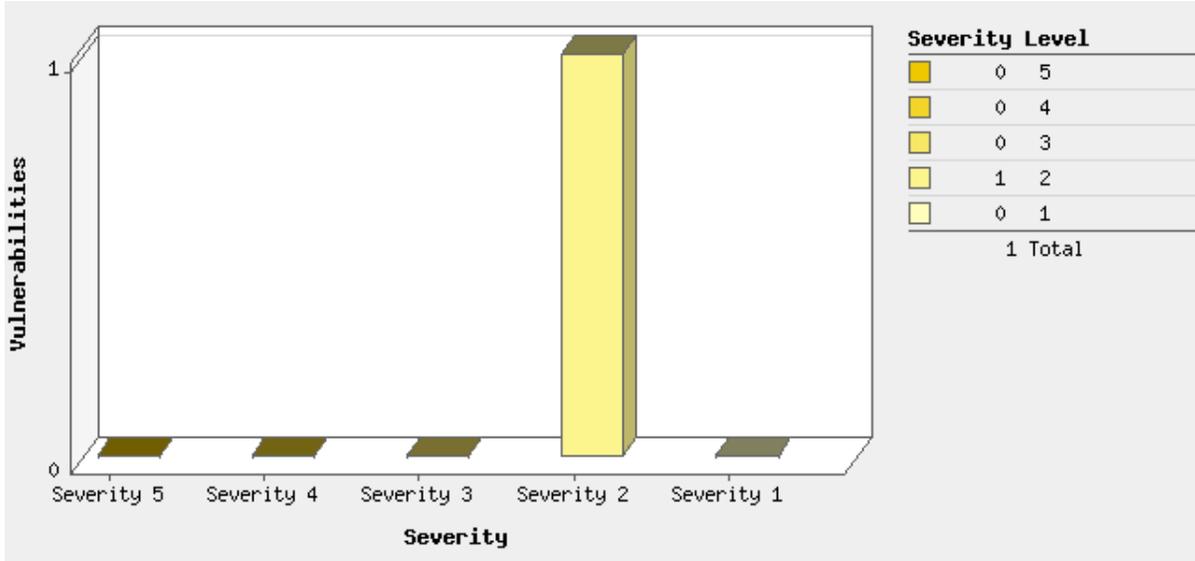
Potential Vulnerabilities by PCI Severity



Vulnerabilities by Severity



Potential Vulnerabilities by Severity



Appendices

Hosts Scanned

199.15.171.178-199.15.171.179, 208.83.79.100, 208.104.28.73-208.104.28.76, 208.104.28.78, 208.104.28.86, 208.104.28.90, 208.104.28.94

Hosts Not Alive

208.104.28.82-208.104.28.83

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
 <b>LOW</b>	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.
 <b>MED</b>	Medium	A vulnerability with a CVSS base score of 4.0 through 6.9. These vulnerabilities must be fixed to pass PCI compliance.
 <b>HIGH</b>	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.



**Part 3a. Acknowledgement of Status (continued)**

- No evidence of full track data<sup>1</sup>, CAV2, CVC2, CID, or CVV2 data<sup>2</sup>, or PIN data<sup>3</sup> storage after transaction authorization was found on ANY system reviewed during this assessment.
- ASV scans are being completed by the PCI SSC Approved Scanning Vendor *Qualys*

**Part 3b. Merchant Attestation**

Signature of Merchant Executive Officer ↑

Date: 8/15/17

Merchant Executive Officer Name: Robert Perrin

Title: CEO

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

If a QSA was involved or assisted with this assessment, describe the role performed:

*All Requirements*

Signature of Duly Authorized Officer of QSA Company ↑

Date: 8/15/2017

Duly Authorized Officer Name: Nicholas Stephens

QSA Company: Information Security Consultant

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

If an ISA(s) was involved or assisted with this assessment, identify the ISA personnel and describe the role performed:

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

<sup>2</sup> The three- or four-digit value printed by the signature panel or on the face of a payment card used to verify cardnot-present transactions.

<sup>3</sup> Personal identification number entered by cardholder during a card-present transaction, and/or encrypted PINblock present within the transaction message.

## 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	<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.

## 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 SBSD-certified small businesses. This shall not exclude SBSD-certified women-owned and minority-owned businesses when they have received SBSD small business certification. No offeror or subcontractor shall be considered a Small Business, a Women-Owned Business or a Minority-Owned Business unless certified as such by the Department of Small Business and Supplier Diversity (SBSD) by the due date for receipt of proposals. If small business subcontractors are used, the prime contractor agrees to report the use of small business subcontractors by providing the purchasing office at a minimum the following information: name of small business with the SBSD certification number or FEIN, phone number, total dollar amount subcontracted, category type (small, women-owned, or minority-owned), and type of product/service provided. **This information shall be submitted to: JMU Office of Procurement Services, Attn: SWAM Subcontracting Compliance, MSC 5720, Harrisonburg, VA 22807.**
2. Each prime contractor who wins an award in which provision of a small business subcontracting plan is a condition of the award, shall deliver to the contracting agency or institution with every request for payment, evidence of compliance (subject only to insubstantial shortfalls and to shortfalls arising from subcontractor default) with the small business subcontracting plan. **This information shall be submitted to: JMU Office of Procurement Services, SWAM Subcontracting Compliance, MSC 5720, Harrisonburg, VA 22807.** When such business has been subcontracted to these firms and upon completion of the contract, the contractor agrees to furnish the purchasing office at a minimum the following information: name of firm with the Department of Small Business and Supplier Diversity (SBSD) certification number or FEIN number, phone number, total dollar amount subcontracted, category type (small, women-owned, or minority-owned), and type of product or service provided. Payment(s) may be withheld until compliance with the plan is received and confirmed by the agency or institution. The agency or institution reserves the right to pursue other appropriate remedies to include, but not be limited to, termination for default.

3. Each prime contractor who wins an award valued over \$200,000 shall deliver to the contracting agency or institution with every request for payment, information on use of subcontractors that are not Department of Small Business and Supplier Diversity (SBSD)-certified small businesses. When such business has been subcontracted to these firms and upon completion of the contract, the contractor agrees to furnish the purchasing office at a minimum the following information: name of firm, phone number, FEIN number, total dollar amount subcontracted, and type of product or service provided. **This information shall be submitted to: JMU Office of Procurement Services, Attn: SWAM Subcontracting Compliance, MSC 5720, Harrisonburg, VA 22807.**
- K. AUTHORIZATION TO CONDUCT BUSINESS IN THE COMMONWEALTH: A contractor organized as a stock or nonstock corporation, limited liability company, business trust, or limited partnership or registered as a registered limited liability partnership shall be authorized to transact business in the Commonwealth as a domestic or foreign business entity if so required by Title 13.1 or Title 50 of the Code of Virginia or as otherwise required by law. Any business entity described above that enters into a contract with a public body shall not allow its existence to lapse or its certificate of authority or registration to transact business in the Commonwealth, if so required under Title 13.1 or Title 50, to be revoked or cancelled at any time during the term of the contract. A public body may void any contract with a business entity if the business entity fails to remain in compliance with the provisions of this section.
- L. PUBLIC POSTING OF COOPERATIVE CONTRACTS: James Madison University maintains a web-based contracts database with a public gateway access. Any resulting cooperative contract/s to this solicitation will be posted to the publicly accessible website. Contents identified as proprietary information will not be made public.
- M. CRIMINAL BACKGROUND CHECKS OF PERSONNEL ASSIGNED BY CONTRACTOR TO PERFORM WORK ON JMU PROPERTY: The Contractor shall obtain criminal background checks on all of their contracted employees who will be assigned to perform services on James Madison University property. The results of the background checks will be directed solely to the Contractor. The Contractor bears responsibility for confirming to the University contract administrator that the background checks have been completed prior to work being performed by their employees or subcontractors. The Contractor shall only assign to work on the University campus those individuals whom it deems qualified and permissible based on the results of completed background checks. Notwithstanding any other provision herein, and to ensure the safety of students, faculty, staff and facilities, James Madison University reserves the right to approve or disapprove any contract employee that will work on JMU property. Disapproval by the University will solely apply to JMU property and should have no bearing on the Contractor's employment of an individual outside of James Madison University.
- N. INDEMNIFICATION: Contractor agrees to indemnify, defend and hold harmless the Commonwealth of Virginia, its officers, agents, and employees from any claims, damages and actions of any kind or nature, whether at law or in equity, arising from or caused by the use of any materials, goods, or equipment of any kind or nature furnished by the contractor/any services of any kind or nature furnished by the contractor, provided that such liability is not attributable to the sole negligence of the using agency or to failure of the using agency to use the materials, goods, or equipment in the manner already and permanently described by the contractor on the materials, goods or equipment delivered.
- O. ADDITIONAL GOODS AND SERVICES: The University may acquire other goods or services that the supplier provides than those specifically solicited. The University reserves

the right, subject to mutual agreement, for the Contractor to provide additional goods and/or services under the same pricing, terms, and conditions and to make modifications or enhancements to the existing goods and services. Such additional goods and services may include other products, components, accessories, subsystems, or related services that are newly introduced during the term of this Agreement. Such additional goods and services will be provided to the University at favored nations pricing, terms, and conditions.

- P. ADVERTISING: In the event a contract is awarded for supplies, equipment, or services resulting from this proposal, no indication of such sales or services to James Madison University will be used in product literature or advertising without the express written consent of the University. The contractor shall not state in any of its advertising or product literature that James Madison University has purchased or uses any of its products or services, and the contractor shall not include James Madison University in any client list in advertising and promotional materials without the express written consent of the University.
- Q. PRIME CONTRACTOR RESPONSIBILITIES: The contractor shall be responsible for completely supervising and directing the work under this contract and all subcontractors that he may utilize, using his best skill and attention. Subcontractors who perform work under this contract shall be responsible to the prime contractor. The contractor agrees that he is as fully responsible for the acts and omissions of his subcontractors and of persons employed by them as he is for the acts and omissions of his own employees.
- R. SUBCONTRACTS: No portion of the work shall be subcontracted without prior written consent of the purchasing agency. In the event that the contractor desires to subcontract some part of the work specified herein, the contractor shall furnish the purchasing agency the names, qualifications and experience of their proposed subcontractors. The contractor shall, however, remain fully liable and responsible for the work to be done by its subcontractor(s) and shall assure compliance with all requirements of the contract.
- S. CONFIDENTIALITY OF PERSONALLY IDENTIFIABLE INFORMATION: The contractor assures that information and data obtained as to personal facts and circumstances related to faculty, staff, students, and affiliates will be collected and held confidential, during and following the term of this agreement, and will not be divulged without the individual's and the agency's written consent and only in accordance with federal law or the Code of Virginia. This shall include FTI, which is a term of art and consists of federal tax returns and return information (*and information derived from it*) that is in contractor/agency possession or control which is covered by the confidentiality protections of the Internal Revenue Code (*IRC*) and subject to the IRC 6103(p)(4) safeguarding requirements including IRS oversight. FTI is categorized as sensitive but unclassified information and may contain personally identifiable information (*PII*). Contractors who utilize, access, or store personally identifiable information as part of the performance of a contract are required to safeguard this information and immediately notify the agency of any breach or suspected breach in the security of such information. Contractors shall allow the agency to both participate in the investigation of incidents and exercise control over decisions regarding external reporting. Contractors and their employees working on this project may be required to sign a confidentiality statement.
- T. CONTINUITY OF SERVICES:
- a) The Contractor recognizes that the services under this contract are vital to the Agency and must be continued without interruption and that, upon contract expiration, a

successor, either the Agency or another contractor, may continue them. The Contractor agrees:

- (i) To exercise its best efforts and cooperation to effect an orderly and efficient transition to a successor;
  - (ii) To make all Agency owned facilities, equipment, and data available to any successor at an appropriate time prior to the expiration of the contract to facilitate transition to successor; and
  - (iii) That the Agency Contracting Officer shall have final authority to resolve disputes related to the transition of the contract from the Contractor to its successor.
- b) The Contractor shall, upon written notice from the Contract Officer, furnish phase-in/phase-out services for up to ninety (90) days after this contract expires and shall negotiate in good faith a plan with the successor to execute the phase-in/phase-out services. This plan shall be subject to the Contract Officer's approval.
  - c) The Contractor shall be reimbursed for all reasonable, pre-approved phase-in/phase-out costs (i.e., costs incurred within the agreed period after contract expiration that result from phase-in, phase-out operations) and a fee (profit) not to exceed a pro rata portion of the fee (profit) under this contract. All phase-in/phase-out work fees must be approved by the Contract Officer in writing prior to commencement of said work.
- U. PCI DSS COMPLIANCE: James Madison University requires that the contractor shall at all times maintain compliance with the most current Payment Card Industry Data Security Standards (PCI DSS). The contractor will be required to provide written confirmation of compliance. Contractor acknowledges responsibility for the security of cardholder data as defined within the PCI DSS. Contractor acknowledges and agrees that cardholder data may only be used for completing the contracted services as described in the full text of this document, or as required by the PCI DSS, or as required by applicable law. In the event of a breach or intrusion or otherwise unauthorized access to cardholder data stored at or for the contractor, contractor shall immediately notify the Assistant Vice President for Finance at: (540) 568-6433, MSC 5719, Harrisonburg, VA 22807 (fax (540) 568-3346) to allow the proper PCI DSS compliant breach notification process to commence. The contractor shall provide appropriate payment card companies, acquiring financial institutions and their respective designees access to the contractor's facilities and all pertinent records to conduct a review of the contractor's compliance with the PCI DSS requirements.

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

- V. STANDARDS OF CONDUCT: Contractor and Contractor's personnel shall exercise a particularly high level of discipline, safety and cooperation at all times while performing work on behalf of the University. The Contractor shall be responsible for controlling employee conduct, for assuring that its employees are not boisterous or rude, and assuring that they are not engaging in any destructive or criminal activity.
- W. BLANKET FIDELITY BOND: Contractor shall maintain a blanket fidelity bond obtained from an insurance company licensed to conduct fidelity business in the home state of the

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

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

## IX. METHOD OF PAYMENT

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

<http://www.jmu.edu/financeoffice/accounting-operations-disbursements/cash-investments/vendor-payment-methods.shtml>

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

## X. PRICING SCHEDULE

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

## **XI. ATTACHMENTS**

Attachment A: Offeror Data Sheet

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

Attachment C: Standard Contract Sample

## VASCUPP MEMBER INSTITUTIONS

Pursuant to Section B. Specific Proposal Instructions item #5, **Williams & Fudge** has provided the following tables showing sales (commissions) earned from VASCUPP Member Institutions during the last twelve months.

VASCUPP MEMBER INSTITUTION	SALES/COMMISSIONS
George Mason University	\$11,320.85
James Madison University	\$22,777.56
Longwood University	\$6,156.64
Radford University	\$34,009.90
University of Mary Washington	\$10,193.55
University of Virginia	\$31,265.04
VCU	\$34,899.72
Virginia Tech	\$72,843.91
Virginia Military Institute	\$765.22

The following chart shows placements for the last twelve-month period.

VASCUPP MEMBER INSTITUTION	PLACEMENTS
George Mason University	\$198,151
James Madison University	\$221,404
Longwood University	\$322,945
Radford University	\$333,969
University of Mary Washington	\$32,427
University of Virginia	\$970,331
VCU	\$279,741
Virginia Tech	\$759,107
Virginia Military Institute	\$13,410

## X. Pricing Schedule

**Williams & Fudge** proposes the following collection fee schedule on all student loans and receivables.

- **20%** of monies recovered on all accounts regardless of type of account and/or placement.

Said fee shall be the sole compensation paid to **Williams & Fudge**. We understand that James Madison University will not be responsible for any cost or expense incurred by us in the collection of accounts other than the agreed upon collection fee(s).

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 32 Months 1

- 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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References for **Williams & Fudge** have been provided on the following page.

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

Williams & Fudge, Inc.

300 Chatham Avenue

Rock Hill, SC 29730

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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 [X] NO

IF YES, EXPLAIN: \_\_\_\_\_

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CLIENT	CONTACT	SERVICE BEGAN
Clemson University Rm G-08 Sikes Hall PO Box 345307 Clemson, SC 29634	Christi Chambers Associate Director Student Financial Services P: (864) 656-9061 chchamb@clemson.edu	8/1/1997
Mississippi State University PO Box 5227 Mississippi State, MS 39762	Joy Holley, Manager AR Collections P: 662-325-9412 jholley@controller.msstate.edu	8/1/1999
North Carolina State University 2005 Harris Hall Box 7213 Raleigh, NC 27695	Martha Andre Assistant Director P: 919-515-9507 martha_andre@ncsu.edu	9/1/2008
Pennsylvania State University 108 Shields Bldg University Park, PA 16802	Jeffrey Norris Student Loan Officer P: 814-865-4926 jan1@psu.edu	5/11/2005
Syracuse University 101 Archbold North Syracuse, NY 13244	Steve Kelly Director, Student Debt Management P: 315-443-3411 stkelly@syr.edu	10/21/2011
University of Maine System Office P.O. Box 412 Nevill Hall Orono, ME 04402	Jolynn Campbell Student Loan Manager P: 207-561-3449 jolynn@maine.edu	1/26/2010
University of South Florida 4202 E. Folwer Avenue ALN 147 Tampa, FL 33620	Derek McKinney Cashier's Office Manager P: 813-974-5748 dmckinney@usf.edu	10/1/1994
University of Virginia Student Financial Services P O Box 400201 Charlottesville, VA 22904	Trudy Taylor Manager P: (434) 924-3597 tjt8n@eservices.virginia.edu	9/1/1998
Virginia Commonwealth University 809 West Broad St P O Box 843054 Richmond, VA 23284	Ed Stables Manager P: 804-828-4365 jestables@vcu.edu	10/1/1999
West Virginia University PO Box 6003 62 Morrill Way Morgantown, WV 26505	Cassie Grizzell Brown Assistant Director P: 304-293-3921 cassie.brown@mail.wvu.edu	12/1/2004

## ATTACHMENT B

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

**Offeror Name:** Williams & Fudge, Inc. **Preparer Name:** Chris Ruh**Date:** August 13, 2018Is 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: James Madison University RFP #LBS-997Date Form Completed: August 13, 2018

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

Offeror / Proposer:

Williams & Fudge, Inc.300 Chatham Avenue, Rock Hill, SC 29730Chris Ruh / 800-849-9791, ext. 2160

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)
Emprise Technologies 5693 Swan Creek Drive Toledo, OH 43614	Chris Mazur 419-720-6982	Small Business Enterprise	IT Consulting Services	TBD	TBD
Peacock Consulting 5118 Arrowhead Drive Monona, WI 53716	Sarah Headley 608-663-1722	Woman-owned Business Enterprise	IT Consulting Services	TBD	TBD
Jan Pro 1507 Granville Road Rock Hill, SC 29732	Allen Boyd 704-712-4505	Small Business Enterprise	Janitorial Services	TBD	TBD

*(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: \_\_\_\_\_

$\frac{20}{200}$

**I**

$\frac{200\text{FT}}{61\text{M}}$

$\frac{20}{100}$

**WIL**

$\frac{100\text{FT}}{30.5\text{M}}$

$\frac{20}{70}$

**LNOT**

$\frac{70\text{FT}}{21.3\text{M}}$

$\frac{20}{50}$

**DEFAULT**

$\frac{50\text{FT}}{15.2\text{M}}$

$\frac{20}{40}$

**ONMYSTU**

$\frac{40\text{FT}}{12.2\text{M}}$

$\frac{20}{30}$

**DENTLOANS**

$\frac{30\text{FT}}{9.14\text{M}}$

$\frac{20}{20}$



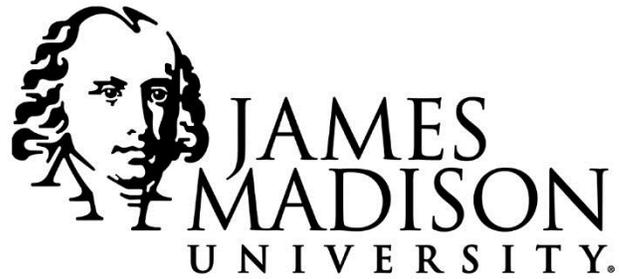
$\frac{20\text{FT}}{7.62\text{M}}$

**Williams & Fudge**

**1-800-849-9791**

**[www.wfcorp.com](http://www.wfcorp.com)**

**ACCOUNTS RECEIVABLE  
MANAGEMENT**



# 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/Inst./AR	1st Placement	\$329,815.53	\$155,780.36
Tuition/Inst./AR	2nd Placement	\$6,346.43	\$0.00
<b>2014</b>			
Perkins	1st Placement	\$68,701.52	\$65,612.04
Tuition/Inst./AR	1st Placement	\$504,797.49	\$206,752.51
Tuition/Inst./AR	2nd Placement	\$137,672.94	\$11,997.33
<b>2015</b>			
Perkins	1st Placement	\$26,794.09	\$13,503.60
Tuition/Inst./AR	1st Placement	\$81,398.71	\$36,928.79
Tuition/Inst./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/Inst./AR	1st Placement	\$108,614.71	\$50,871.55
Tuition/Inst./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/Inst./AR	1st Placement	\$93,581.32	\$40,337.80
Tuition/Inst./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/Inst./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,



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

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



July 23, 2018

**ADDENDUM NO. TWO**

**TO ALL OFFERORS:**

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

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

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

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

Question: Which billing servicers do VASCUPP institutions use?

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

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

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

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

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

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

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

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

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

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

**Answer: Yes.**

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

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

Sincerely,



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

**ADDENDUM NO. THREE**

**TO ALL OFFERORS:**

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

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

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

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

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

**Answer:** **Successful proposals from previous VASCUPP institution solicitations are within the awarded contracts and may be viewed at [www.vascupp.org](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."**

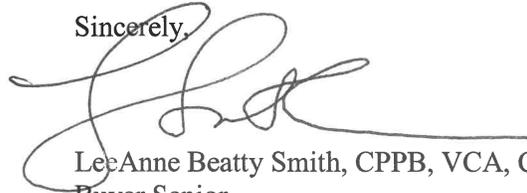
Question: How do we get the placements? Do the universities forward them?

**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,



LeeAnne Beatty Smith, CPPB, VCA, CUPO  
Buyer Senior

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