

BID # CHA23-02

ADDENDUM NUMBER 01
REQUEST FOR PROPOSALS FOR:
Delinquent Student Account
Collection Services
11/17/2022

TO: ALL CONTRACT BIDDERS OF RECORD

This Addendum forms a part of the Contract Documents and modifies the Request for Proposals dated November 1, 2022, with amendments and answers to bidder questions noted below. This Addendum consists of a total of seven (7) pages.

BIDDER QUESTIONS

1. Are you seeking a law firm or a collection agency? It is unclear in the RFP as our agency offers pre-legal services but does not litigate.
 - We are seeking a collection agency.
2. Regarding litigation, is an agency able to add legal expenses (for litigation) prior to filing a lawsuit on its monthly remittance? If so, then an agency such as ours can outsource litigation to a law firm.
 - Our intent is that legal costs would be passed on to the debtor as collection costs and not included as a contract cost to CCSNH.
3. Why has this bid been released at this time?
 - CCSNH policy requires periodic bidding for service contracts.
4. Can you please provide greater explanation of your expectations related to any required subcontracting to minority-owned, women-owned, or other types or categories of small or disadvantaged businesses? For example, what is required with the proposal, and what is required to comply during the term of the contract?
 - There are no requirements.
5. Are bidders permitted to deviate in any way from any manner of quoting fees you may be expecting? For example, if there is a pricing page in the RFP, can bidders submit an alternate fee structure? If there is no pricing page in the RFP, do you have any preference for how bidders should quote fees or can bidders create their own pricing categories?
 - We did not provide a pricing page on the RFP. Bidders may create their own pricing page or include pricing as a separate section within the bid. Our

expectation would be that bidders will quote for collection cost rates for first, second, third placements and legal costs.

6. Please describe your level of satisfaction with your current or recent vendor(s) for the same purchasing activity, if applicable.

- CCSNH will not make public comments on current contractual relationships but will respond to individual reference requests.

7. Has the current contract gone full term?

- Contract with current vendors have gone full term. Notification of future intent to renew is due to vendors in February 2023.

8. Have all options to extend the current contract been exercised?

- No, CCSNH policy allows contracts to be extended without RFP on an exception basis.

9. Who is the incumbent, and how long has the incumbent been providing the requested services? Which Collection agencies does CCSNH currently utilize?

- Windham Professionals – 10+ years
- ConServe – 10+ years
- TSI – 10+ years

10. To what extent will the location of the bidder's proposed location or headquarters have a bearing on any award?

- Location and headquarters will be considered in conjunction with industry experience and references.

11. How are fees currently being billed by any incumbent(s), by category, and at what rates? What are the current agencies' contracted contingency fee rates?

- Collection costs on individual accounts vary between approximately 20% and 35% based on placement. Collection costs are added to individual account balance.

12. What estimated or actual dollars were paid last year, last month, or last quarter to any incumbent(s)?

- CCSNH does not incur direct costs to incumbents.

13. To how many vendors are you seeking to award a contract?

- This has not been pre-determined; however, we intend to award a minimum of three contracts.

14. What collection attempts are performed or will be performed internally prior to placement?
 - CCSNH Bursar Offices issue dunning letters and then accounts are placed with a third-party servicer (currently ECSI) who handles preliminary delinquent account servicing prior to placement with a collection agency.
15. Will the selected vendor be allowed to litigate balances exceeding a certain dollar amount on your behalf, with your explicit approval?
 - Balance litigation would require CCSNH prior approval.
16. What is the total number of accounts available for placement now by category, including any backlog?
 - CCSNH has not made a final determination of current account placements.
17. What is the average balance of accounts by category?
 - The average placement balance is approximately \$1,500.00.
18. What is the average age of accounts at placement (at time of award and/or on a going-forward basis), by category?
 - Each of CCSNH's seven colleges work their delinquent accounts at differing intervals therefore age of account varies. After the combined effort at the CCSNH college and our third-party vendor, it is desirable, but not guaranteed, that accounts would be placed withing six months of first delinquency date.
19. What is the monthly or quarterly number of accounts expected to be placed with the vendor(s) by category?
 - CCSNH delinquent accounts vary by enrollment activity and volume of placements can-not be pre-determined.
20. What is the monthly or quarterly dollar value of accounts expected to be placed with the vendor(s) by category?
 - CCNSH delinquent accounts vary by enrollment activity and dollar value can-not be pre-determined.
21. What has been the historical rate of return or liquidation rate provided by any incumbent(s), and/or what is anticipated or expected as a result of this procurement?
 - CCSNH has not previously analyzed incumbent liquidation rates and has not determined expectations.

22. What billing servicer do you utilize?

- CCSNH is currently contracted with ECSI for delinquent account placements and billing.

23. Have all cases been fully adjudicated by the time of placement?

- CCSNH does not litigate accounts prior to placement.

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

- Current backlog would be placed through our third- party vendor according to established process which divides new placements between incumbents by account holder's last name and then are rotated on an annual basis for a total of three years. Current placements would be handled based on individual incumbent contracts.

25. What is your case management/accounting software system of record?

- CCSNH utilizes Banner software.

26. Who is your electronic payment/credit card processing vendor?

- CCSNH contracts with Nelnet for credit card processing.

27. What process should a vendor follow, or which individual(s) should a vendor contact, to discuss budget-neutral services outside of the scope of this procurement, but related to it, designed to recover more debt prior to outside placement and lower collection costs?

- Vendor's may contact Sean Fitzgerald, CCSNH Purchasing Administrator, for services outside the scope of this RFP.

28. How do your current processes and/or vendor relationship(s) systematically determine if the death of a responsible party has occurred?

- Performing various public records searches, including death certificate searches, are included in the scope of service provided by current incumbents.

29. How do your current processes and/or vendor relationship(s) handle the death of a responsible party?

- It is CCSNH policy to close the account with no collection costs due to be paid.

30. Do you have a designated process or policies around deceased accounts today, and what is envisioned in the future?

- Yes, deceased accounts are handled as a write-off.

31. Do you currently search and file probated estate claims? Have you considered an automated tool to identify and file probated estate claims?

- CCSNH will not pursue probate estate claims.

32. Can you please indicate what inbound and outbound contact methods, beyond phone calls or letters (such as email and text), would be permitted by the scope of work?

- CCSNH will accept any form of efforts that are in compliance with Regulation F. CCSNH has a high expectation that vendors will consider and conduct communication in accordance with our desire to maintain positive public relations with our account holders.

33. Is the proposing agency permitted to provide more than three references?

- Yes

34. May bidders use CCSNH as one of their three references?

- Yes

35. Where in the proposal structure does CCSNH prefer bidders include their proposed pricing, e.g., Transmittal Letter or separate pricing section/attachment?

- Please provide pricing in either a separate pricing section or as an attachment.

36. Does CCSNH add collection costs to non-federal accounts? If so, please provide a copy of the student financial responsibility agreement or other documentation that authorizes the addition of collection costs.

- The following clause is included on all registration documentation and electronic registration platforms:

Financial Obligation Statement -- I agree that by registering for courses within the Community College System of New Hampshire (CCSNH), I am financially obligated for ALL costs related to the registered course(s). Upon a drop or withdrawal, I agree that I will be responsible for all charges as noted in the student catalog and handbook. I further understand that if I do not make payment in full, my account may be reported to the credit bureau and/or turned over to an outside collection agency. I also agree to pay for the fees of any collection agency, which may be based on a percentage of the debt up to a maximum of 35%, and all additional costs and expenses, including any protested check

fees, court filing costs and reasonable attorney's fees, which will add significant costs to my account balance.

37. Does CCSNH want collection agencies to report debts to credit bureaus?

- Yes. CCSNH and ECSI do not report to credit bureaus. It is our expectation that the selected vendor will provide credit bureau reporting.

38. Will all account types be placed through ECSI – federal loans, tuition, fees, etc.?

- CCSNH does not place federal loans through ECSI. Only delinquent tuition, fee and auxiliary department accounts will be placed.

39. E.1 (page 6) – Beyond retrieving files online from ECSI and integration with ECSI's Automated Agency Payments, what type of electronic interface is expected with the SAL and Recovery Select platforms?

- Currently our agencies have the ability to retrieve placement files, transmit payment and account balance files, and retrieve updated balance information for when a student makes a payment at either a CCSNH college or with ECSI (under limited circumstances).

40. When submitting our response by email, is there a size limitation we need to be aware of?

- Our file size limitation for incoming email is 36mb.

41. Could CCSNH provide breakdowns of historic placement volumes (number and value) by Loans and Student Receivables across all four placement tiers?

- CCSNH has not had a practice of tracking placement data. We do not place loans, only student receivables. Our approximate current placements are a total of 964 accounts with a value of \$1,587,252.00. CCSNH policy currently limits collection efforts based on a three-year statute of limitations, rotating between agencies after a period of one year for accounts not actively making payments. Placements did decrease during the pandemic.

42. Per the rates section of the RFP (page 5), is CCSNH looking for rate itemization for Loans and Student Receivables as well as by placement tier?

- CCSNH is looking for rate itemization for student receivables by placement tier.



**Acknowledge receipt of this Addendum with the Proposal Form.
Failure to do so may disqualify the Bidder.**

NOTE: IN THE EVENT THAT YOUR BID HAS BEEN SENT TO THIS OFFICE PRIOR TO RECEIVING THIS ADDENDUM, RETURN THE ADDENDUM WITHIN THE SPECIFIED TIME WITH ANY CHANGES YOU MAY WISH TO MAKE AND MARK ON THE REMITTANCE ENVELOPE BID INVITATION NUMBER AND OPENING DATE. RETURNED ADDENDA WILL SUPERSEDE PREVIOUSLY SUBMITTED BID.

Bidder_____

By_____Date_____

(This Document Must Be Signed)

Name_____

(Please Print or Type Name)