

**REQUEST FOR QUALIFICATIONS #2025-063
Collection Services- University of Maine System
RESPONSE ADDENDUM #1
March 6, 2025**

QUESTIONS

1. If this is a term contract subject to renewal, what is the term and the maximum number of option periods?

ANSWER: Any Contracts resulting from this RFQ will commence on or about July 1, 2025, and shall terminate on June 30, 2028, unless terminated earlier as provided in this Contract with option for three, one-year extensions upon the parties' mutual agreement.

2. Has the current contract gone full term?

ANSWER: Yes

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

ANSWER: Yes

4. Who is the incumbent, and how long has the incumbent been providing the requested services?

ANSWER: Section 1.1.3 lists incumbents; current contract began July 1, 2019

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

ANSWER: None. Service needs to be available to UMS 8am to 5pm EST

6. How are fees currently being billed by any incumbent(s), by category, and at what rates?

ANSWER: See Section 1.1.3

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

ANSWER: Estimated \$37,600 for loans and \$198,300 for student accounts based on information in Section 1.1.3

8. What collection attempts are performed or will be performed internally prior to placement?

ANSWER: Varies by campus and type of debt for student accounts. Loans do at least the minimum required by regulation at the servicer level plus calls, letters and emails at the SPC.

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

ANSWER: Information is not available

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

ANSWER: Information is not available as asked; Section 1.1.3 gives prior year amounts

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

ANSWER: Information is not available as asked: Section 1.1.3 gives prior year amounts

12. 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?

ANSWER: Information not available as asked; Section 1.1.13 gives prior year placement and collection amounts

13. 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?

ANSWER: Any permitted by law/Federal Regulations

14. Please reconfirm the due date for this procurement by providing it in response to answers to questions.

ANSWER: See Section 3.1.2 March 21, 2025

15. When is the anticipated contract start date?

ANSWER: July 1, 2025

16. When is the anticipated award date?

ANSWER: Has yet to be determined

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

ANSWER: There are no expectations. Information is captured for reporting purposes.

18. Can you please provide greater details on how proposals will be evaluated and how the selected vendor(s) will be chosen?

ANSWER: The University's evaluation team will use a consensus approach to evaluate responses based on information provided in Appendices C, D, E & F

19. 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?

ANSWER: No, please use Exhibit 1, Tables 1 and 2 in Appendix D

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

ANSWER: in general, UMS is satisfied with current providers

21. In No. 3 of Appendix D, it states "Failure to provide the requested information and to follow the required cost response format provided in Appendix C may result in the exclusion of the Response from consideration, at the discretion of the University." Appendix C is the Organization Reference Form and does not include the required cost response format. Can you clarify this please?

ANSWER: This should read "Failure to provide the requested information and to follow the required cost response format provided in Appendix D may result in the exclusion of the Response from consideration, at the discretion of the University."

22. How many vendors are you seeking to award contracts to?

ANSWER: A minimum of 3.

23. How many campuses utilize legal outsourcing and what percentage of the inventory do they proceed legally on?

ANSWER: No campuses legal outsource, on a rare occasion an agency has done litigation.

24. What collection activity does each campus perform for Student Accounts prior to placing accounts with contractor(s)?

ANSWER: It varies by campus.

25. Will there be separate contracts awarded for Schedule I- Student Loans and Schedule II- Student Accounts similar to 2019?

ANSWER: Yes

26. Introduction, 1.1.4 Specifications/Scope of Work, located on page 6 indicates “The Contractor shall at all times maintain a Trust Account in which all monies collected for the University by the Contractor shall be deposited promptly after posting to the book of accounts, and shall carry at all times, during the term of the contract, a collection agency bond.” We would like to inquire as to what amount the university is requiring for the collection agency bond and would the University of Maine System accept proof of insurance that exceeds the requirements in lieu of the bond?

ANSWER: According to the regulations: A school must ensure that its billing service and collection firm maintain a fidelity bond or comparable insurance to protect the accounts they service. A school using a law firm to collect must review the firm’s bond or its insurance policy to determine whether the firm is protected against employee misappropriation. If the firm’s malpractice insurance also covers misappropriation of funds, that policy is considered to provide coverage.

27. Would the University of Maine System be willing to accept legally binding digital signatures on required forms?

ANSWER: Not at this time but may be possible at a later date.

28. 1.1.3 (page 5): The RFQ indicates interest in pre-collection activities. Does any UMS institution presently utilize early-stage delinquency or pre-collection services offered by its collection agencies or billing servicer?

ANSWER: No.

29. 3.2.2.2 (page 16): Please clarify whether Appendix D Cost Exhibit should be included in our response PDF, submitted as a separate Excel document, or both.

ANSWER: Appendix D-Cost Exhibits should be included

30. 3.2.2.4 (page 17): Should "Appendix G" be corrected to read "Appendix F"?

ANSWER: Correct, this should have read Appendix F.

31. Appendix E, #7 (page 25): The 2023 Title IV Audit Guide published by the Office of the Inspector General was updated to remove the requirements for testing "Perkins Deferments, Billings and Collections, and Cancellations." This means a collection agency performing just these services for your Perkins portfolio is now subject only to the assurance letter requirement; a servicer compliance examination is no longer necessary. Given this, is UMS willing to accept a copy of the assurance letter submitted to the U.S. Department of Education in lieu of the compliance audit?

ANSWER: Yes

32. Is it possible to provide a breakdown of placements by the age of the debt?

ANSWER: No

33. What are your A/R trends over the past few years? Are they positive or negative?

ANSWER: For most campuses, negative.

34. Many institutions have pressure to improve student retention. Does approaching past due A/R in a student-friendly process play an important role to the UMaine System?

ANSWER: Yes, but not to the detriment of collections.

35. How long does delinquent debt age before you send it to a third party collection agency?

ANSWER: For loans, 8 months. For A/R, it varies by campus.