

Q&A Addendum
Collection Agency Services – Term Contract
RFP 561237

This document provides question and answer information pertaining to the above captioned RFP and will be updated as necessary.

REMINDER: It is the Respondent's responsibility to thoroughly examine and read the entire RFP document and any addenda to this RFP.

Posted March 26, 2015

- Question:** Please confirm the due date for this procurement is 4/14/2015.
Answer: The projected due date for proposals is 4/14/2015. Please refer to section 6 of the RFP document for all of the projected dates of activities concerning this RFP process.
- Question:** What estimated or actual dollars were paid last year, last month, or last quarter to any incumbent(s)?
Answer: The approximate amount paid during the past last year is \$336,000.00.
- Question:** Please describe your level of satisfaction with your current vendor(s), if applicable.
Answer: We are satisfied with our current vendors.
- Question:** What is the total number of accounts available for placement now by category, including any backlog?
Answer: We currently have 250 student accounts ready for placement and 66 Perkins loan accounts.
- Question:** What is the average age of accounts at placement (at time of award and/or on a going-forward basis), by category?
Answer: Student Accounts are placed at approximately 9 months delinquent and Perkins loan accounts are placed at 5 months delinquent.
- Question:** 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: The expected rate of recovery is 25% to 30% based on historical rates.

Question: 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?

Answer: Accounts will be moved to any new vendors at contract start up.

Question: Please let us know whether you have received this email, and when and how answers will be provided.

Answer: As stated within the RFP document, specifically section 9.1 (Addenda), any updates to the RFP will be posted to our Hogbid website. This includes Q&A material. Refer to section 6 of the RFP document for all of the projected dates of activities concerning this RFP process. Bidder questions received by the time and date listed in the RFP document will be addressed via Q&A Addendum which will be posted to our Hogbid website by April 9th at the latest.

Question: RFP Section 1. Description and Overview of RFP (page 2) indicates, “The estimated number of defaulted loans to be placed with collection agencies, monthly, is 20 with an average balance of \$5,000.00.” Please provide the average age of defaulted loans at placement.

Answer: Loans are placed when they are 5 months delinquent.

Question: RFP Section 1 Description and Overview of RFP (page 2) indicates, “The estimated number of past due accounts receivables to be placed annually with collection agencies is 800 with an average balance of \$1,500.00.” Please provide the average age of accounts receivable at placement.

Answer: Student accounts receivable are placed at an average of 9 months delinquent.

Question: RFP Section 3. Pricing/Fees (page 5) indicates, “The following collection agency fees shall be the sole consideration paid to the successful bidder for its services under this contract...21% collection contingency fee...on first placements [and] 26% collection contingency fee...on second or third placements.” Please indicate whether agencies will be permitted to propose a separate collection contingency fee for accounts recovered through the litigation process.

Answer: Agencies can propose a separate fee for the litigation process.

Question: RFP Section 4. Vendor References (page 5) indicates, “Respondents must supply, with the bid, at least three (3) reference accounts, preferably in higher education...” In order to ensure the availability of our references, please provide the time period during which UAF anticipates contacting references included in the response.

Answer: The references will be contacted during the month of May.

Question: RFP Section 9.5 Conditions of Contract (page 8) indicates, “The successful bidder shall indemnify and save harmless the University...against any claim or liability arising from or based upon the violation of any such law, ordinance, regulation, order or degree by an employee, representative, or subcontractor of the successful bidder.” Please provide clarification concerning UAF’s definition of a subcontractor. For example, does UAF consider outside vendors for batch skip tracing and letter services to be subcontractors?

Answer: Subcontractor shall mean any person or entity with whom the bidder enters an agreement whereby the bidder assigns or otherwise delegates to the person or entity, for consideration, all, or any part, of the performance required of the bidder under the terms of said contract with the University of Arkansas.

Question: RFP Section 12. Best and Final Offer (page 14) indicates, “The University...reserves the right to request a Best and Final Offer from finalist Respondents, if it deems such an approach necessary.” Given UAF has already established contingency fees for this project pursuant to Section 3. Pricing/Fees, does UAF anticipate requesting a best and final offer as part of the evaluation and award process?

Answer: The UAF does not anticipate requesting a best and final offer.

Question: RFP Section 13. Specifications/Services Requested (page 15) indicates, “Bidders must submit the information requested below for review and evaluation. This information must be sequenced and numbered as below. Bids not sequenced and numbered in this order may be disqualified.” However, RFP Section 10.2 (page 12) indicates, “Respondents must address each section of the RFP...Ultimately, bidders must ‘acknowledge’ each section of our document in their bid response.” Please confirm UAF does require a sequential response to Sections 1 to 14 in the agency’s proposal and that Section 13 should receive a response in sequence.

Answer: As stated in section 10.2 of the RFP document, “Respondents must address each section of the RFP... **making sure to remain consistent with the numbering and chronological order as listed in our RFP document.**” Therefore, *all* bid responses/proposals as a whole should follow the format as provided in our RFP document. This applies to each section of the RFP as well as any numbered lists within each section.