



TO: RFP 17-004-8- Participants

FROM: Adam Bustos, Purchasing Director

DATE: March 30, 2017

RE: **Addendum 1- Questions**

1. Section II.B.4 requires that the Acknowledgment of Receipt should be sent to the University in order to ensure receipt of the University's response to written questions. However, Section III.D.2 indicates that the Acknowledgment of Receipt form should be included with our submission. Could the University please clarify: should the Acknowledgment of Receipt be sent upon receipt of RFP, included with the bid, or both?
Answer: Please include Acknowledgement of Receipt with submission.
2. Section III.B indicates that bidders should submit five copies of their proposal. Would this be four copies plus one original, or five copies with one original, for a total of six binders?
Answer: Please submit four copies plus one original, as well as a Flash Drive with contents.
3. Section III.B also says "Binders must be placed in one binder." Did the University mean to say "one box," or should all five copies be contained in one binder?
Answer: Please strike sentence from Section III.B "Binders shall be placed in one Binder". Please submit four copies plus one original, as well as a flash drive in a Sealed Envelope or Box.
4. Will the University supply the original Date of Default/Delinquency at time of placement in order to establish a valid Statute of Limitations date?
Answer: The University anticipates we will be able to provide the original date of delinquency to the Debt Collection Agency for each account.
5. Can the University confirm that this RFP is strictly for student accounts, and there are no loan (federal or institution) accounts included in this portfolio?
Answer: The RFP is strictly for student account receivables.
6. Regardless of the type of debt included in the University's portfolio, could the University provide monthly placement volume, average balance and average recovery rates for any debt types to be referred, separated by debt type?
Answer: The University sends placements out the debts quarterly, we do not have a monthly placement volume.

7. Will collection costs be allowed and added to non-Perkins placements to the collection agency? If so, what authority does the University have authority allowing the collection costs to be added to the amount placed?
Answer: The intent of the University is for the debt collection agency to provide their services and retain the portion set in their fee structure to account for collection costs.
8. Who are the agencies on the current contract?
Answer: There is no current contract in place. Currently, accounts are sent to University Accounting Service, LLC, which we believe, were then sourced out to various companies
9. Can the University disclose the fees paid to its agencies during 2015 and 2016?
Answer: \$10,394.03
10. How will the collection costs to be imposed on an account be communicated by the University to us (e.g., inclusion on placement file)?
Answer: Historically, the University has provided a spreadsheet in Microsoft Excel format with balances of outstanding student account balances.
11. What are the University's requirements regarding account retention?
Answer: Historically, the University will send (3) three letters to the student advising of outstanding balance and amount due. After the third letter, the account will be placed for collections through University Accounting Services.
12. Please confirm the due date for this procurement is 4/5/2017.
Answer: Correct
13. Why is the contract out to bid at this time?
Answer: We do not have a contract with any providers for Debt Collection Services. In the past, the accounts were sent to University Accounting Services, which we believe, were then sourced out to various companies.
14. Has the current contract gone full term?
Answer: There is no current contract in place. The last identified contract was identified in 1995, so there has been negotiated price, or record kept of accounts placed and fees paid.
15. Have all options to extend the current contract been exercised?
Answer: There is no current contract in place.
16. Who is the incumbent, and how long has the incumbent been providing the requested services?
Answer: Current collections are sent to University Accounting Services
17. To what extent will the location of the bidder's proposed location or headquarters have a bearing on any award?
Answer: As long as the bidder can demonstrate performance in all aspects of the RFP, location does not matter. The University would like to work with a bidder who can effectively communicate and understand the needs of the University and Higher Education.
18. How are fees currently being billed by any incumbent(s), by category, and at what rates?
Answer: Currently, the University receives payment of student account collection after collection fees have been charged. There is no historical data readily available to provide further information.

19. What estimated or actual dollars were paid last year, last month, or last quarter to any incumbent(s)?
Answer: For FY16, \$10,394.03
20. To how many vendors are you seeking to award a contract?
Answer: The University retains the options to award to a single provider, or multiple providers.
21. Please describe your level of satisfaction with your current vendor(s), if applicable.
Answer: Not applicable.
22. Can you please provide a greater description of the specific kind of receivables to be placed for collection?
Answer: The receivables to be placed for collection are outstanding student account balances.
23. To what extent are these accounts owed by private consumers versus commercial businesses?
Answer: The accounts are owed by University students, who dis-enrolled from the University for Various Reasons.
24. Will accounts be primary placements, not having been serviced by any other outside collection agency, and/or will you also be referring secondary placements? If so, should bidders provide proposed fees for secondary placements also?
Answer: The University will provide all accounts with a transition from UAS for all accounts. Bidders should propose fees for any fees they anticipate.
25. What collection attempts are performed or will be performed internally prior to placement?
Answer: The University sends out three notices to the student before contacting a debt collection agency.
26. Will the selected vendor be allowed to litigate balances exceeding a certain dollar amount on your behalf, with your explicit approval?
Answer: Only with approval of the Vice President for Finance and Administration.
27. What is the total dollar value of accounts available for placement now by category, including any backlog?
Answer: \$451,936.00 of student accounts receivable
28. What is the total number of accounts available for placement now by category, including any backlog?
Answer: We have an estimated amount of 250 accounts.
29. What is the average balance of accounts by category?
Answer: The average student account balance is Answer: \$1797.00
30. What is the average age of accounts at placement (at time of award and/or on a going-forward basis), by category?
Answer: 4-6 months old
31. What is the monthly or quarterly number of accounts expected to be placed with the vendor(s) by category?
Answer: The estimated number of accounts that would be placed quarterly is 150 to 200

32. What is the monthly or quarterly dollar value of accounts expected to be placed with the vendor(s) by category?
Answer: The estimated quarterly amount is \$400,000.00.
33. 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 placement fees and historical rate of return are unknown.
34. What billing servicer do you utilize?
Answer: If we understand correctly, it is University Accounting Services.
35. 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 move to new vendor.
36. What is the anticipated initial placement volume in number of accounts, dollar amount, and average balance?
Answer: The estimated initial placement is 250 accounts, \$451,936.00 and the average balance is \$1797.00. The accounts were originally placed with UAS, so we do not know if that makes the transferred accounts secondary placements.
37. What is the anticipated average additional monthly placement volume?
Answer: We would place accounts quarterly.
38. What is the percentage of accounts with "good" contact information?
Answer: Contact information is obtained from Student account profile in our Accounting System.
39. How many contract winners does NMHU anticipate awarding?
Answer: The University reserves the right to award to multiple taking into consideration the proposals and perceived ability to perform debt collection services.
40. What is the average age of the debts?
Answer: Information not available.
41. Are the debts subject to statute of limitations?
Answer: Please comply with any state or federal regulatory requirements.
42. Does NMHU have pre-existing placement/update/reconciliation file formats? Will they be required to be used?
Answer: All information provided to debt collection agency will be in Microsoft Excel Format. It is the responsibility of the debt collection agency to ensure that the university can easily view and analyze information. How the debt collection agency does this is up to them.
43. What data is provided for placements? Will NMHU provide all key demographics to locate debtors including name, aliases, address, phone number, SSN, and references?
Answer: The University can provide the Name, Address on File, Phone number on file, and SSN.
44. The RFP discusses workplace professionalism and decorum on the NMHU campuses. Does NMHU require work to be performed on-site?
Answer: Work is not required on-site.
45. Does NMHU have restricted hours of service during which the contractor can attempt to collect, aside from regulatory limitations?
Answer: collection efforts should be made within standard practices and ethics of the industry. The University

does ask that the debt collection agency remember that outstanding accounts do have a high probability of returning to the University, so every effort should be made to maintain a positive view of the University.

46. We don't have a Vet certification. Should we put a statement in the related tab for clarity?
Answer: Please provide additional information in related tab. Final Determination will be made in accordance with State of NM procurement laws.
47. Does NMHU have collateral material for all debts?
Answer: No.
48. Does the collateral material define what costs can be collected such as principal, interest, late fees, collection costs, or litigation costs?
Answer: No.
49. Can the contractor assess all fees described within the collateral material?
Answer: Not Applicable.
50. Is the contractor expected to collect 100% of balance due to the school *plus* collection costs, or will the agency collect only the balance due and remit the balance remaining after collection costs retained?
Answer: The traditional format that the University has experienced was collecting only the balance due and remitting the balance remaining after collection costs retained. If there is a more beneficial way, please provide in proposal.
51. Does NMHU desire the contractor to litigate past due accounts?
Answer: Only with the approval of the Vice President of Finance and Administration. Most litigation is handled by University contracted attorneys.
52. Does NMHU have consent to dial cell phones?
Answer: Yes
53. Does NMHU have consent to communicate electronically?
Answer: Yes