HACC — Central Pennsylvania’s Community College
Harrisburg, PA

Request for Proposal

RFP12-15

For

COLLECTION AGENCY SERVICES
Student and Vendor Accounts Receivable

Issued: February 4, 2012
Deadline for Questions: February 16, 2012 by 11:00AM
Response to Questions: February 20, 2012 by 4:00PM
PROPOSAL DUE DATE: February 27, 2012 by 1:00PM
Award of Contract: Following the April 3, 2012 Board of Trustees Meeting

Proposals Must Be Delivered to: HACC, Procurement and Business Services
Penn Center 3, Room 223
349 Wiconisco Street
Harrisburg, Pa 17110

Please direct questions to:

Thomas J. Fogarty, Executive Director Procurement
HACC — Central Pennsylvania’s Community College
Penn Center 3
349 Wiconisco Street
Harrisburg PA 17110
Telephone: (717) 221-1300, x1640
Email: tjfogart@hacc.edu
ACKNOWLEDGMENT FORM

HACC — Central Pennsylvania’s Community College

Request for Proposal

RFP12-15 COLLECTION AGENCY SERVICES

Acknowledgement: Please acknowledge receipt and interest in this Request for Proposal (RFP) by completing the information requested below and faxing it to (717)901-4625.

Acknowledgement due date is **February 21, 2012.**

Also, please include this page with your proposal.

Provider Name: ______________________________   Contact Name:  ____________________

Address (include City, State, Zip): __________________________________________________

Phone: _________________     Fax: _________________      Cell Phone: ____________________

Email:  _______________________________    Website:  ______________________________

Check One:           We will _____    will not _____ be responding to this RFP.

If not responding, please explain briefly: ______________________________________

_______________________________________________________________________

________________________________________________________________________
I. Request For Proposal

HACC, Central Pennsylvania’s Community College’s Finance Team at the direction of the College President is formally requesting a proposal for COLLECTION AGENCY SERVICES

II. General Background

Harrisburg Area Community College, HACC-Central Pennsylvania’s Community College, is comprised of 5 campuses within a 10 county service area. The College offers nearly 200 degree, certificate and two year diploma programs. In the Fall of 2010, credit student enrollment was about 23,000 students, including 5,300 distant learning/online students, and our non-credit programs recorded more than 50,000 students. The College offers four credit terms, Fall, Spring, Summer I and II. Housing and meal plans are not provided by the College.

The current internal collection process for credit students is cycled on a term basis.

Fall and Spring Internal Collection Process:
Collection letters are generated in our Central Student Accounts Office and mailed to students at 60, 90 and 120 days. Any accounts with a balance of $75 and above and remaining unpaid at 150 days are referred to our collection agency(s) by the Central Student Accounts Office.

Summer I Internal Collection Process:
Collection letters are generated in our Central Student Accounts Office and mailed to students at 45, 75 and 105 days. Any accounts with a balance of $75 and above and remaining unpaid at 135 days are referred to our collection agency(s) by the Central Student Accounts Office.

Summer II Internal Collection Process:
Collection letters are generated in our Central Student Accounts Office and mailed to students at 30, 60 and 90 days. Any accounts with a balance of $75 and above and remaining unpaid at 120 days are referred to our collection agency(s) by the Central Student Accounts Office.

Delinquent student account receivable balances can include library fines, parking fines, financial aid Return of Title IV repayments, non-sufficient fund payments and fees, tuition, student activity fees, course fees, technology fees and bookstore charges.
III Format for Proposal

The proposal shall be **clear, concise and limited to no more than 15 pages**. Proposal shall be on 8 ½ x 11 paper only. Each proposal must contain a completed proposal identifying qualifications in accordance with this RFP’s minimal requirements. The College reserves all rights as to the evaluation of any and all responses to the proposal submitted by each provider and to the College’s determination of the provider’s qualifications.

A. Cover Letter
The cover letter shall contain a brief introduction of the provider and the proposal. The letter shall be concise and need not repeat any of the detailed information set forth in the proposal; however, any terms or conditions of this RFP to which the provider objects and/or does not accept shall be clearly stated in the cover letter along with any alternatives or further explanation. At a minimum, the cover letter page shall be on company letterhead and shall include the name and working address of the firm submitting a proposal, the name and telephone number of the primary company representative authorized to legally bind the firm to the proposal, and the date of submission.

B. Provider History / Qualifications
Please provide answers to the following questions:

1.1 History

1.1.1 How long has your company been in business?

1.1.2 Describe the range and geographic territories of collection activities performed by the identified primary office, with specific concentration on colleges and universities.

1.1.3 Submit a minimum of three (3) current references of projects of similar size and likeness to that of the HACC project.

   - Include the contact name, organization, address, phone/fax numbers, and the date of the project.

1.1.4 Provide detailed information on three (3) previous clients and why they broke off the engagement.

   - Include the contact name, organization, address, phone/fax numbers, and the date of the project.

1.1.5 Provide disclosure information on any legal proceedings brought against firm by both client and debtor in the last three years.

1.1.6 Provide historical performance measures for collecting student receivable accounts.
- Indicate the total dollar amount and number of college/university student receivable accounts currently managed.
- Indicate the total dollar value and number of accounts managed in all categories

1.2 Agency Requirements

1.2.1 The Agency must have a clear understanding and working knowledge of relevant Pennsylvania law pertaining to Accounts Receivable collections for a state related College and should have prior experience conducting similar collection efforts in the Northeast region of the United States.

1.2.2 The Agency must ensure that all employees providing services under the contract have been tested on the Fair Debt Collection Practices Act (FDCPA).

1.2.3 Describe in detail procedures employed to ensure compliance with the federal (FERPA)Family Educational Rights and Privacy Act [Title 20, United States Code, Section 1232g] and in any applicable state laws.

D. Project Plan

Each proposal must include a draft project plan that includes, timeline for completion, and expected outcomes. The project plan should explain any processes for communicating progress and processes for resolving any misunderstandings about project deliverables.

Include a one page resume for each project manager by discipline (excluded from 20 page maximum) highlighting relevant experience. List only those individuals who will be assigned to the project.

2.1 File Review and Contact

2.1. Detail the collection philosophy followed and the methodology used by your Agency in performing collection services on student receivable accounts and corporate accounts.

2.2. Is there a minimum amount for account referral?

2.3. Explain in detail the way in which the Agency determines that an account is uncollectible and what action the Agency takes after such a determination is made.

2.4. The College will furnish to the Agency all pertinent background information and source documents to facilitate the Agency’s collection efforts. The Agency should provide and/or have available a method for the automated/electronic transfer of relevant data.

3.1 Reporting Requirements:

3.1 Demonstrate your ability to keep complete and accurate records of all transactions and activities.

3.2. The Agency must furnish to the College management information reports as necessary to
meet the College’s requirements. The following reports shall be provided by the Agency on a monthly basis:

3.2.1 Dates, types and number of contacts associated with each loan/account;

3.2.2 Changes in borrower/debtor name, address, telephone, e-mail address, cell phone, and social security number;

3.2.2 Evaluation of the collectibles of the loan/account.

3.3. The Agency must have reporting and management information systems capabilities necessary to provide the following types of reports to the College on a scheduled basis, as requested by the College:

3.3.1 Initial acknowledgement of placement;

3.3.2 Monthly Activity Statement;

3.3.3 Analysis by Month;

3.3.4 Percent Recovery by Month;

3.3.5 Inventory/Status Report; and

3.3.6 Cancel Report.

3.4. The Agency shall provide the College with electronic access to account.

3.5. Identify and provide samples (or format) of all standard management reports.

E. Project Cost

Indicate the percentage fee to be charged for collected accounts. Indicate any other fees and/or costs associated with this agreement. Failure to disclose any potential fees and/or costs will result in disqualification of proposal.

4.1 Invoicing Requirements:

4.1. The Agency is advised that any tax offset shall be non-commissionable.

4.2. Payment to the Agency shall consist only of the quoted percentage of the amount collected. The Agency understands and agrees that no other charges will be allowed, and no other payment will be made.
4.3. The College will not accept from the Agency charge backs for returned checks or disputed credit card payments. Agency must accept payment from student and not refer student to College for payment.

4.4. Itemized invoices must be submitted to the College on a monthly basis detailing all loans/accounts collected during the reporting period, the applicable firm, fixed percentage stated in the contract, and the total amount due the Agency.

4.5. The Agency shall be paid for contract services actually provided in accordance with applicable contract pricing. No payment or reimbursement other than that specifically provided for in the contract shall be made.

4.6. The Agency will invoice the College for collection fees due. These will be paid on a monthly basis.


4.8. Remittance by the Agency to the College must be made in gross form and must be received by the College no later than the tenth (10th) day of each month for all loan/account collections made the previous month.

E. Terms and Conditions

The following General Terms and Conditions, become part of any award made from this RFP, constitute the provisions of the agreement to be executed between HACC and successful Proposer. HACC reserves the right to negotiate with the successful proposer and modify any of the provisions of the agreement upon mutual agreement of the parties.

5.1. The Agency shall make initial contact with the debtor within ten (10) days of receiving the account from the College.

5.2. Agency shall offer multiple electronic payment options including credit cards processing that is compliant with PCI (Payment Card Industry).

5.3. Agency shall review each account, at a minimum, on a monthly basis and perform appropriate follow-up activity.

5.4. Agency shall promptly notify College in the event of debtor’s death, utilize skip tracing tools to locate delinquent debtors and use Residence Address Validation services with the US Postal Service.

5.5. Agency shall submit copies of all letters and notices to the College for approval prior to use.

5.6. Agency shall suspend collection efforts on any individual or group of accounts upon receiving notification from the College, and shall not resume collection activity on those suspended accounts until authorized by the College.

5.7. Upon written notification by the College, this agreement may be terminated without cause.
5.8. The Agency understands and agrees that all loans/accounts placed for collection with the Agency shall remain the property of the College.

5.9. The Agency shall not accept any compromise settlement(s) on a College loan/account without prior written approval from the College.

5.10. The Agency must understand and agree that loans/accounts will not be authorized for litigation without the prior written approval of the College.

5.11. The Agency is advised that loans/accounts placed with the Agency in error must be returned to the College at no cost to the College.

5.12. The Agency must return accounts to the College after collection of the amount placed with the Agency has been received.

5.13. The Agency understands and agrees that no payment shall be made for any loans/accounts collected by the College.

5.14. The Agency must cancel and return loans/accounts to the College after twelve (12) months or as specified, if collection efforts have not been successful.

5.15. Upon expiration/termination/cancellation of the contract, the Agency must return all records pertaining to College loans/accounts and immediately cease all collection efforts.

5.16. The Agency must understand and agree that the College shall have the right to audit during normal business hours all loans/accounts placed with the Agency by the College.

5.17. The Agency shall not subcontract any part of the services required herein without the prior written approval of the College.

5.18. The Agency must accept all accounts referred to it by the College, regardless of the dollar amount.

5.19. The Agency must report the past due balance of each debtor’s account to the credit bureaus within thirty (30) days of receiving an account from the College.

5.20. Provide copies of all formatted collection notices and letters issued in an effort to collect student receivable accounts.

5.21. Coordination of Contract Activities: The Agency shall fully coordinate all contract activities with those of the College. As the work of the Agency progresses, advice and information on matters covered by the contract shall be made available by the Agency to the College throughout the effective period of the contract.

5.22. Confidentiality Requirements: The Agency shall agree and understand that all discussions with the Agency and all information gained by the Agency as a result of the Agency’s performance under the contract shall be confidential and that no reports, documentation, or material prepared as required by the contract shall be released to the public without the prior written consent of the College.
5.23. **GLBA Requirements**: Pursuant to the Gramm-Leach-Bliley Act (GLBA), every Service Provider, defined as any person or entity that receives, maintains, processes or otherwise is permitted access to nonpublic personal information as defined in 16 C.F.R. § 313.3(n), whether in paper, electronic, or other form, about a College employee or student, through its provision of services directly to the College is subject to the following requirements:

The Service Provider (Agency) must ensure the security and confidentiality of nonpublic personal information as defined in 16 C.F.R. § 313.3(n), protect against any anticipated threats or hazards to the security and integrity of such information and protect against unauthorized access to or use of such information that could result in substantial harm or inconvenience to any College employee or student.
IV. RFP Submission

A. RFP Clarification
You may request an explanation of the intent or content of this RFP and clarification in writing. Official written responses to all relevant written questions will be mailed, faxed or emailed by HACC’s College Procurement and Business Services Office.

Requests for written explanation or clarification shall be addressed to ATTN: Thomas J. Fogarty Executive Director, by email tjfogart@hacc.edu.

B. Acceptance of Proposals
The College reserves the right in evaluating any proposal to consider all factors it deems relevant. The College further reserves the right to accept or reject any or all proposals, to waive any irregularities or informalities, and to negotiate the proposal in the best interest of the College. Neither the College nor any agent thereof on behalf of the College will be obligated in any way by any proposal's response to this request.

C. Proposal Deadline
To be considered for selection, proposals shall arrive at HACC’s Procurement and Business Services Office, 349 Wiconisco Street, Room 223, Harrisburg, PA, 17110, by 1:00 PM on or before February 27, 2012.

D. Number of Copies of Proposal
Seven (7) Copies of the proposal will be submitted in a sealed container clearly marked with the name of the proposal (1) of the copies shall be marked "Master Copy" and will contain original signatures. The remaining copies do not require original signatures.

The proposals must be addressed as follows:
   Penn Center Proposal
   HACC - Procurement and Business Services
   ATTN: Thomas J. Fogarty
   349 Wiconisco Street, Room 223
   Harrisburg PA  17110
V. Evaluation

The College Finance Team will review all proposals and evaluate positions for further discussion. However, the College reserves the right to cancel the selection process or the negotiations when a selection is made or at anytime prior to entering into a formal purchase agreement.

The College Finance Team intends to enter into negotiations which the College determines to best meet the College's requirements. The College will be the sole judge of the acceptance of any and all proposals.

The College reserves the right in accepting proposals to consider the competency, responsibility, and suitability of the proponent, as well as the services provided. The College further reserves the right to accept or reject any submissions, to waive any irregularities or informalities, and to award the agreement in the best interest of the College. Neither the College nor any agent thereof on behalf of the College will be obligated in any way by any Proponent's response to this RFP. The College may consider any deviation from this request, provided that the proponent submit an adequate explanation and justification for that deviation.