

**Alabama Commission on Higher Education
Request for Proposals for Collection Services
April 2018**

I. PURPOSE:

The Alabama Commission on Higher Education, hereafter referred to as ACHE, is seeking proposals from organizations, hereafter referred to as “Agency” or “Agencies”, for collection agency services for unpaid and delinquent account receivables associated with the Alabama Teacher Recruitment Incentive Program, hereafter referred to as ATRIP. ATRIP was a scholarship/loan program designed to attract qualified students into the teaching profession in designated critical need areas.

Number of Accounts:

Please note that there were only 122 students who received awards under this program prior to its termination in approximately 2009. ACHE does not anticipate that this program will ever be reactivated.

During the contract period, the number of delinquent accounts may range from approximately 25 accounts to no more than 40 accounts. Amounts owed will range from \$2,000 to \$20,000.

II. SCOPE OF SERVICES AND REQUIREMENTS:

Any proposing agency must have extensive experience in student loan collections. The exact range and extent of services is subject to negotiation, but include, at a minimum, professional services and dedicated personnel to perform the following:

1. All collection activities must be in compliance with the laws of the State of Alabama.
2. Agency shall provide in the proposal detailed steps that will be taken once an account is received from ACHE.
3. Agency shall transfer proceeds to ACHE on a monthly basis, minus the Agency’s agreed upon fees. (i.e. the amounts owed to ACHE and to the Agency shall be clearly delineated and this separation will be clearly maintained in both the Agency’s data system and reports provided to ACHE).
4. Agency shall submit status reports on a monthly basis and an annual report on a fiscal year based on October 1st through September 30th, reflecting the activity for the previous fiscal year. These reports shall include data for each account detailing the value of the current debt, money received, balance due and date of last payment. A financial summary will also be required showing “period to date” and “year to date” totals for pertinent information such as receipts, net accounts

receivable, total accounts receivable, and collection percentage. In addition, an aging report should be available in summary and in detail. Agency shall provide copies of all available reports to ACHE.

5. Agency shall accept automated or manual transfer of delinquent payment information from ACHE. It is expected that the Agency will work, at no additional cost, with ACHE to ensure accurate and timely transmission of data.
6. Agency shall guarantee the confidentiality, security, and safety of all files, documents, computer files, etc. Agency must follow all guidelines set forth in the Family Educational Rights and Privacy Act (FERPA).
7. Agency shall instruct consumers whose files have been forwarded to the collection agency to submit payment only to the collection agency. Any payments received at ACHE will be forwarded to the collection agency.
8. Agency shall perform all work in accordance with the applicable provisions of the Federal Fair Debt Collection Practices Act, as well as, all state and local laws and ACHE staff direction.
9. The agency will agree to employ courteous business procedures to the end of maintaining ACHE's goodwill.
10. The collection agency shall also provide updates to ACHE on changes in state and federal laws related to credit and collections.
11. The agency will be fully responsible for maintaining accurate records of all correspondence, documents, accounting records, transactions and other relative evidence. These records shall remain on file for a period of at least ten (10) years. All records and books shall be made available to ACHE for review upon request.
12. Any settlement of principal or charges shall be agreed upon between the agency and ACHE, prior to acceptance. ACHE shall support this in writing.
13. No legal actions can be taken without the express written consent of ACHE.

III. RFP REQUIREMENTS:

1. Letter of transmittal signed by an individual authorized to bind the proposing entity stating the firm is qualified and has read and will comply with all terms and conditions of the RFP.
2. General information about the firm, including the size of the organization, location of offices, years in business, organization chart, state of incorporation, name of owners and principal parties, number and position titles of staff. Information regarding any collection associations of which the agency and its staff are

members should be included.

3. Qualifications of staff proposed for the assignment, their position in the firm, and types and amount of equivalent collection experience. A description of how overall supervision will be provided should be included.
4. List of five references, past and present, for comparable work performed, including a summary of similar engagements with other governmental agencies.
5. Provide sample letters to be sent to delinquent accounts.
6. Provide sample reports as required under Section II, Item 4 of this RFP.
7. Detail the process of how and when the collected payments will be remitted to ACHE.

IV. FEES, COSTS, EXPENSES:

Compensation shall be contingent on actual collections of past due amounts. Proposers shall include desired compensation as a percent (%) of actual funds collected in the response to the RFP. The compensation shall be an all-inclusive maximum price. ACHE will not reimburse for any out of pocket expenses.

V. CONTRACT TIME:

Per requirements imposed by the Alabama Legislature, contracts cannot exceed two years. The term of the contract shall be for 24 months, beginning on or about September 1, 2018 and ending on or about August 31, 2020.

VI. SUBMISSION OF PROPOSALS:

Proposals will be accepted from 8:00 a.m. Central Standard Time (CST) on April 27, 2018 to 2:00 p.m. CST on June 8, 2018.

Send three (3) paper copies of the proposal to the attention of Tim Vick, Director of Operations and Fiscal Services, at either the Commission's physical location at 100 North Union Street, Suite 782, Montgomery, AL 36104-3758 or to the mailing address at P.O. Box 302000, Montgomery AL 36130-2000. Contact information: tim.vick@ache.alabama.gov or (334) 353-9153.

VII. GENERAL TERMS AND CONDITIONS FOR THIS REQUEST FOR PROPOSALS

All state proposals are subject to the following General Terms and Conditions.

1. **PROHIBITED CONTACTS; INQUIRIES REGARDING THIS RFP** – From the Release Date of this RFP until a contract is awarded, parties that intend to submit, or have submitted, a Proposal are prohibited from communicating with any members of

the Soliciting Party's Team for this transaction who may be identified herein or subsequent to the Release Date, or other employees or representatives of the Soliciting Party regarding this RFP or the underlying transaction except the designated contact(s) identified in Section VI.

Questions relating only to the RFP process may be submitted by telephone or by mail or hand delivery to: the designated contact. Questions on other subjects, seeking additional information and clarification, must be made in writing and submitted via email to the designated contact, sufficiently in advance of the deadline for delivery of Proposals to provide time to develop and publish an answer. A question received less than two full business days prior to the deadline may not be acknowledged. Questions and answers will be published to those parties submitting responsive proposals.

2. **NONRESPONSIVE PROPOSALS** - Any Proposal that does not satisfy requirements of the RFP may be deemed non-responsive and may be disregarded without evaluation. Clarification or supplemental information may be required from any Proposer.
3. **CHANGES TO THE RFP; CHANGES TO THE SCHEDULE** - The Soliciting Party reserves the right to change or interpret the RFP prior to the Proposal Due Date. Changes will be communicated to those parties receiving the RFP who have not informed the Soliciting Party's designated contact that a Proposal will not be submitted. Changes to the deadline or other scheduled events may be made by the Soliciting Party as it deems to be in its best interest.
4. **EXPENSES** - Unless otherwise specified, the reimbursable expenses incurred by the service provider in the providing the solicited services, shall be charged at actual cost without markup, profit or administrative fee or charge. Only customary, necessary expenses in reasonable amounts will be reimbursable, to include copying (not to exceed 15 cents per page), printing, postage in excess of first class for the first one and one-half ounces, travel and preapproved consulting services. Cost of electronic legal research, cellular phone service, fax machines, long distance telephone tolls, courier, food or beverages are not reimbursable expenses without prior authorization, which will not be granted in the absence of compelling facts that demonstrate a negative effect on the issuance of the bonds, if not authorized. If pre-approved, in-state travel shall be reimbursed at the rate being paid to state employees on the date incurred. Necessary lodging expenses will be paid on the same per-diem basis as state employees are paid. Any other pre-approved travel expenses will be reimbursed on conditions and in amounts that will be declared by the Issuer when granting approval to travel. Issuer may require such documentation of expenses as it deems necessary.
5. **REJECTION OF PROPOSALS** - The Soliciting Party reserves the right to reject any and all proposals and cancel this Request if, in the exercise its sole discretion, it deems such action to be in its best interest.

6. **EXPENSES OF PROPOSAL** – The Soliciting Party will not compensate a Proposer for any expenses incurred in the preparation of a Proposal.
7. **DISCLOSURE STATEMENT** - A Proposal must include one original Disclosure Statement as required by Code Section 41-16-82, et seq., Code of Alabama 1975. Copies of the Disclosure Statement, and information, may be downloaded from the State of Alabama Attorney General’s web site at:
<http://ago.alabama.gov/legacy/Page-Vendor-Disclosure-Statement-Information-and-Instructions>.
8. **LEGISLATIVE CONTRACT REVIEW** - Personal and professional services contracts with the State may be subject to review by the Contract Review Permanent Legislative Oversight Committee in accordance with Section 29-2-40, et seq., Code of Alabama 1975. The vendor is required to be knowledgeable of the provisions of that statute and the rules of the committee. These rules can be found at <http://www.legislature.state.al.us/aliswww/AlaLegJointIntCommContracReview.aspx>. If a contract resulting from this RFP is to be submitted for review the service provider must provide the forms and documentation required for that process.
9. **THE FINAL TERMS OF THE ENGAGEMENT** - Issuance of this Request For Proposals in no way constitutes a commitment by the Soliciting Party to award a contract. The final terms of engagement for the service provider will be set out in a contract which will be effective upon its acceptance by the Soliciting Party as evidenced by the signature thereon of its authorized representative. Provisions of this Request For Proposals and the accepted Proposal may be incorporated into the terms of the engagement should the Issuer so dictate. Notice is hereby given that there are certain terms standard to commercial contracts in private sector use which the State is prevented by law or policy from accepting, including indemnification and holding harmless a party to a contract or third parties, consent to choice of law and venue other than the State of Alabama, methods of dispute resolution other than negotiation and mediation, waivers, subrogation and other rights against third parties, agreement to pay attorney’s fees and expenses of litigation, and some provisions limiting damages payable by a vendor, including those limiting damages to the cost of goods or services.
10. **BEASON-HAMMON ACT COMPLIANCE.** A contract resulting from this RFP will include provisions for compliance with certain requirements of the *Beason-Hammon Alabama Taxpayer and Citizen Protection Act* (Act 2011-535, as amended by Act 2012-491 and codified as Sections 31-13-1 through 35, Code of Alabama, 1975, as amended), as follows:

E- VERIFY ENROLLMENT DOCUMENTATION AND PARTICIPATION. As required by Section 31-13-9(b), Code of Alabama, 1975, as amended, Contractor that is a “business entity” or “employer” as defined in Code Section 31-13-3, will enroll in the E-Verify Program administered by the United States Department of Homeland

Security, will provide a copy of its Memorandum of Agreement with the United States Department of Homeland Security and will use that program for the duration of this contract.

CONTRACT PROVISION MANDATED BY SECTION 31-13-9(k): By signing any agreed upon contract, the contracting parties will affirm, for the duration of the agreement, that they will not violate federal immigration law or knowingly employ, hire for employment, or continue to employ an unauthorized alien within the State of Alabama. Furthermore, a contracting party found to be in violation of this provision shall be deemed in breach of the agreement and shall be responsible for all damages resulting therefrom.

The Provider will be required to affirm this through the completion of a Beason-Hammon Certificate of Compliance (Attached).

VIII. SPECIFIC TERMS AND CONDITIONS RELATED TO THE DEVELOPMENT OF ANY CONTRACT SUBSEQUENTLY DEVELOPED

1. No change in the proposed services shall be made except by written agreement between the provider and the Commission. The party desiring such change shall notify the other party in writing.
2. The Commission and the provider shall have the right to partially or completely cancel any agreement upon ninety (90) days written notice.
3. All services provided by the provider pursuant to any agreement shall be performed by the provider as an independent contractor, and the provider shall have full power to select the means, manner, and method of performing the services without detail, control, or direction by the Commission, with the exception of any proposed legal actions. The Commission shall direct the Provider only as to the final products or services to be delivered per the stated requirements of the RFP.
4. Per Alabama Act 2016-312, the Provider must agree that it is not currently engaged in, and will not engage in, the boycott of a person or an entity based in or doing business with a jurisdiction with which this state can enjoy open trade.
5. Any subsequent agreement made shall be construed and performed under the Laws of the State of Alabama. In the event of a conflict between the requirements of an agreement and applicable state or federal law, the parties must agree that applicable laws shall govern the performance of any agreement.
6. In the event of any dispute between the parties, senior officials of both parties shall meet and engage in a good faith attempt to resolve the dispute, or where appropriate, seek assistance from an Alabama State Bar approved mediator.
7. The agency selected will not be entitled to any benefits, insurance coverage or other emoluments of employment offered to either merit or non-merit

employees of the State of Alabama.

8. It must be agreed that the terms and commitments of any agreement shall not be constituted as a debt of the State of Alabama in violation of Article 11, Section 213 of the Constitution of Alabama, 1901, as amended by Amendment Number 26. It is further agreed that if any provision of this contract shall contravene any statute or Constitutional provision or amendment, either now in effect or which may, during the course of this contract, be enacted, then that conflicting provision in the contract shall be deemed null and void. The contractor's sole remedy for the settlement of any and all disputes arising under the terms of this agreement shall be limited to the filing of a claim with the Board of Adjustment for the State of Alabama.
9. The agency selected will be required to forward to ACHE a copy of its Memorandum of Understanding with the Department of Homeland Security concerning its participation in E-Verify.
10. In the event of the proration of the fund from which payment under this contract is to be made, any contract developed will be subject to termination.

State of _____

County of _____

CERTIFICATE OF COMPLIANCE WITH THE BEASON-HAMMON ALABAMA TAXPAYER AND CITIZEN PROTECTION ACT (ACT 2011-535, as amended by ACT 2012-491)

DATE: _____

RE Contract/Grant/Incentive (describe by number or subject):

_____ by and between

_____ (Contractor/Grantee) and
_____ (State Agency, Department or Public Entity)

The undersigned hereby certifies to the State of Alabama as follows:

1. The undersigned holds the position of _____ with the Contractor/Grantee named above, and is authorized to provide representations set out in this Certificate as the official and binding act of that entity, and has knowledge of the provisions of THE BEASON-HAMMON ALABAMA TAXPAYER AND CITIZEN PROTECTION ACT (ACT 2011-535 of the Alabama Legislature, as amended by ACT 2012-491) which is described herein as "the Act."
2. Using the following definitions from Section 3 of the Act, select and initial either (a) or (b), below, to describe the Contractor/Grantee's business structure.

BUSINESS ENTITY. Any person or group of persons employing one or more persons performing or engaging in any activity, enterprise, profession, or occupation for gain, benefit, advantage, or livelihood, whether for profit or not for profit.

a. Self-employed individuals, business entities filing articles of incorporation, partnerships, limited partnerships, limited liability companies, foreign corporations, foreign limited partnerships, and foreign limited liability companies authorized to transact business in this state, business trusts, and any business entity that registers with the Secretary of State.

b. Any business entity that possesses a business license, permit, certificate, approval, registration, charter, or similar form of authorization issued by the state, any business entity that is exempt by law from obtaining such a business license, and any business entity that is operating unlawfully without a business license.

EMPLOYER. Any person, firm, corporation, partnership, joint stock association, agent, manager, representative, foreman, or other person having control or custody of any employment, place of employment, or of any employee, including any person or entity employing any person for hire within the State of Alabama, including a public employer. This term shall not include the occupant of a household contracting with another person to perform casual domestic labor within the household.

____ (a) The Contractor/Grantee is a business entity or employer as those terms are defined in Section 3 of the Act.

____ (b) The Contractor/Grantee is not a business entity or employer as those terms are defined in Section 3 of the Act.

3. As of the date of this Certificate, the Contractor/Grantee does not knowingly employ an unauthorized alien within the State of Alabama and hereafter it will not knowingly employ, hire for employment, or continue to employ an unauthorized alien within the State of Alabama;
4. The Contractor/Grantee is enrolled in E-Verify unless it is not eligible to enroll because of the rules of that program or other factors beyond its control.

Certified this _____ day of _____ 20_____.

Name of Contractor/Grantee/Recipient

By: _____

Its _____

The above Certification was signed in my presence by the person whose name appears above, on this _____ day of _____ 20_____.

WITNESS: _____

Printed Name of Witness