

**University of Missouri Bid Event: Addendum 1**

**Event ID:** 23054

**Event Dated:**

**Event Name:** Collection Agency Services

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The questions listed below were received from the bidding community. The corresponding answers were provided by the requesting department. The specifications listed in the table below are modified as follow and except as set forth herein, otherwise remain unchanged and in full force and effect:

Can you please clarify the way the proposals are to be submitted?	Proposals can be submitted electronically via email to <a href="mailto:schrimpfkr@umsystem.edu">schrimpfkr@umsystem.edu</a> .
When is the anticipated contract start date?	April 2023
When is the anticipated award date?	March 2023
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?	Supplier diversity is a part of the University's mission and values. There are no requirements specific to this contract.
Can you please provide greater details on how proposals will be evaluated and how the selected vendor(s) will be chosen?	As stated in Section 6, respondents must meet the mandatory criteria to be qualified for scoring. Qualified respondents will be scored by a team of University individuals on their ability to meet the desirable criteria.
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?	Alternative pricing structures can be submitted. However, the University is interested in a straight method for charging collection fees.
Please describe your level of satisfaction with your current or recent vendor(s) for the same purchasing activity, if applicable.	Not applicable.

How are fees currently being billed by any incumbent(s), by category, and at what rates?	An additional 25% is assessed to the student account prior to student AR being assigned to a collection agency.
What estimated or actual dollars were paid last year, last month, or last quarter to any incumbent(s)?	The average monthly invoice paid was around \$2500.
What is the monthly or quarterly dollar value of accounts expected to be placed with the vendor(s) by category?	It varies
What billing servicer do you utilize?	For currently enrolled student accounts, we use TouchNet's Bill+Payment system. For institutional student loans we use ECSI.
Have all cases been fully adjudicated by the time of placement?	Accounts are worked internally for 90 days before they are placed with an outside collection agency.
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?	No. Only new accounts would be placed with a new incumbent.
What is your case management/accounting software system of record?	PeopleSoft Campus Solutions
Who is your electronic payment/credit card processing vendor?	Heartland, online credit card payments only
What process should a vendor follow, or which individual(s) should a vendor contact, to discuss budget-neutral services outside of the scope of this procurement, but related to it, designed to recover more debt prior to outside placement and lower collection costs?	The Directors of each Campus Cashier's Office
How do your current processes and/or vendor relationship(s) systematically determine if the death of a responsible party has occurred?	The agencies use a program to check for deceased individuals as well as bankruptcies.
How do your current processes and/or vendor relationship(s) handle the death of a responsible party?	The agencies use a program to check for deceased individuals as well as bankruptcies.
Do you have a designated process or policies around deceased accounts today, and what is envisioned in the future?	Deceased accounts would be closed and returned without any amount owed to the collection agency. We write off the balance and do not attempt further collections.
Do you currently search and file probated estate claims? Have you considered an automated tool to identify and file	We do not currently search & file probated estate claims. We would be open to discussing a tool to do so, but not committing to pursuing.

probated estate claims?	
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?	Contact methods would be allowable as defined by the Consumer Fair Protection Bureau.
To how many vendors are you seeking to award a contract?	Undetermined at this time, however, there will be multiple vendors that will be awarded under this RFP.
What is the total dollar value of accounts available for placement now by category, including any backlog?	Currently the Columbia campus (MU) has a little over \$11.5 million in outstanding student AR collections; 2319 total student accounts; average \$ amount per account \$4,971.12
Page 6 – A. General Terms and Conditions, #11 – Do you require a VPAT to be submitted with our RFP response?	This would be required as part of the IT compliance process if a vendor is selected to move forward with a contract with the University.
Page 14 – 2. Scope – Please provide more detail on the pre-collection services sought by the University.	Accounts are worked internally for 90 days. Physical letters and emails are sent to debtors, illustrating the steps they need to take in order to avoid their account being placed with an outside collection agency.
Page 20 – 9. Mandatory Criteria, #6 – Does the University apply the 25% collection fee to all debt types: federal loans, institutional loans, tuition, AR, etc.?	The 25% is only attached to student AR debt, ie: tuition and fees. There is also a fee attached to loans by our service provider, ECSI.
Page 20 – 9. Mandatory Criteria, #6 – Are Service Providers’ commission rates expected to make the University whole? For example: <b>\$100 is placed + \$25 (25% University add-on collection fee) = \$125 to collect</b> <b>Service Provider collects \$125</b> <b>Service Provider gets \$25</b> <b>(\$125 x 20% commission rate = \$25 commission fee)</b> <b>University gets \$100</b> Please provide examples of how the University calculates Service Provider	Yes; A 25% collection agency commission fee is assessed to all student AR accounts;  We need to confirm with ECSI on how they assess fees on institutional student loan AR.

fees for federal loans, institutional loans, tuition, AR, etc.	
Page 22 – 9. Mandatory Criteria, #11 – What should “<<insert appendix for security aspects>>” point to?	This refers to the ITSRQ document.
Page 23 – 10. Desirable Criteria, #9.f – Is “3 <sup>rd</sup> party checklist” referring to the “PCI” tab within the ITSRQ or something different?	See 3 <sup>rd</sup> Party checklist requirements.
Page 24 – 10. Desirable Criteria, #11 – May we use a University of Missouri institution as one of the three required references?	Yes
Page 31 – Data Breach Insurance Addendum – Does this form need to be completed and returned with our RFP response?	This would be required as part of the IT compliance process if a vendor is selected to move forward with a contract with the University.
Page 20 – 5. Account Maintenance – Once an account is in collections, it is typical to mail an FDCPA validation notice followed by 1-2 follow up notices at ~30 day intervals. Will the University accept this solution in lieu of monthly letters/statements?	Yes
Page 9 – 2. Preparation of Request for Proposals – If submitting our RFP response by email, are there any file size limitations we need to be aware of?	There are no file size limitations. The University will confirm receipt of the response.
Will reviewed financials be accepted in lieu of audited financials?	Financial information is not required at this time.
Is the University System satisfied with its current agencies?	Not applicable.
Who are your current collection agencies and how long have they provided services to the University?	Currently this service is awarded to multiple vendors that have been providing the service since 2018.
With Regard to Supplier Diversity Participation, Page 5, Item 8, will a certified small business be acceptable in	Supplier Diversity information is information purposes for reporting. You can submit any applicable information.

lieu of one of the named groups in the RFP?	
Do students sign a financial agreement or e-sign via electronic registration at enrollment? If so, can the University provide a copy of the financial agreement which each student signs allowing for the addition of collection fees?	Yes – see attached for University of Missouri
What is the average amount of each past due account, type of debt, days past due, and total amount of the debt outstanding?	Currently the Columbia campus (MU) has a little over \$11.5 million in outstanding student AR collections; 2319 total student accounts; average \$ amount per account \$4,971.12; these accounts are students that are NO LONGER enrolled and at least 90 days past due.  We also collect on student loan AR, but those numbers are not reflected in the above amounts, and are typically much lower.
How often do you place accounts with a collection agency?	Monthly
What is the historical rate of return or recovery rates provided by your current collection agencies?	NA
What areas, processes and / or results is the University looking to improve or enhance under this new contract?	Amount Collected = improve/enhancement
Page 16 of the RFP references RFP #23031. Should this instead read #23054?	Yes – it should be #23054.
Please provide copies of the student financial agreements for each campus or, at minimum, the verbiage from the agreements specific to collection agency fees.	This information is on each of the campus website:  University of Missouri agreement is located <a href="#">here</a> ; UMKC is here: <a href="#">here</a> Rolla is here: <a href="#">here</a> UMSL is here: <a href="#">here</a>
The use of vendors for services such as skip tracing and letter service are customary in the collection industry. For the purposes of this RFP, does the County deem these types of service providers as subcontractors?	No
The RFP table of contents lists “Attachment C Data Breach Addendum” and page 19,	The Data Breach Addendum Form has been added to the website.

section 8, refers to “SecureAuth IdP Integration Questionnaire” (Attachment C) – are these both referencing the same document – page 31 Data Breach Addendum?	
Is the University of Missouri System willing to accept digital signatures on required forms?	Yes
Section A, Item 3, Taxes: The supplier shall assume and pay all taxes and contributions including, but not limited to, State, Federal and Municipal which are payable by virtue of the furnishing and delivery of item(s) specified herein. Materials and services furnished the University are not subject to either Federal Excise Taxes or Missouri Sales Tax. Question: Does this prohibit collection agencies from assessing Sales Tax to the University on the collection services provided?	The University of Missouri is tax exempt at the federal level.
Is the University tax exempt in the State of Missouri and/or any other states?	The University is tax exempt in the state of Missouri and also at the federal level.
How are assignment %'s determined?	25% is the number assigned to all Student AR accounts; this is the % our General Counsel’s Office told us we could assess.
Please confirm if current vendors are currently reporting to the credit bureau for any of the institutions.	Yes, they currently report
How many agencies are currently receiving new assignments.	This varies by campus. The RFP will be multi-awarded.
Please confirm if responders are to include propose collection fees for 1st and subsequent assignments?	
Please confirm the collection fees currently assessed for each current vendor.	25% of student account balance
Please provide the total dollar amount for each of the assignments referenced below: a. FY 22 Collection Agency placement data by campus: b. University of Missouri Columbia – Student accounts 1,034 first placement and	Currently the Columbia campus (MU) has a little over \$11.5 million in outstanding student AR collections; 2319 total student accounts; average \$ amount per account \$4,971.12.

<p>669 reassign. Student loan first placements 1,269 and 1,116 reassign.</p> <ul style="list-style-type: none"><li>c. University of Missouri – St. Louis – 566 accounts referred.</li><li>d. University of Missouri – Kansas City – 473 first placements</li><li>e. University of Missouri – Rolla – 311 accounts referred.</li></ul>	
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