REQUEST FOR PROPOSAL DEBT

COLLECTION SERVICES RFP

L192612

DUE: 2:00 P.M., MST, 09/09/2026

Deadline for Inquiries 12:00 P.M., MST,
07/23/2026

Time and Date Set for Closing 2:00 P.M., MST,
09/09/202

The following questions were received prior to the close of the Technical Question period on 7/23/2026 at 12:00PM MST:

PART 1 – Proposal Requirements & Contract Overview

Section A – Proposal Format, Exhibits & Required Forms

- Question A-1

Could you please clarify Exhibit 1 – Proposal Format? It appears that Items 1, 10, and 11 may be duplicative. Is there any additional information or specific requirement that should be addressed under Items 10 or 11?

Response: Please include the Legal Workers Certification as #11.

- Question A-2

The RFP states that only two proposal files may be uploaded through the Box submission portal. If confidential financial statements are submitted separately, should they be uploaded as an additional file or incorporated into one of the two required uploads?

Response: Suppliers should limit the number of files they upload and combine all documents into an RFP file and a redacted RFP file if you elect to do so. For this RFP, one additional file, indicating that it is confidential in the title, is allowed.

- Question A-3

Exhibit A – Page 50: Should this page be included in our response? It is not shown on Exhibit 1 – Proposal Format.

Response: Your pricing submitted as part of the RFP will form this section to the resulting agreement.

- Question A-4

Exhibit B – Page 51: Should this page be included in our response? It is not shown on Exhibit 1 – Proposal Format.

Response: Your pricing submitted as part of the RFP will form this section to the resulting agreement.

- Question A-5

Exhibit 1 – Proposal Format, Items 2, 3, 10, and 11 refer back to Exhibit 3. Is this an error?

Response: No, all items listed are included as part of Exhibit 3

- Question A-6

Exhibit 1 – Proposal Format, Items 10 and 11 refer to vendor information. Is this actually proposer information/substitute W-9?

Response: Yes, that is correct. Please include the legal workers certification as #11.

- Question A-7

Should we acknowledge Sections 1, 2, and 3? Based on Exhibit 1 – Proposal Format, they do not appear to be included in our response.

Response: Items 1-3 are included in the RFP document as Exhibit 3.

- Question A-8

Exhibit 1 – The Legal Worker Certification (page 29) is not mentioned in the Proposal Format outline. Where should this form be located within our response?

Response: Yes, please submit with your response as #11.

- Question A-9

Exhibit 4 – Is the Form Contract provided for review purposes only and not intended to be completed or returned with our response?

Response: No, the University does not expect the signed version to be returned with the response, though potential suppliers should note exceptions.

- Question A-10

Exhibit 1, Proposal Format, lists "Vendor Information (refer to Exhibit 3)" as both Item 10 and Item 11. Please confirm whether Item 11 is a duplicate and, if so, what should replace it. Exhibit 3 includes a Legal Worker Certification that is not otherwise identified in Exhibit 1. Please confirm whether the signed certification must be submitted with the proposal, is required only at award/contracting, or was intended as Item 11. Please also confirm the correct proposal order.

Response: See responses A-1 through A-9.

- Question A-11

Please clarify what two documents 4.5.5.1 is referencing.

Response: This section does not refer to a document but to University specific systems that suppliers will need to integrate with.

<u>Section B – Procurement Background & Current Contract</u>

- Question B-1

Is this solicitation a result of an expiring contract, a new procurement initiative, or another reason?

Response: Expiring contract.

- Question B-2

Who are the current collection agencies servicing these accounts for each participating university (University of Arizona, Arizona State University, and Northern Arizona University)?

Response: **UA** - Reliant, S&S, W&F, NCM, RMS, CBHV

ASU - W&F, Reliant, NCM, S&S, RMS

NAU – Reliant, W&F, NCM

- Question B-3

How long has each incumbent vendor been providing services to the Universities?

Response: NAU: 8+ years; ASU: 5+ years; UA: varies.

- Question B-4

Approximately how many agencies are currently used by each university and how many awards are anticipated under this RFP?

Response: Duplicate question; See B-2.

- Question B-5

Please identify the current incumbent(s) for the Tri-University Debt Collection Services contract.

Response: Duplicate question; See B-2.

- Question B-6

Has the current contract gone full term?

Response: Contract expires November 2026.

- Question B-7

Have all options to extend the current contract been exercised?

Response: The University has elected to issue a new Request for Proposals (RFP) to competitively solicit these services.

- Question B-8

Who is the incumbent, and how long has the incumbent been providing the requested services?

Response: Duplicate questions; See B-2.

- Question B-9

To what extent will the location of the bidder's proposed location or headquarters have a bearing on any award?

Response: There is no location preference.

- Question B-10

If there was a previous solicitation for these services, what was its title, number, release date, and due date?

Response: NAU RFP P22AM001, Debt Collection Services. Released 8/26/2021 and closing on 9/16/2021.

- Question B-11

Why has this bid been released at this time?

Response: Contract expires 11/2026.

- Question B-12

When is the anticipated contract start date?

Response: Goal is 11/2026.

- Question B-13

When is the anticipated award date?

Response: The University anticipates making an award following the completion of the evaluation process.

- Question B-14

When is the anticipated go-live date?

Response: The anticipated schedule is subject to change at the University's sole discretion.

- Question B-15

Please describe your level of satisfaction with your current or recent vendor(s) for the same purchasing activity, if applicable.

Response: Satisfied with current vendors.

Section C – Account Inventory & Placement Volumes

- Question C-1

Please provide the current and estimated annual placement volume, both in account count and dollar value, by university and by account type:

Federal Perkins Loans

Nursing Loans

Health Professions Loans

LDS Loans

Institutional Loans

Tuition Receivables

Miscellaneous Student Receivables

ASU, NAU, UA Response: At this time, we are not providing detailed placement volumes by account count and dollar value. However, we can confirm that the portfolio of accounts placed for collection includes Nursing Loans, Institutional Loans, Tuition Receivables, and Miscellaneous Student Receivables.

- Question C-2

Is there currently a backlog of accounts available for placement? If so, please provide estimated account counts, balances, and age ranges by placement level.

Response: NAU, no backlog. UA, no backlog. ASU, no backlog.

- Question C-3

What is the estimated annual forward-flow volume (accounts and dollars) expected to be placed under the new contract?

ASU Response: ASU places past-due accounts on a monthly basis. Placement volumes, including account counts and dollar values, fluctuate based on student payment behavior and other operational factors. As such, ASU does not disclose projected or estimated annual forward-flow placement volumes as part of this procurement.

NAU and UA Response: Consistent with ASU’s response.

- Question C-4

What is the average balance by account type?

Response: UA, varies. NAU, varies.

- Question C-5

What is the average age of accounts at initial placement by account type?

Response: Duplicate; see C-26

- Question C-6

What percentage of accounts are domestic versus international?

Response: UA does not send international students to 3rd party collections.; NAU & ASU does send international students to collections; this will be a small percentage of placed accounts.

- Question C-7

Please clarify how accounts are distributed among awarded vendors and what performance measures are used to determine ongoing allocation of placements.

ASU/UA Response: Following vendor selection, ASU intends to provide newly awarded (non-incumbent) vendors with an initial placement of accounts to demonstrate their performance and service capabilities. After an evaluation period, future account placements will be based on vendor performance, quality of service, operational effectiveness, and overall ease of doing business with the university.

NAU Response:Account placements will be based on vendor performance, quality of service, operational effectiveness, and overall ease of doing business with the university.

- Question C-8

What historical recovery rates have incumbent agencies achieved over the last three years by placement level and account type?

Response: This data is not readily available and cannot be provided within the requested timeframe for the UA, ASU and NAU.

- Question C-9

What collection volumes and commission payments were paid to incumbent agencies during the most recent completed fiscal year?

Response: This data is not readily available and cannot be provided within the requested timeframe for the UA, ASU and NAU. Collection fee rates will be based on contracted amounts.

- Question C-10

Will any incumbent inventory or backlog accounts be transferred to newly awarded vendors at contract startup?

Response: No.

- Question C-11

What is the total dollar value of the current backlog portfolio for each University (UA, ASU, NAU)?

Response: NAU, UA, ASU not applicable.

- Question C-12

How many accounts are currently in the backlog for each University?

Response: Duplicate, see C-2.

- Question C-13

What is the estimated annual dollar volume of new placements anticipated for each University?

Response: Duplicate, see C-3.

- Question C-14

What is the estimated number of accounts to be placed annually for each University?

Response: Duplicate, see C-3.

- Question C-15

What are the historical liquidation rates by placement level and debt type for each University?

Response: This data is not readily available and cannot be provided within the requested timeframe for NAU, ASU and UA.

- Question C-16

What are the current commission rates being paid to the incumbent vendor(s)?

Response: Contracted rates: 23% First Placements; 28.5% Second Placements.

- Question C-17

How long have the current vendor(s) been providing services to each University?

Response: Duplicate.

- Question C-18

Per Section 4.2.2, what is the estimated volume of international accounts requiring collection efforts?

Response: Duplicate.

- Question C-19

What is the average account balance by debt type and placement level?

Response: Duplicate.

- Question C-20

Please provide historical annual number and dollar value of accounts assigned to collection agency vendors. (If available, please provide by segment: Primes vs Seconds.)

Response: This data is not readily available and cannot be provided within the requested timeframe for NAU, ASU And UA.

- Question C-21

How many vendors does the University intend to award, and will there be a particular number of vendors on each segment?

Response: Dependent upon RFP process.

- Question C-22

What estimated or actual dollars were paid last year, last month, or last quarter to any incumbent(s)?

Response: This data is not readily available and cannot be provided within the requested timeframe for NAU, ASU and UA.

- Question C-23

What is the total dollar value of accounts available for placement now by category, including any backlog?

Response: This data is not readily available and cannot be provided within the requested timeframe for NAU, ASU and UA.

- Question C-24

What is the total number of accounts available for placement now by category, including any backlog?

Response: This data is not readily available and cannot be provided within the requested timeframe for NAU, ASU and UA.

- Question C-25

What is the average balance of accounts by category?

Response: This data is not readily available and cannot be provided within the requested timeframe for NAU and UA.

- Question C-26

What is the average age of accounts at placement (at time of award and/or on a going-forward basis), by category?

Response: NAU response: roughly our accounts are 120 days past due – varies by charge due dates and if there are open conversations with students for payment arrangements or aid.

UA – approximately 120 days for 1st placement; 2nd placement approximately 365+ days.

ASU Response: First placement accounts are approximately 150 past due with second placements accounts containing charges at least one year past due.

- Question C-27

What is the monthly or quarterly number of accounts expected to be placed with the vendor(s) by category?

Response: This data is not readily available and cannot be provided within the requested timeframe for NAU, ASU and UA.

- Question C-28

What is the monthly or quarterly dollar value of accounts expected to be placed with the vendor(s) by category?

Response: NAU varies; UA varies; ASU Varies

- Question C-29

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?

Response: Duplicate.

<u>Section D – Pre-Collection & Internal Collection Process</u>

- Question D-1

Section 4.3 references a pre-collection period during which accounts paid within the first 30 days are returned with no collection fee due. Please clarify:

Which account types are subject to this requirement?

Does this requirement apply only to first placements?

Does it also apply to second and third placements?

Is the expectation that all collection efforts be suspended during this 30-day period except for the required pre-collection communication?

ASU Response: Pre-Collect Service entails the mailing of one pre-collect letter from the agency at no additional cost to the university. If contact or payment is made within the 30 pre-collect period, the account will be closed and any collections made during the pre-collect period will not be eligible for commission charges.

UA Response: Pre-collect services are not required or utilized by UA.

NAU Response: In agreement with ASU's response

- Question D-2

How do the Universities define "pre-collection" for purposes of this contract?

Response: See section 4.2.1 of RFP.

- Question D-3

At what delinquency age are accounts expected to be placed for pre-collection activity?

ASU Response: First placement accounts aged at approximately 150 days past due are placed with agencies in a pre-collect status.

NAU Response: NAU sends accounts that are approximately 120-150 days past due.

UA Response: UA does not utilize pre-collect services.

- Question D-4

Are pre-collection placements expected to be a separate inventory category designated by the Universities, or do all newly placed accounts begin within a pre-collection period?

ASU Response: All first-placement accounts are subject to a 30-day pre-collect period. For accounts where no contact has been made and no payment has been received during the pre-collect period, the expectation is that the accounts will automatically progress to full collection status. A separate inventory category is not necessary.

- NAU: In agreement with ASU's response

- Question D-5

What internal collection efforts are performed by each university prior to account placement (letters, emails, texts, phone calls, skip tracing, payment plans, etc.)?

Response: NAU, letters, emails, phone calls, payment plans.

UA, letters, emails, phone calls, payment plans.

ASU: Monthly email reminders, text messaging, 90 collection letter and final demand letter

- Question D-6

Approximately how long are accounts retained internally before placement with a collection agency?

Response: NAU, UA varies; ASU places first placement accounts that are approximately 150 days past due.

- Question D-7

Are collection costs, late fees, penalties, or interest added to accounts prior to placement?

Response: NAU, UA yes. ASU: Late Fees are applied however collection fees are not passed on to the student.

- Question D-8

If a debtor makes payment directly to a university after placement with an agency, how will those payments be reported and commissioned?

Response: NAU, reports payments monthly to agency. UA emails agency upon notice of payment received and completes monthly audits. ASU sends daily reporting to agencies

notifying them of payments made directly to the university.

- Question D-9

Are direct payments included in agency recovery calculations?

Response: Duplicate.

- Question D-10

Please provide the methodology used to calculate agency performance and recovery rates, including the treatment of recalls, adjustments, disputes, and bankruptcies.

Response: ASU calculates agency performance based on the percentage of amounts collected from the prior month inventory amounts.

NAU: NAU calculates agency performance by using the number of placements, recovery amounts and prior month data.

UA: Calculates agency performance by using the number of placements, recovery amounts, customer service, and prior month data.

- Question D-11

What collection attempts are performed or will be performed internally prior to placement?

Response: Duplicate.

- Question D-12

Have all cases been fully adjudicated by the time of placement?

Response: UA – N/A, NAU – N/A, ASU – N/A.

<u>Section E – Systems, Data & Communications</u>

- Question E-1

Which loan servicing and student account platforms are currently used by the Universities (e.g., ECSI, Flywire, Banner, PeopleSoft, Workday, other systems)?

Response: Listed in RFP.

- Question E-2

Are awarded vendors expected to integrate directly with any university systems or servicing platforms through API, SFTP, file exchange, or other methods?

Response: UA, no. NAU, no. ASU, no.

- Question E-3

Will all three universities utilize a common placement file format and reporting structure?

Response: NAU- Because each university independently manages its agency relationships and related processes, NAU is not in a position to determine if all three institutions use a common placement file format or reporting structure. ASU has established a standard placement file format that is currently utilized by all current agencies.

- Question E-4

Approximately what percentage of accounts are expected to require international collection efforts?

Response: Duplicate.

- Question E-5

Are there specific hours of operation requirements for collection calls and/or customer service?

Response: Agency should follow federal guidelines.

- Question E-6

Will digital outreach (i.e.: email/SMS) be acceptable, in addition and/or in lieu of USPS communication?

Response: NAU, ASU, and UA – acceptable in addition, but not in lieu of. Compliance with all regulations is required.

- Question E-7

Will last known phone number(s) be included in placement files?

Response: Yes, for UA. NAU, yes. ASU, yes

- Question E-8

Will itemization information required by Regulation F be included in placement files?

Response: Yes.

- Question E-9

What billing servicer do you utilize?

Response: UA; ECSI; ASU: ECSI, NAU: ECSI.

- Question E-10

What is your case management/accounting software system of record?

Response: Listed in RFP.

- Question E-11

Who is your electronic payment/credit card processing vendor?

Response: NAU – Transact/Illumia; UA – Nelnet; ASU – Nelnet.

- Question E-12

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?

Response: Duplicate.

Section F – Attorney Letters & Litigation

- Question F-1

How many litigation referrals and judgment collection referrals have been assigned annually over the past three years?

Response: NAU – 0; UA – 0 ASU-0

- Question F-2

Is there a preferred litigation referral process and/or approved attorney network currently used by the Universities?

Response: UA, ASU, and NAU do not utilize litigation or judgement services.

- Question F-3

I have a question regarding RFP Requirement 4.3.1.2.3, which states that the awarded vendor must have the ability to provide an attorney letter at a flat rate per borrower.

This requirement may present legal and ethical concerns. Attorney demand letters generally must be issued only after meaningful attorney review and involvement. A collection agency cannot simply generate an attorney letter or use an attorney's letterhead without the attorney exercising independent professional judgment. Depending on the jurisdiction and the specific arrangement, offering attorney letters at a predetermined flat rate could raise issues under state ethics rules, the Fair Debt Collection Practices Act (FDCPA), or unauthorized practice of law restrictions.

Before responding to this requirement, a legal review may be appropriate to confirm that the requested arrangement complies with applicable laws and professional responsibility rules. If the requirement is intended only to confirm the availability of attorney demand letters through licensed collection counsel, clarification from the University may also be advisable.

Response: This section can be disregarded.

- Question F-4

Per Section 4.3.2.3, what is the expected or competitive flat rate per borrower for attorney letter services?

Response: N/A.

- Question F-5

Historically, how many attorney letters have been requested on an annual basis?

Response: N/A.

- Question F-6

Historically, how many accounts have been litigated on an annual basis?

Response: UA, ASU, NAU – 0.

- Question F-7

As part of our hiring practice, background checks are required for all employees; however, fingerprinting is only performed upon request. Historically, has the University required the additional requirements stated in 3.3.3?

Response: UA, ASU & NAU, no additional requirements.

PART 2 – Administrative & Remaining Questions

<u>Section G – Financial Statements & Confidential Submission</u>

- Question G-1

Audited Financials: How should these be included in our response, given that it is an electronic response? Should they be part of the full response or uploaded separately?

Response: See Question A-2.

- Question G-2

Section 6.3.1, Option A (Preferred), states that vendors with audited financial statements are to provide audited financial statements for the two (2) most recent available years. If the financial statements are intended to be confidential, the RFP instructs vendors to submit one (1) copy in a separate sealed envelope marked with the Vendor's name and the phrase "Confidential – Financial Statements." How should this requirement be addressed for an electronic submission?

Response: See Question A-2.

- Question G-3

Section 4.5.1.1 states, "Optionally, for additional information Vendor may provide one or both of the following accessibility documents for the version of the product Proposed:" This item appears to reference RFP content that is missing. What is meant to follow?

Response: 4.5.1.1 is An Accessibility Conformance Report (ACR), which is a completed Voluntary Product Accessibility Template (VPAT) or 4.5.1.2 is A completed checklist for conformance to Web Content Accessibility Guidelines. As stated in the paragraph preceding the two items, one of these items may provide one or both.

- Question G-4

Section 6.4.1 states, "If the financial statements are intended to be confidential, submit one (1) copy in a separate sealed envelope, marked prominently with the Vendor's name and the phrase, 'Confidential – Financial Statements.'" Since responses will be submitted electronically, should confidential financial statements be submitted in the "Redacted" document, per Sections 7.5.4 and 7.5.8?

Response: See Question A-2.

- Question G-5

Section 7.5.8 states, "If the vendor needs to submit proprietary information with the proposal, the vendor shall ensure that it is enclosed in a separate redacted file from the proposal and that it is clearly designated and conspicuously labeled as such." Please confirm or correct our interpretation that confidential material we wish to be withheld from public disclosure should be submitted only in the redacted document and should not be included in our main response document.

Response: The confidential information must be in both documents. You may redact the information in the redacted file. Please keep in mind, pricing cannot be kept confidential.

- Question G-6

Sections 6.4.1/6.4.2 require confidential financial statements to be submitted separately, while Section 7.5.4 limits submissions to two uploaded files. Please clarify the required submission method for the financial statements and whether a separate financial statement file is exempt from the two-file limit.

Response: See question A-2.

<u>Section H – Award Methodology & Pricing</u>

- Question H-1

Will initial account placements be distributed equally among all awarded vendors to establish baseline performance before future allocations are adjusted based on results?

Response: UA; Agencies will receive placements on various factors including, but not just limited to recovery rates, customer service, user friendliness of website/reporting and overall satisfaction of the agency and its services.

ASU Response: Following vendor selection, ASU intends to provide newly awarded (non-incumbent) vendors with an initial placement of accounts to demonstrate their performance and service capabilities. After an evaluation period, future account placements will be based on vendor performance, quality of service, operational effectiveness, and overall ease of doing business with the university.

NAU Response: Account placements are based on the volume of accounts available for referral and may vary over time. Placement decisions will be made in consideration of operational needs, account inventory, vendor performance, and service effectiveness.

- Question H-2

Can the Universities provide the specific performance metrics and evaluation criteria that will be used to determine future account placements among the awarded vendors (e.g., liquidation rates, net recovery, compliance, customer service, complaint ratios, reporting timeliness, or other key performance indicators)?

Response: See H-1.

- Question H-3

Who is/are the current collection agency vendor(s) for each University?

Response: Duplicate.

- Question H-4

Please reconfirm the due date for this procurement by providing it in response to answers to questions.

Response: Duplicate.

- Question H-5

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?

Response: UA, ASU, NAU; Bidders may deviate from the established rate presented in Section 4.3.4.1 and propose a lower fee structure. The decision to utilize a proposed lower rate will be at the discretion of each university. Any lower rate must be offered with the expectation that the scope, level, and quality of services will remain consistent with the requirements outlined in this solicitation. A bidder’s proposal for a lower fee structure will not provide the bidder with any preference, advantage, or priority in the placement of accounts or the award of business. Universities will evaluate and select services independently based on their individual needs and applicable evaluation criteria.