



UNIVERSITY  
OF KENTUCKY

---

Purchasing Division

Request for Proposal

UK-2373-24

Proposal Due Date – 8/22/23

STUDENT LOAN MANAGEMENT  
& BILLING SERVICE



# UNIVERSITY OF KENTUCKY

## Purchasing Division

### REQUEST FOR PROPOSAL (RFP)

**ATTENTION: This is not an order. Read all instructions, terms and conditions carefully.**

<b>PROPOSAL NO.:</b>	<b>UK-2373-24</b>	<b>RETURN ORIGINAL COPY OF PROPOSAL TO:</b>
<b>Issue Date:</b>	<b>8/4/23</b>	<b>UNIVERSITY OF KENTUCKY</b>
<b>Title:</b>	<b>Student Loan Management &amp; Billing Service</b>	<b>PURCHASING DIVISION</b>
<b>Purchasing Officer:</b>	<b>Rebecca Purcell</b>	<b>411 S LIMESTONE</b>
<b>Email/Phone:</b>	<b><a href="mailto:rpurcell@uky.edu">rpurcell@uky.edu</a> 859-257-5479</b>	<b>ROOM 322 PETERSON SERVICE BLDG.</b>
		<b>LEXINGTON, KY 40506-0005</b>

**IMPORTANT: PROPOSALS MUST BE RECEIVED BY: 8/22/23 3 P.M. LEXINGTON, KY TIME.**

NOTICE OF REQUIREMENTS

1. The University's General Terms and Conditions and Instructions to Bidders, viewable at <https://purchasing.uky.edu/bid-and-proposal-opportunities>, apply to this RFP. When the RFP includes construction services, the University's General Conditions and Special Conditions for Construction and Instructions to Bidders, viewable at <https://purchasing.uky.edu/bid-and-proposal-opportunities>, apply to the RFP.
2. Contracts resulting from this RFP must be governed by and in accordance with the laws of the Commonwealth of Kentucky.
3. Any agreement or collusion among offerors or prospective offerors, which restrains, tends to restrain, or is reasonably calculated to restrain competition by agreement to bid at a fixed price or to refrain from offering, or otherwise, is prohibited.
4. Any person who violates any provisions of KRS 45A.325 shall be guilty of a felony and shall be punished by a fine of not less than five thousand dollars nor more than ten thousand dollars, or be imprisoned not less than one year nor more than five years, or both such fine and imprisonment. Any firm, corporation, or association who violates any of the provisions of KRS 45A.325 shall, upon conviction, be fined not less than ten thousand dollars or more than twenty thousand dollars.

AUTHENTICATION OF BID AND STATEMENT OF NON-COLLUSION AND NON-CONFLICT OF INTEREST

I hereby swear (or affirm) under the penalty for false swearing as provided by KRS 523.040:

1. That I am the offeror (if the offeror is an individual), a partner, (if the offeror is a partnership), or an officer or employee of the bidding corporation having authority to sign on its behalf (if the offeror is a corporation);
2. That the attached proposal has been arrived at by the offeror independently and has been submitted without collusion with, and without any agreement, understanding or planned common course of action with, any other Contractor of materials, supplies, equipment or services described in the RFP, designed to limit independent bidding or competition;
3. That the contents of the proposal have not been communicated by the offeror or its employees or agents to any person not an employee or agent of the offeror or its surety on any bond furnished with the proposal and will not be communicated to any such person prior to the official closing of the RFP;
4. That the offeror is legally entitled to enter into contracts with the University of Kentucky and is not in violation of any prohibited conflict of interest, including, but not limited to, those prohibited by the provisions of KRS 45A.330 to .340, and 164.390;
5. That the offeror, and its affiliates, are duly registered with the Kentucky Department of Revenue to collect and remit the sale and use tax imposed by Chapter 139 to the extent required by Kentucky law and will remain registered for the duration of any contract award;
6. That I have fully informed myself regarding the accuracy of the statement made above.

SWORN STATEMENT OF COMPLIANCE WITH CAMPAIGN FINANCE LAWS

In accordance with KRS 45A.110 (2), the undersigned hereby swears under penalty of perjury that he/she has not knowingly violated any provision of the campaign finance laws of the Commonwealth of Kentucky and that the award of a contract to a bidder will not violate any provision of the campaign finance laws of the Commonwealth of Kentucky.

CONTRACTOR REPORT OF PRIOR VIOLATIONS OF KRS CHAPTERS 136, 139, 141, 337, 338, 341 & 342

The contractor by signing and submitting a proposal agrees as required by 45A.485 to submit final determinations of any violations of the provisions of KRS Chapters 136, 139, 141, 337, 338, 341 and 342 that have occurred in the previous five (5) years prior to the award of a contract and agrees to remain in continuous compliance with the provisions of the statutes during the duration of any contract that may be established. Final determinations of violations of these statutes must be provided to the University by the successful contractor prior to the award of a contract.

CERTIFICATION OF NON-SEGREGATED FACILITIES

The contractor, by submitting a proposal, certifies that he/she is in compliance with the Code of Federal Regulations, No. 41 CFR 60-1.8(b) that prohibits the maintaining of segregated facilities.

**SIGNATURE REQUIRED:** This proposal cannot be considered valid unless signed and dated by an authorized agent of the offeror. Type or print the signatory's name, title, address, phone number and fax number in the spaces provided. Offers signed by an agent are to be accompanied by evidence of his/her authority unless such evidence has been previously furnished to the issuing office.

<b>DELIVERY TIME:</b>	<b>NAME OF COMPANY:</b>	<b>DUNS #</b>
<b>PROPOSAL FIRM THROUGH:</b>	<b>ADDRESS:</b>	<b>Phone/Fax:</b>
<b>PAYMENT TERMS:</b>	<b>CITY, STATE &amp; ZIP CODE:</b>	<b>E-MAIL:</b>
<b>SHIPPING TERMS: F. O. B. DESTINATION PREPAID AND ALLOWED</b>	<b>TYPED OR PRINTED NAME:</b>	<b>WEB ADDRESS:</b>
<b>FEDERAL EMPLOYER ID NO.:</b>	<b>SIGNATURE:</b>	<b>DATE:</b>

## Table of Contents

1.0 DEFINITIONS .....	6
2.0 GENERAL OVERVIEW.....	7
2.1 Intent and Scope .....	7
2.2 Background Information .....	7
2.3 University Information.....	9
2.4 Supplier Diversity and Procurement.....	11
3.0 PROPOSAL REQUIREMENTS.....	12
3.1 Key Event Dates.....	12
3.2 Offeror Communication .....	12
3.3 Offeror Presentations .....	12
3.4 Preparation of Offers .....	13
3.5 Proposed Deviations from the RFP .....	13
3.6 Proposal Submission and Deadline .....	13
3.7 Modification or Withdrawal of Offer.....	14
3.8 Acceptance or Rejection and Award of Proposal.....	14
3.9 Rejection .....	14
3.10 Addenda.....	14
3.11 Disclosure of Offeror's Response .....	15
3.12 Restrictions on Communications with University Staff .....	15
3.13 Cost of Preparing Proposal.....	15
3.14 Disposition of Proposals .....	15
3.15 Alternate Proposals .....	15
3.16 Questions .....	16
3.17 Section Titles in the RFP .....	16
3.18 No Contingent Fees.....	16
3.19 Proposal Addenda and Rules for Withdrawal.....	16
3.20 Requirement To Perform Vendor Onboarding and Registration.....	16
4.0 PROPOSAL FORMAT AND CONTENT .....	17
4.1 Proposal Information and Criteria .....	17
4.2 Signed Authentication of Proposal and Statements of Non-Collusion and Non-Conflict of Interest Form .....	17

4.3	Transmittal Letter .....	17
4.4	Executive Summary and Proposal Overview .....	18
4.5	Criteria 1 - Offeror Qualifications .....	19
4.6	Criteria 2 – Services Defined .....	20
	REQUIRED SERVICES DEFINED .....	20
13.	Optional Services .....	35
4.7	Criteria 3 – Financial Proposal.....	35
4.8	Criteria 4 – Evidence of Successful Performance and Implementation Schedule .....	35
4.9	Criteria 5 – Other Additional Information.....	36
5.0	EVALUATION CRITERIA PROCESS.....	37
6.0	SPECIAL CONDITIONS.....	38
6.1	Contract Term .....	38
6.2	Effective Date .....	38
6.3	Competitive Negotiation .....	38
6.4	Appearance Before Committee .....	38
6.5	Additions, Deletions or Contract Changes .....	38
6.6	Contractor Cooperation in Related Efforts .....	39
6.7	Entire Agreement .....	39
6.8	Governing Law .....	39
6.9	Kentucky’s Personal Information Security and Breach Investigation Procedures and Practices Act .....	39
6.10	Termination for Convenience.....	40
6.11	Termination for Non-Performance .....	40
6.12	Funding Out .....	41
6.13	Prime Contractor Responsibility.....	41
6.14	Assignment and Subcontracting .....	41
6.15	Permits, Licenses, Taxes.....	41
6.16	Attorneys’ Fees .....	41
6.17	Royalties, Patents, Copyrights and Trademarks .....	42
6.18	Indemnification .....	42
6.19	Insurance .....	42
6.20	Method of Award .....	43
6.21	Reciprocal Preference .....	43

6.22 Auditing.....43

6.23 Confidentiality..... 43

6.24 Conflict of Interest ..... 44

6.25 University Brand Standards ..... 44

6.26 Printing Statutes ..... 45

6.27 Payment Terms ..... 45

7.0 FINANCIAL OFFER SUMMARY ..... 46

7.1 Required Services (Section 4.6)..... 46

7.2 Optional Services (Section 4.6) ..... 46

7.3 Alternate Pricing ..... 46

## 1.0 DEFINITIONS

The term "addenda" means written or graphic instructions issued by the University of Kentucky prior to the receipt of proposals that modify or interpret the RFP documents by additions, deletions, clarifications and/or corrections.

The term "competitive negotiations" means the method authorized in the Kentucky Revised Statutes, Chapter 45A.085.

The terms "offer" or "proposal" mean the offeror's/offers' response to this RFP.

The term "offeror" means the entity or contractor group submitting the proposal.

The term "contractor" means the entity receiving a contract award.

The term "purchasing agency" means the University of Kentucky, Purchasing Division, Room 322 Peterson Service Building, Lexington, KY 40506-0005.

The term "purchasing official" means the University of Kentucky's appointed contracting representative.

The term "responsible offeror" means a person, company or corporation that has the capability in all respects to perform fully the contract requirements and the integrity and reliability that will assure good faith performance. In determining whether an offeror is responsible, the University may evaluate various factors including (but not limited to): financial resources; experience; organization; technical qualifications; available resources; record of performance; integrity; judgment; ability to perform successfully under the terms and conditions of the contract; adversarial relationship between the offeror and the University that is so serious and compelling that it may negatively impact the work performed under this RFP; or any other cause determined to be so serious and compelling as to affect the responsibility of the offeror.

The term "solicitation" means RFP.

The term "University" means University of Kentucky.

## 2.0 GENERAL OVERVIEW

### 2.1 Intent and Scope

This Request for Proposal (RFP) is being issued by the University of Kentucky to solicit proposals from qualified, experienced, financially sound, and responsible providers of Student Loan Billing Services. University of Kentucky Student Account Services intends to retain a third party to perform the services described in this Request for Proposal.

The Contractor shall be responsible for:

- Providing full-service billing services for all University of Kentucky Campus-Based Federal and Institutional Student Loan programs.
- Complying fully with all federal and state laws, as well as any specific University policies, that relate to these programs and debt collection practices.
- Working cooperatively with the collection agencies used by the University, as well as with campus collection personnel.
- Meeting all University of Kentucky reporting requirements.
- Training University personnel in effective use of contractor's program.

The University of Kentucky intends to contract for such services in connection with Federal Perkins Student Loans, Health Profession Student Loans, Primary Care Student Loans, Nursing Student Loans, Nurse Faculty Student Loans, and a variety of long-term Institutional Student Loan programs.

The University of Kentucky Student Account Services is responsible for the maintenance of all such student loan accounts awarded on the main campus and the Medical Center, as well as all remaining Federal Perkins loan accounts that originated through June 30, 2005 at fourteen community college campuses previously a part of the University system.

The University intends to award one full-service price contract, specifically designed to serve the unique needs of higher education.

### 2.2 Background Information

Student financial aid programs, including student loans, play an important role in assisting University of Kentucky students to meet their educational expenses.

During the academic year 2021-22, University of Kentucky students received nearly \$237 million in student loans. Of this amount, approximately \$2.1 million consisted of campus-based and institutional loan funds. Currently, SAP is the university's administrative system for financial aid (Sigma ProSAM), registration, and student accounts receivable. The university is also a participant in the William D. Ford Federal Direct Student Loan Program. The following is a summary of the institutional and campus-based loan programs, by number of loans, as of April 30, 2023. The volume for HPSL

Dentistry and Pharmacy will increase once the federal pause on repayment ends and funds for new loans become available.

UNIVERSITY OF KENTUCKY  
Student Loan Program Summary by Number of Loans  
As of April 30, 2023

PROGRAM	In School Monthly	In Grace Monthly	In Repay Monthly	In Repay Quarterly	In Repay Annual	Assigned to USDE	Accepted by USDE	Fully Retired
Federal Perkins/NDSL	9	222	3147	43	2	0	3097	63403
Total Perkins/NDSL	9	222	3147	43	2	0	3097	63403
HPSL Dentistry	72	74	209	0	0	0	0	1365
HPSL Medicine (Closing)	0	0	2	0	0	0	0	1321
HPSL Pharmacy	29	34	67	0	0	0	0	941
Total HPSL	101	108	278	0	0	0	0	3627
Primary Care (Closing)	0	0	12	0	0	0	0	148
Total PCL	0	0	12	0	0	0	0	148
Nurse Faculty	1	0	4	0	0	0	0	18
Nursing Baccalaureate	0	0	0	0	0	0	0	696
Nursing Graduate	0	0	0	0	0	0	0	60
Total NSL	1	0	4	0	0	0	0	774
William Shely Medical	19	40	47	0	0	0	0	604
Dentistry Carmen	0	0	0	0	0	0	0	7
Peter Ardery Medical	0	0	0	0	0	0	0	7
Dentistry Long Term	0	0	0	0	0	0	0	6
Dilly Slone Pharmacy	0	0	0	0	0	0	0	11
Hubbell Medical	0	1	2	0	0	0	0	23
Class 70-71 Medical	0	0	0	0	0	0	0	23
Beale Medical	0	0	0	0	0	0	0	8
RWJ Medical	1	8	3	0	0	0	0	40
RWJ Dentistry	0	0	0	0	0	0	0	38
Johnie Moss Medical	0	4	2	0	0	0	0	103
M.S. Rawlins Allied Health	0	3	10	0	0	0	0	155
Southeast KY HP	0	0	0	0	0	0	0	69
AMA-ERF Medical	0	7	11	0	0	0	0	254
Schell	0	0	18	0	0	0	0	26
Whitfield	4	1	15	0	0	0	0	13
Young Long Term	62	42	194	0	0	0	0	757
Young Short Term	0	0	0	0	0	0	0	37
PHD Scholarship Medical	18	6	0	0	0	0	0	69
Closed NSL Institutional	0	0	0	0	0	0	0	7
Project Graduate	0	0	3	0	0	0	0	1
CATapult	56	96	107	0	0	0	0	21
Sullivan	0	0	0	0	0	0	0	0
Total Institutional	160	208	412	0	0	0	0	2279
Total All Programs	271	538	3853	43	2	0	3097	70231



## 2.3 University Information

Upon his arrival in 2011, President Eli Capilouto set an ambitious agenda to extend and enhance our role as Kentucky's land-grant and flagship research university. By focusing on infrastructure growth and improvement; creating opportunities for innovative teaching, learning and academic excellence; fostering a robust research enterprise; providing life-saving subspecialty care; empowering communities through service and outreach; and encouraging a transparent and shared dialogue about institutional priorities; the University of Kentucky will help ensure a Kentucky tomorrow that is healthier, wealthier and wiser than it is today.

Our mission is to advance Kentucky.

Founded in 1865 as a land-grant institution adjacent to downtown Lexington, UK is nestled in the scenic heart of the beautiful Bluegrass region of Kentucky. From its early beginnings, with only 190 students and 10 professors, UK's campus now covers more than 900 acres. The university enrolled more than 32,000 students in Fall 2022 and has approximately 25,000 employees, including nearly 3,000 full-time faculty.

UK is one of a small number of universities in the United States that has programs in agriculture, engineering, law, fine arts and a full complement of health colleges including medicine and pharmacy, on a single campus alongside an academic health system, leading to groundbreaking discoveries and unique interdisciplinary collaboration.

The state's flagship university consists of 18 academic and professional colleges where students can choose from more than 200 majors and degree programs at the undergraduate and graduate levels. The colleges are Agriculture, Food and Environment; Arts and Sciences; Business and Economics; Communication and Information; Dentistry; Design; Education; Engineering; Fine Arts; Graduate School; Health Sciences; Honors; Law; Medicine; Nursing; Pharmacy; Public Health; and Social Work. These colleges are supported by a modern research library system.

Research at the University of Kentucky is a dynamic enterprise encompassing both traditional scholarship and emerging technologies. UK's research faculty, staff and students are establishing UK as one of the nation's most prolific public research universities. UK researchers were awarded more than \$452.9 million in extramural grant and contract funding in fiscal year 2022. Fifty-six percent of this funding comes from agencies in the federal government (\$256 million) such as the National Institutes of Health, National Science Foundation, Department of Energy, Department of Defense and numerous other federal, state and industry sponsors. Expenditures from research and development (R&D) activities at the university generate more than \$772 million in economic development across the Commonwealth of Kentucky and support more than 4,395 jobs.

With more than 70 research centers and institutes, UK researchers are discovering new knowledge, providing a rich training ground for current students and the next generation of researchers and advancing the economic growth of the Commonwealth of Kentucky. Several centers excel in the services offered to the public. The Gluck Equine Research Center is one of only three facilities of its kind in the world, conducting equine disease research.

The Center for Applied Energy Research (CAER) is internationally recognized for research in algae for carbon dioxide clean up, carbon materials, concrete and cement, emissions control in utilities, energy policy, fuels research, hydrogen, materials characterization and plant optimization.

Among the brightest examples of UK's investment in transformative research is the Markey Cancer Center. As a center of excellence and distinction at UK, Markey's robust research and clinical enterprise is the cornerstone of our commitment to Kentucky – fundamental to our success in uplifting lives through our endeavors and improving the general health and welfare of our state – burdened by the nation's highest rate of cancer deaths per 100,000 people. In 2013, Markey earned the prestigious National Cancer Institute-designation (NCI) – one of 68 nationally and the only one in Kentucky. The designation was renewed in 2018.

Both CAER and Markey are cornerstones of seven Research Priority Areas (RPAs) at the University of Kentucky. These areas — chosen based on local relevance, existing funding strength, sustainability and disciplinary scholarly diversity — focus UK's top research talent on the most pressing challenges confronting our state.

The University of Kentucky is the recipient of a Clinical Translational Sciences Award (CTSA) from the National Institutes of Health (NIH). As one of only 60 institutions with this research distinction, UK was awarded the CTSA for its potential in moving research and discovery in the lab into practical field and community applications. The CTSA and NCI are part of a trifecta of federal research grants that includes an Alzheimer's Disease Center. UK is one of only 29 universities in the country to hold all three premier grants from NIH.

Established in 1957, the medical center at UK is one of the nation's finest academic medical centers and includes the university's clinical enterprise, UK HealthCare. Licensed for 965 beds across UK Albert B. Chandler Hospital, Kentucky Children's Hospital and UK Good Samaritan Hospital, the system is supported by a growing faculty and staff providing the most advanced subspecialty care for the most critically injured and ill patients throughout the Commonwealth and beyond. Since 2014, the number of patients served by the medical enterprise has nearly doubled, with more than 38,000 discharges in 2022.

UK Chandler Hospital includes the only Level 1 Trauma Center for both adult and pediatric patients in Central and Eastern Kentucky. In addition, UK HealthCare recently opened one of the country's largest robotic hybrid operating rooms and the first of its kind in the region. While the new patient care pavilion is the leading health care facility for advanced medical procedures in the region, our talented physicians consult with and travel to our network of affiliate hospitals so Kentuckians can receive the best health care available close to their home and never need to leave the Bluegrass for complex subspecialty care.

As of December 1, 2022, King's Daughters Medical Center, based in Ashland, Kentucky, officially became part of the University of Kentucky. King's Daughters Medical Center serves a 16-county region across Kentucky, Ohio and West Virginia. Its health system is composed of two acute-care hospitals totaling 465 licensed beds, more than 50 ambulatory centers and practice locations, a long-term care facility, medical transport company and six urgent care centers.

UK's agenda remains committed to accelerating the university's academic excellence in all areas and gaining worldwide recognition for its outstanding academic programs, its commitment to students, its investment in pioneering research and discovery, its success in building a diverse community and its engagement with the larger society. This commitment is all part of the university's mission as a 21st century flagship and land-grant research university. From its Nobel Laureates to cutting-edge work in addressing health disparities, and from the artistic wonders that stir souls to our scientific creativity that inspires minds, UK seeks a brighter future through the contributions of our faculty, staff, students and alumni.

We are the University of Kentucky. We are committed to advancing Kentucky in everything that we do.

## **SUSTAINABILITY**

Sustainability is an institution-wide priority for the University of Kentucky. We strive to ensure that all activities are ecologically sound, socially just, and economically viable, and that they will continue to be so for future generations. This commitment also prioritizes the integration of these principles in curricula, research, athletics, health care, creative works, and outreach. This principled approach to operational practices and intellectual pursuits is intended to prepare students and empower the campus community to support sustainable development in the Commonwealth and beyond. The UK Sustainability Strategic Plan guides these efforts (<https://www.uky.edu/sustainability/sustainability-strategic-plan>).

### **2.4 Supplier Diversity and Procurement**

The University of Kentucky is committed to serve as an advocate for diverse businesses in their efforts to conduct business. Diverse Business Enterprises (DBE) consist of minority, women, disabled, veteran and disabled veteran owned business firms that are at least fifty-one percent owned and operated by an individual(s) of the aforementioned categories. Also included in this category are disabled business enterprises and non-profit work centers for the blind and severely disabled.

The University is committed to increasing the amount of goods and services acquired from businesses owned and controlled by diverse persons to 10% of all procurement expenditures. The University expects its suppliers to support and assist in this effort.

Among the University's goals for DBE participation in procurement are:

- To ensure the absence of barriers that reduce the participation of diverse suppliers
- Educate vendors on "how to" do business with the University
- Support diverse vendors seeking to do business with the University in the areas of goods, services, construction, and other areas of procurement
- Encourage participation of qualified diverse vendors by directing them to agencies that can benefit from their product or service
- Provide resources for diverse vendors
- Sponsor events to assist diverse vendors in becoming active, responsible, and responsive participants in the University's purchasing opportunities

For additional information regarding how diverse suppliers may participate in this Request for Proposal, submit any questions to the Purchasing Officer as indicated in Section 3.2 by the Deadline for Written Questions date.

### 3.0 PROPOSAL REQUIREMENTS

#### 3.1 Key Event Dates

Release of RFP	8/4/23
Deadline for Written Questions	3 p.m. Eastern Time on 8/10/23
RFP Proposals Due	3 p.m. Eastern Time on 8/22/23

#### 3.2 Offeror Communication

To ensure that RFP documentation and subsequent information (modifications, clarifications, addenda, Written Questions and Answers, etc.) are directed to the appropriate persons within the offeror's firm, each offeror who intends to participate in this RFP is to provide the following information to the purchasing officer. Prompt, thorough compliance is in the best interest of the offeror. Failure to comply may result in incomplete or delayed communication of addenda or other vital information. Contact information is the responsibility of the offeror. Without the prompt information, any communication shortfall shall reside with the offeror.

- Name of primary contact
- Mailing address of primary contact
- Telephone number of primary contact
- Fax number of primary contact
- E-mail address of primary contact
- Additional contact persons with same information provided as primary contact

This information shall be transmitted via fax or e-mail to:

Rebecca Purcell  
 Purchasing Division  
 University of Kentucky  
 322 Peterson Service Building  
 Lexington, KY 40506-0005  
 Phone: (859) 257-5479  
 Fax: (859) 257-1951  
 E-mail: [rpurcell@uky.edu](mailto:rpurcell@uky.edu)

All communication with the University regarding this RFP shall only be directed to the purchasing officer listed above.

#### 3.3 Offeror Presentations

All offerors whose proposals are judged acceptable for award may be required to make a presentation to the evaluation committee.

### 3.4 **Preparation of Offers**

The offeror is expected to follow all specifications, terms, conditions and instructions in this RFP.

The offeror will furnish all information required by this solicitation.

Proposals should be prepared simply and economically, providing a description of the offeror's capabilities to satisfy the requirements of the solicitation. Emphasis should be on completeness and clarity of content. All documentation submitted with the proposal should be bound in the single volume except as otherwise specified.

An electronic version of the RFP, in .PDF format only, is available through the University of Kentucky Purchasing Division website at: <https://purchasing.uky.edu/bid-and-proposal-opportunities>.

### 3.5 **Proposed Deviations from the RFP**

The stated requirements appearing elsewhere in this RFP shall become a part of the terms and conditions of any resulting contract. Any deviations therefrom must be specifically defined in accordance with the transmittal letter, Section 4.3 (d). If accepted by the University, the deviations shall become part of the contract, but such deviations must not be in conflict with the basic nature of this RFP.

Note: Offerors shall not submit their standard terms and conditions as exceptions to the University's General Terms and Conditions. Each exception to the University's General Terms and Conditions shall be individually addressed.

### 3.6 **Proposal Submission and Deadline**

Offeror must provide the following materials prior to 3 p.m. (Lexington, KY time) on the date specified in Section 3.1 and addressed to the purchasing officer listed in Section 3.2:

- **Technical Proposal:** Two (2) copies on electronic storage devices (USB) (1 copy per storage device) each clearly marked with the proposal number and name, firm name and what is included (Technical Proposal) and two (2) printed original copies
- **Financial Proposal:** Two (2) copies on electronic storage devices (USB) (1 copy per storage device) each clearly marked with the proposal number and name, firm name and what is included (Financial Proposal) and two (2) printed original copies

**Note: Proposals received after the closing date and time will not be considered. In addition, proposals received via fax or e-mail are not acceptable.**

**The University of Kentucky accepts deliveries of RFPs Monday through Friday from 8 a.m. to 5 p.m. Lexington, KY time. However, RFPs must be received by 3 p.m. Lexington, KY time on the date specified on the RFP in order to be considered.**

Proposals shall be enclosed in sealed envelopes to the above referenced address and shall show on the face of the envelope: the closing time and date specified, the solicitation number and the

name and address of the offeror. The technical proposal shall be submitted in a sealed envelope and the financial proposal shall be submitted in a sealed envelope under separate cover. Both sealed envelopes shall have identical information on the cover, with the addition that one will state "Technical Information," and the other, "Financial Proposal."

Note: In accordance with the Kentucky Revised Statute 45A.085, there will be no public opening.

### **3.7 Modification or Withdrawal of Offer**

An offer and/or modification of offer received at the office designated in the solicitation after the exact hour and date specified for receipt will not be considered.

An offer may be modified or withdrawn by written notice before the exact hour and date specified for receipt of offers. An offer also may be withdrawn in person by an offeror or an authorized representative, provided the identity of the person is made known and the person signs a receipt for the offer, but only if the withdrawal is made prior to the exact hour and date set for receipt of offers.

### **3.8 Acceptance or Rejection and Award of Proposal**

The University reserves the right to accept or reject any or all proposals (or parts of proposals), to waive any informalities or technicalities, to clarify any ambiguities in proposals and (unless otherwise specified) to accept any item in the proposal. In case of error in extension or prices or other errors in calculation, the unit price shall govern. Further, the University reserves the right to make a single award, split awards, multiple awards or no award, whichever is in the best interest of the University.

### **3.9 Rejection**

Grounds for the rejection of proposals include (but shall not be limited to):

- Failure of a proposal to conform to the essential requirements of the RFP.
- Imposition of conditions that would significantly modify the terms and conditions of the solicitation or limit the offeror's liability to the University on the contract awarded on the basis of such solicitation.
- Failure of the offeror to sign the University RFP. This includes the Authentication of Proposal and Statement of Non-Collusion and Non-Conflict of Interest statements.
- Receipt of proposal after the closing date and time specified in the RFP.

### **3.10 Addenda**

Any addenda or instructions issued by the purchasing agency prior to the time for receiving proposals shall become a part of this RFP. Such addenda shall be acknowledged in the proposal.

No instructions or changes shall be binding unless documented by a proper and duly issued addendum.

### **3.11 Disclosure of Offeror's Response**

The RFP specifies the format, required information and general content of proposals submitted in response to this RFP. The purchasing agency will not disclose any portions of the proposals prior to contract award to anyone outside the Purchasing Division, the University's administrative staff, representatives of the state or federal government (if required) and the members of the committee evaluating the proposals. After a contract is awarded in whole or in part, the University shall have the right to duplicate, use or disclose all proposal data submitted by offerors in response to this RFP as a matter of public record.

Any submitted proposal shall remain valid six (6) months after the proposal due date.

The University shall have the right to use all system ideas, or adaptations of those ideas, contained in any proposal received in response to this RFP. Selection or rejection of the proposal will not affect this right.

### **3.12 Restrictions on Communications with University Staff**

From the issue date of this RFP until a contractor is selected and a contract award is made, offerors are not allowed to communicate about the subject of the RFP with any University administrator, faculty, staff or members of the board of trustees except: the purchasing office representative, any University purchasing official representing the University administration, others authorized in writing by the purchasing office and University representatives during offeror presentations. If violation of this provision occurs, the University reserves the right to reject the offeror's proposal.

### **3.13 Cost of Preparing Proposal**

Costs for developing the proposals and any subsequent activities prior to contract award are solely the responsibility of the offerors. The University will provide no reimbursement for such costs.

### **3.14 Disposition of Proposals**

All proposals become the property of the University. The successful proposal will be incorporated into the resulting contract by reference.

### **3.15 Alternate Proposals**

Offerors may submit alternate proposals. If more than one proposal is submitted, all must be complete (separate) and comply with the instructions set forth within this document. Each proposal will be evaluated on its own merits.

**3.16 Questions**

All questions should be submitted by either fax or e-mail to the purchasing officer listed in Section 3.2 no later than the date listed in Section 3.1.

**3.17 Section Titles in the RFP**

Section titles used herein are for the purpose of facilitating ease of reference only and shall not be construed to infer the construction of contractual language.

**3.18 No Contingent Fees**

No person or selling agency shall be employed or retained or given anything of monetary value to solicit or secure this contract, except bona fide employees of the offeror or bona fide established commercial or selling agencies maintained by the offeror for the purpose of securing business. For breach or violation of this provision, the University shall have the right to reject the proposal, annul the contract without liability, or, at its discretion, deduct from the contract price or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee or other benefit.

**3.19 Proposal Addenda and Rules for Withdrawal**

Prior to the date specified for receipt of offers, a submitted proposal may be withdrawn by submitting a written request for its withdrawal to the University purchasing office, signed by the offeror. Unless requested by the University, the University will not accept revisions or alterations to proposals after the proposal due date.

**3.20 Requirement To Perform Vendor Onboarding and Registration**

As a condition of award, and for any renewals performed during the life of the contract, successful Contractor agrees to register their company with PaymentWorks, Inc., the University's vendor onboarding application. Registration information will be provided by the Purchasing Division as part of the award process. During the vendor registration process, successful Contractor agrees to provide any applicable information pertaining to diversity demographics for their company. Further, should any company or diversity information change during the life of the contract, successful Contractor agrees to update this information in PaymentWorks as applicable.



## 4.0 PROPOSAL FORMAT AND CONTENT

### 4.1 Proposal Information and Criteria

The following list specifies the items to be addressed in the proposal. Offerors should read it carefully and address it completely and in the order listed to facilitate the University's review of the proposal.

Proposals shall be organized into the sections identified below. The content of each section is detailed in the following pages. It is strongly suggested that offerors use the same numbers for the following content that are used in the RFP.

- Signed Authentication of Proposal and Statement of Non-Collusion and Non-Conflict of Interest Form
- Transmittal Letter
- Executive Summary and Proposal Overview
- Criteria 1 - Offeror Qualifications
- Criteria 2 - Services Defined
- Criteria 3 - Financial Proposal
- Criteria 4 - Evidence of Successful Performance and Implementation Schedule
- Criteria 5 - Other Additional Information

### 4.2 Signed Authentication of Proposal and Statements of Non-Collusion and Non-Conflict of Interest Form

The Offeror will sign and return the proposal cover sheet and print or type their name, firm, address, telephone number and date. The person signing the offer must initial erasures or other changes. An offer signed by an agent is to be accompanied by evidence of their authority unless such evidence has been previously furnished to the purchasing agency. The signer shall further certify that the proposal is made without collusion with any other person, persons, company or parties submitting a proposal; that it is in all respects fair and in good faith without collusion or fraud; and that the signer is authorized to bind the principal offeror.

### 4.3 Transmittal Letter

The Transmittal Letter accompanying the RFP shall be in the form of a standard business letter and shall be signed by an individual authorized to legally bind the offeror. It shall include:

- A statement referencing all addenda and written questions, the answers and any clarifications to this RFP issued by the University and received by the offeror (If no addenda have been received, a statement to that effect should be included.).
- A statement that the offeror's proposal shall remain valid for six (6) months after the closing date of the receipt of the proposals.
- A statement that the offeror will accept financial responsibility for all travel expenses incurred for oral presentations (if required) and candidate interviews.

- A statement that summarizes any deviations or exceptions to the RFP requirements and includes a detailed justification for the deviation or exception.
- A statement that identifies the confidential information as described in Section 6.23.

**4.4 Executive Summary and Proposal Overview**

The Executive Summary and Proposal Overview shall condense and highlight the contents of the technical proposal in such a way as to provide the evaluation committee with a broad understanding of the entire proposal.

As part of the Executive Summary and Proposal Overview, Offeror shall submit with their response a summarized profile describing the demographic nature of their company or organization:

1. When was your organization established and/or incorporated?
2. Indicate whether your organization is classified as local, regional, national, or international.
3. Describe the size of your company in terms of number of employees, gross sales, etc.
4. Is your company certified as small business, minority-owned, women-owned, veteran-owned, disabled-owned, or similar classification?
5. Include other demographic information that you feel may be applicable to the Request for Proposal submission.
6. Offeror shall describe in detail their company’s commitment to diversity, equity, and inclusion. Information shall be provided as to the number of diverse individuals that the vendor employees as well as a description of vendors efforts to do business with Diverse Business Enterprises as they conduct their own business. In additional, please indicate the diversity nature of your company as well as ownership race/ethnicity.

<b>Diverse Business Description</b>	<b>Check All That Apply</b>
Minority-Owned	
Woman-Owned	
Small Business	
Veteran-Owned	
LGBTQ-Owned	
Disability-Owned Business Entity (DOBE)	
Diversity not indicated	

Race/Ethnicity	Check One
Asian	
Black/African American	
Hispanic or Latino	
Native American	
Native Hawaiian/Pacific Islander	
White	
Other	
Prefer not to say	

**4.5 Criteria 1 - Offeror Qualifications**

The purpose of the Offeror Qualifications section is to determine the ability of the offeror to respond to this RFP. Offerors should describe and offer evidence of their ability to meet each of the qualifications listed below.

Our supply chains and business partnerships are an important aspect of this work. In your proposal, please (A) provide your company’s mission and vision relative to sustainability, and (B) how your company, through services, products, and partnerships, will help the University of Kentucky advance specific elements of the Sustainability Strategic Plan.

1. Provide a brief narrative describing the history of your firm. Include a historical listing of company ownership, including name(s) and dates. Identify the number of employees in your firm and ownership.
2. Provide the name, title and experience of the person who will be the designated service representative for the University Account.
3. Provide the name, title and experience of the person who is designated to ensure the Offeror is in compliance with all federal loan regulations and can be a point of contact for the University for regulation interpretation.
4. Provide an organizational chart of the Offeror indicating lines of authority for personnel involved in the performance of this potential contract and relationships of this staff to other programs or functions of the company. This chart should also show lines of authority to the next senior level of management.
5. What is the Offeror’s turnover rate for the employees that perform the processing and customer service functions? How does the Offeror select and train the individuals that will perform this work?

6. Offeror should provide the university an independent audit report conducted in accordance with generally accepted auditing standards and applicable federal rules and regulations. As part of the proposal, the Offeror should provide copies of the last two years' detailed, audited financial statements, as well as copies of the last two years' compliance audit reports. The Offeror should address, in detail, any exceptions noted in the compliance audit reports.
7. Offeror should certify the following to the best of its knowledge and belief. Is/has the Offeror and/or are/have its principals:
  - A. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency? If yes, please explain.
  - B. Within a three-year period preceding this proposal, been convicted of, or had a civil judgment rendered against them for, commission of fraud, or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state, or local) transaction or contract under a public transaction, or violation of Federal or State antitrust statutes, or commission of embezzlement, theft, forgery, bribery, making false statements, or receiving stolen property? If yes, please explain.
  - C. Presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, state, or local) with commission of any of these offenses enumerated above? If yes, please explain.
  - D. Within a three-year period preceding this proposal, had one or more public transactions (Federal, state, or local) terminated for cause or default? If yes, please explain.

#### **4.6 Criteria 2 – Services Defined**

Describe/explain how your firm proposes to perform each of the requirements listed in Required Services Defined and Optional Services. Please address each point listed individually in the order listed to facilitate the University's review of your proposal. If your firm cannot perform one of the Required Services or Optional Services, or cannot perform all of the tasks listed, you should specify.

#### **REQUIRED SERVICES DEFINED**

##### **1. General**

- A. Provide the billing services and administration of Federal Perkins, Health Profession, Primary Care, Nurse Faculty, and various institutional loan programs.

- A. All phases of the service will be in full compliance with regulations and guidelines established by the Department of Education, including but not limited to, 34 CFR, Part 668.25 Compliance, the Department of Health and Human Services, the Fair Debt Collection Practices Act (P.L. 95-109), and all applicable federal, state, and University guidelines.
- B. Offeror should have on staff a government relations specialist to assist the University with regulatory questions.
- C. Offeror should participate with professional organizations. Note organizations in which your company is an active member.
- D. Offeror should be bonded for the average dollar amount of the loan receivables collected over a two (2) month period.
- E. The Offeror should perform account maintenance, billing, cash collection and reporting on a regular basis.
- F. The Offeror should deposit collected funds immediately upon receipt to a bank account established in the University of Kentucky's name.
- G. The Offeror should provide data to and/or interface with all required third party agencies, i.e., the U.S. Department of Education for the National Student Loan Data System, the National Student Loan Clearinghouse for processing enrollment status changes, the IRS for compliance with the Tax Relief Act of 1997, all national credit bureaus, University collection agencies, etc.
- H. The Offeror should have the capability of accepting and interpreting electronic files provided by the University. The University and the Offeror should mutually agree on the format and the specific information to be included on each file.
- I. The Offeror should provide the following:
  - i. Samples of all bills, notices and reports offered in this proposal.
  - ii. Discussion of the various on-line services available to the University and to borrowers.
  - iii. Discussion of your payment processing including payment application and lockbox processing.
- J. Data loss prevention procedures and disaster recovery plans.

## 2. **Conversion:**

This term is defined as the transfer of account servicing information (if applicable) – document images, history and current billing and payment information – from the current system to the firm awarded a contract as a result of this solicitation.

- A. Offeror should convert the history of the account into an on-line history file.

- B. The conversion should include all scanned and/or electronically signed/acknowledged documents.
- C. The conversion should be completed within sixty (60) days of the notice of award.
- D. In the event individual borrower detail is not available for conversion, the conversion shall include "lump sum" totals for those accounts in a "fully retired" status at the time of conversion, to facilitate year-end cumulative data reporting of loan programs.
- E. All data processing support required to create a computer file as of the conversion date should be provided by Offeror at no additional cost to the University.
- F. The conversion should include an audit of the accounts. Offeror should confirm with the borrower the status of the account using the newly created records and notify them of the change in billing service.
- G. A formal reconciliation should be prepared by Offeror at the completion of the conversion.
- H. Offeror should provide initial training of university staff prior to, during, and immediately following the conversion process.

### 3. **Customer Service**

- A. Offeror should respond to all University and borrower inquiries within twenty-four (24) hours of request.
- B. Offeror should provide toll free telephone numbers to both the school and the borrowers. Toll-free numbers are to be displayed on billing statements, due diligence notices, Offeror's web site, and all other borrower correspondence.
- C. Offeror should provide direct access to a specific Client Service Representative dedicated to the University's accounts.
- D. Offeror should have the ability to process entitlements (deferments, postponements, bankruptcy, cancellations, forbearance) within forty-eight (48) hours of receipt. After processing, Offeror should scan and retain all such forms and correspondence with university borrowers in an electronically accessible form on a regular basis.

### 4. **Cash Management Services**

- A. Funds received from borrowers should be transferred daily to a bank account selected by the University, using the Automated Clearinghouse (ACH). All interest accrued should be the property of the University's loan funds. Deposits for loans must be separate from deposits for delinquent student accounts receivable.
- B. The University should have the ability to use a local bank account to receive the daily deposit of funds.

- C. Offeror should accommodate all loan and/or debt types.
- D. Offeror should post all transactions (i.e. borrower payments, entitlements, etc.) through the last business day of each month. The University requires the ability to post entries via the on-line system through the last business day of the month.
- E. Offeror should provide a monthly calendar including cut-off dates/times.
- F. Offeror should add returned check fees to the costs billed to the borrowers with corresponding charges added to the University's bill for services rendered by Offeror. Offeror's system should allow the University to increase the fee charged to borrowers to cover the University's own administrative expenses for obtaining payment from the borrower.
- G. Offeror should have the ability to automatically prorate borrower payments across multiple programs and loan types.
- H. Offeror should have the ability to apply payments to collection costs, penalty and late fees before applying to interest, then principal.
- I. Offeror should have the ability to assist the University in tracking adjustments such as Federal Capital Contributions, Institutional Capital Contributions, interest from investments, and other entries typically reported on the FISAP or Annual Operating Reports.
- J. The University requires that our Student Loan Billing Service's Software maintain a month-by-month, unlimited Perpetual Billing History, on each borrower, from the date the borrower enters Repayment.
- K. Offeror should provide borrowers with regular billing statements. The agency should also provide options of payment through website or Bill Service Provider and provide option of ACH and credit card payments. Offeror should offer ability to schedule recurring payments through both ACH and debit/credit card, ensuring compliance with all federal and Kentucky state laws governing such.
- L. Offeror should have the ability to list, track, and display all of the applicable entitlements allowed by borrower, and by loan, per Federal Regulations and/or University Policy.
- M. Offeror's software should contain the Low-Income School Directory, for a minimum of the last (5) years, to facilitate automation and save the University Staff time when processing Teaching Cancellations. In addition, the system should automatically notate the School Name, County Name, State and Year within Memos for instant access.
- N. Offeror's software should contain the Department of Education's OPEID Database to facilitate automation and save the University Staff time when processing manual In-School Student Deferments. In addition, the system should automatically notate the School Name and OPEID Number within Transaction History for instant access.
- O. Offeror should have the ability to add collection costs, late charges, and penalty

charges to borrower accounts with the option of automated or manual addition.

- P. Offeror's system should automatically reprocess prior activity on the account when posting backdated activity/data without any necessity for manual review or calculations to determine which data elements would need to be changed by backdated processing. This includes activities such as cancellations, payments, deferrals, forbearance, bankruptcy petitions, judgments, rehabilitation, and special payment arrangements. Offeror's system should also review all transactions on the loan to ensure that the backdated change does not adversely affect the loan in terms of its audit trail and compliance. Offeror should be able to demonstrate its ability to perform these services.

## 5. **Collections Requirements**

- A. Offeror should provide an integrated collection module to automatically and manually place and recall accounts with the University internal collector, based on university parameters.
- B. Offeror should provide the University with the option to automatically or manually place and recall accounts with external collection agencies, based on customized University parameters. This includes the ability to set up special parameters on particular groups, i.e., cohort accounts.
- C. Offeror should provide a special report to external agencies (and University staff) and internal collectors indicating that accounts have not had any "activity" for the past (9) and (11) months as a precursor to the 12-month Automatic Account Recall(s).
- D. Offeror should have the ability to automatically calculate and display Collection Agency Fees Due (on-line and in real-time) once an account is placed with a Collection Agency.
- E. Offeror should have the ability to track all collection letters sent via the system, as well as all comments and/or actions, and submit a memo for multiple accounts at one time.
- F. Offeror should provide standard collection reports for university staff to view or print at the borrower or program level, with ad hoc reporting capability for staff to build their own reports.

## 6. **Student Loan Billing Service Requirements**

- A. Offeror should be able to accommodate special payment arrangements with borrowers, including arrangements made in accordance with rehabilitation provisions.
- B. Offeror should inform borrowers of the availability of the Department of Education's Student Loan Ombudsman's Office.



- C. Offeror should have the ability to provide required information to the National Student Loan Data System on at least a monthly basis, periodically reconcile the NSLDS records with the Offeror's records, and resolve any discrepancies.
- D. Offeror should be able to produce IRS form 1098E for borrowers that meet the requirements of the Taxpayer Relief Act of 1997. In addition, proper reporting to the IRS must also occur.
- E. Offeror should report to at least two national credit bureaus, respond to all disputes and/or make adjustments in a timely manner. Offeror should maintain a month-by-month, 10-Year perpetual credit bureau history on each borrower from the date of first disbursement.
- F. Offeror should provide fully customized On-Line entrance interview, eSignature promissory note solutions, and total loan indebtedness disclosures for all student loan programs. Offeror should edit such documents due to changing federal or university regulations in a timely manner. Offeror will notify borrowers of promissory note addendums, as required by applicable regulations.
- G. Offeror should provide fully customized On-Line exit interview and electronic disclosure statements for all loan programs. Offeror should contact the borrower to complete the exit on-line, and then follow up within 30 days with paper mailings to borrowers who did not complete the exit on-line. Offeror should notify the University when exits are complete and provide an electronic file for the purpose of placing/releasing exit holds in the University's student (SAP) system.
- H. Offeror should provide a fully automated Skip Tracing Service to locate our borrowers with bad addresses.
- I. Offeror should have the ability to provide a fully automated electronic disclosure process as it relates to CFR 674.16 (a)(1).
- J. Offeror should provide a fully automated mechanism for the University to comply with the requirements of Regulation Z as they relate to our "private" (non-Perkins) loans. The solution provided should be web-based and fully automated to present borrowers with the required disclosures and self-certification form.
- K. Offeror should have the ability to process all Loan Verification Certificates issued for Federal Direct Student Loan Consolidation, communicating with the lender and documenting the borrower's account, posting consolidation payments received, and following up with the Title IV Additional Servers (TIVAS) regarding underpayment and refunding of overpayment.
- L. Offeror should provide a means to monitor bankruptcy accounts via public records to ensure borrowers who have filed for bankruptcy are properly coded and removed from billing, while borrowers whose bankruptcy cases have been dismissed, discharged, etc. are placed back into billing. Offeror should provide a mechanism to notify university of such actions on at least a monthly basis to ensure the university can take action if necessary.

- M. Offeror should have the ability to provide paid in full notification letters to borrowers as required by applicable regulations. This requires the capability to maintain name and address history of an individual borrower and if applicable, any co-signors.
- N. Offeror should have the ability to hide a portion of a borrower's Social Security Number on all billing statements, reports etc. and/or the ability to generate a billing statement with a university assigned identification number.
- O. Offeror should provide instant access to all archived accounts and all information (e.g., not just transaction history).
- P. Offeror should provide for automatic movement of an account from enrolled to a grace period status.
- Q. Offeror should provide exit interview materials/repayment schedules with the option to print disclosures on-line on-site.
- R. Offeror should provide optional billing cycles including annual, semiannual, quarterly, bi-monthly and monthly billings.
- S. Offeror should have the ability to accommodate the variety of repayment terms included in the University's Institutional loan programs.
- T. Offeror should be able to service the Primary Care Loan program, in particular the changes in repayment terms for borrowers who cease residency or practice in primary care, i.e., recalculation and capitalization of interest (if applicable), and annual requests for self-certification plus follow-up to borrowers who do not submit the first request for self-certification.
- U. Offeror should be able to service the Nurse Faculty Loan Program, in particular the unique repayment terms, changes in interest rate due to noncompliance, and necessary borrower documentation.
- V. Offeror should have the ability to generate consolidated statements for borrowers with multiple types of loans, with a complete summary of each loan and cumulative total. Offeror should have the ability to provide special messages on the statements. Indicate the number of text lines available and the number of characters for each.
- W. Offeror should have the ability to provide borrowers with electronic debiting of bank account, regular billing statements, or electronic mail. Offeror should describe any other available billing options.
- X. The billing statement should disclose a complete summary of each account (e.g., principal and interest paid, last payment date, total payoff amount, etc.) and a cumulative total.
- Y. Offeror should be able to process payments of borrowers who opt to pay in advance, whether regular or special billing. The borrower may elect to pay the next installment in advance or make an additional payment to be applied to the loan principal. An advance payment of the next installment should be applied to the loan and the payment due date set in the future accordingly.

- Z. Offeror should provide borrowers with the appropriate contact information during the grace periods, based on applicable regulations.
- AA. Offeror's system should have the ability to accept at least three (3) addresses, including email address, and telephone numbers for the borrower. Offeror should have the ability to store a minimum of six (6) reference addresses and to provide the option of exclusive billing addresses. Reference addresses should be readily accessible in an "address screen" and not as a comment added to a "notes or history" screen.
- BB. Offeror should use the U.S. Postal Services "Address Correction Requested." A regular (i.e., monthly) electronic interface should be developed with the postal service to receive electronic updates of address information. Offeror's system should automatically include the "plus four" digits for all domestic zip code addresses.
- CC. Offeror should forward all urgent documents and correspondence with university borrowers, if University response is required, in a timely manner (within 48 hours of receipt).
- DD. Offeror should send out all past due notices and perform all required telephone contacts in compliance with federal and University regulations.
- EE. Offeror should have the ability to add collection costs to debtor accounts with the option of automatic or manual addition. The system should be able to accommodate changes in collection agency contingency fee rates, per specific periods in time, as contracts with those agencies and subsequent rates change.
- FF. Offeror should be able to accommodate special payment arrangements with borrowers, including arrangements made in accordance with rehabilitation provisions.
- GG. Offeror should inform borrowers of the availability of the Department of Education's Student Loan Ombudsman's Office.
- HH. Offeror should provide the information required to the National Student Loan Data System for Federal Perkins loans. If reauthorization of Title VII stipulates, Offeror should provide similar information for the University's Title VII loans.
- II. Offeror should state performance standards for borrower services including telephone answer rates, correspondence and forms processing.
- JJ. Offeror should have the ability to produce IRS form 1098E for borrowers that meet the requirements of the Taxpayer Relief Act of 1997 and should perform proper reporting to the IRS.
- KK. Offeror should have the capability for university personnel to generate both standard automated letters and specialized notices on-line, to be automatically documented in the account history.

**7. Client On-Line Services**

Offeror should provide an on-line, real-time system that allows the University access to perform most transactions, to include the following inquiry and updating capabilities:

- A. Staff view of borrower information in the format that borrowers view it.
- B. Ability for University staff to instantly retrieve a copy of the borrower's billing statement.
- C. Ability for University Staff to review a specific borrower's current account balance Information.
- D. Ability for University staff to instantly view a specific Electronic Copy of any 1098-E Tax Form.
- E. Ability for University staff to instantly review all "Signed, Unsigned, and/or Cancelled" On-Line Entrance Interviews, electronically signed promissory notes, and total loan indebtedness disclosures by "Account Number" and by "Date Range" and allow this information to be instantly downloaded and exported in Microsoft Excel and to the university's financial aid (Sigma ProSAM) system.
- F. Ability for University staff to manually enter and upload all information necessary for the instant creation of an On-Line Entrance Interview and Electronic Promissory note, if desired.
- G. Ability for University staff to instantly review all "Signed, Unsigned, and/or Cancelled" On-Line Exit Interviews and Repayment Schedules by "Account Number" and by "Date Range" and allow this information to be instantly downloaded and exported in Microsoft Excel file and to the university systems.
- H. Ability for University staff to access your On-Line User's Guide.
- I. Ability for University staff to access and download your most recent SSAE-16 (formally known as SAS-70) Audit Report.
- J. Ability for University staff to instantly access your most up to date Service Schedule.
- K. Ability for University staff to instantly access all scanned documents, such as: Checks, Remittance Statements, Entitlement Forms, ACH Forms, Miscellaneous Borrower Correspondence, etc.
- L. Ability for University staff to instantly access, approve, and/or deny, all pending Clearinghouse Exits.
- M. Ability for University staff to instantly retrieve any Monthly Management Report and Month-End Management Report from every month and year, since the University has been a client.

- N. Ability for University Staff to create and or print all necessary documents that are required such as Exit Letters, Paid in Full letters, etc. and to generate automated letters in the Offeror's system (email or paper).
- O. Offeror's online system must be available to university staff during standard Business Hours of 8:00 AM-5:00 PM EST, at a minimum.
- P. The University requires that the website is compatible with the university's external collection agencies.
- Q. A complete history of the activity of each account in chronological order.
- R. A hierarchy of security levels that can be assigned to each individual University user, depending on the staff member's responsibilities.
- S. Timely daily updates of the database.
- T. Ability to transmit the following types of updates on-line, at a minimum:
  - i. New loans/loan advances
  - ii. Separation date changes
  - iii. Name/address changes
  - iv. Loan number/social security number changes
  - v. Repayment schedule requests
  - vi. General file maintenance
  - vii. Special messages
  - viii. Judgment date
  - ix. Bankruptcy date and activity cessation/reactivation post-discharge
  - x. Payment posting/pay-by-phone posting.
  - xi. Deferral/cancellation/forbearance processing
  - xii. Renegotiated payment arrangements
  - xiii. NSLDS updates
  - xiv. Automated letters
- U. The system should maintain the image of the loan at the time of conversion to allow transactions to be processed on activity prior to conversion.
- V. All standard reports should be available for viewing on-line immediately following the weekend and/or month-end. Any ad-hoc reports created by the University should also be available for on-line view upon demand. All reports must be available on-line for a minimum of five years.
- W. Offeror should allow on-line access for collection agencies contracting with the University, to ensure access to the most current loan data.

**8. Borrower On-Line Services**

Offeror should provide on-line and real-time options for the University's borrowers, 24 hours a day/7 days a week, to include ability to:

- A. Update demographic information.
- B. Supply "release of information" consent; please describe this process.
- C. Pay by ACH/direct debit and/or credit card.
- D. Sign up for temporary or permanent ACH/direct debit payments.
- E. Review payment transaction history.
- F. Update banking information.
- G. Sign up for e-bills in place of paper billing statements.
- H. Retrieve a copy of a current or previous billing statement, e-bill or paper.
- I. Review current account balance.
- J. Complete and review fully customized on-line entrance interviews for all loan types.
- K. Complete and review fully customized electronic promissory notes and total loan indebtedness disclosures for all loan types.
- L. Complete and review fully customized on-line exit interviews and repayment schedules for all loan types.
- M. Complete and review all documents associated with Regulation Z requirements.
- N. Download and/or complete requests for deferment, cancellation, forbearance, ACH forms, etc.
- O. Contact a customer service representative by email or live chat.

**9. Special Requirements**

- A. Offeror should provide borrowers the option of making payments through Offeror's website or through Bill Service Providers. Offeror should provide the borrower the option of ACH (Automatic Clearing House) as a form of repayment and remain in compliance with all federal and Kentucky state laws regarding ACH.
- B. Offeror's system should have the capability to interface with collection agencies, i.e., advise agencies of new placements on a daily basis and of payments received by Offeror on collection accounts. This interface should include reporting of agency success rates.

- C. Offeror's system should have the capability to interface with the University's financial and student administration applications (SAP), as well as the student financial aid component (Sigma ProSAM).
- D. Offeror should provide the University with the option to assess collection costs, late charges or penalty charges automatically or manually.
- E. Offeror's system should have the ability to identify loans placed with collection agencies or internal collectors.
- F. Offeror should provide the University with all available records and files pertaining to accounts when required by federal, state and University auditors. These records should be retained for five (5) years.
- G. The University reserves the right to audit or cause to be audited the selected firm's books and accounts with the University at any time during the term of this contract and for five (5) years thereafter.
- H. Offeror's system should have the capability to administer privately funded loans (Institutional loans), according to criteria established by the University. Specifically, the system should allow the University to set up its own parameters for the timing of due diligence contacts, variable interest rates, and to customize the text of each due diligence notice.
- I. Offeror's system should have edits to ensure that the University's federal loans are processed in compliance with federal regulations, and to protect the integrity of the University's data.
- J. Offeror's system should have the ability to allow for automatic reprocessing of prior activity on the account when posting backdated activity, including payments.
- K. Offeror's system should have the ability to accrue interest on all accounts, in accordance with federal and University policies. Offeror should describe available methods of interest accrual, i.e., daily, monthly, etc.
- L. Offeror's system should have the ability to capitalize amounts (usually interest and costs) resulting from judgments or specific loan fund provisions.
- M. Offeror should report accounts to a national credit bureau organization, as required by federal regulations. Offeror should be able to appropriately adjust credit reporting on satisfied rehabilitation agreements. The University desires that at least two national credit bureau organizations be notified and updated. Offeror should respond to all credit disputes filed by borrower, within the mandated timeframes.
- N. Offeror's system should have the capability of automatically writing off debit and credit balances, as allowed by regulation or University guidelines.
- O. Offeror should process all credit balance refunds. Overpayments caused by consolidation loan payoffs should be analyzed to ensure all collection costs are paid (if applicable), then returned to the lender within three (3) business days.

Overpayments from borrower payments should be refunded to the borrower within sixty (60) days.

- P. Offeror should have the capability of interfacing with the National Student Loan Clearinghouse and processing student and/or grace deferments on university accounts, with appropriate notification to the borrowers. Offeror should use this same capability in updating borrowers' separation date from the University.
- Q. Offeror should generate all required Federal Perkins Loan assignment forms (including individual borrower account and history information, manifest, and certification), and also provide access to university staff to generate such forms on-line when applicable. Offeror should process acceptance reports from the assignment servicer and ensure that NSLDS is updated to reflect this activity.
- R. Offeror's on-line system should include a fully integrated collection management system, one in which entries made to the collection system automatically update the main database.

## 10. **Reports**

- A. Offeror's system should have the capability to offer the following options:
  - i. Consolidate the printing of loans from several loan programs in a single report, while maintaining the identity of each loan.
  - ii. Ability to view/print all reports on-line.
  - iii. Electronic transmission of reports or report data via downloads, CD-ROM or other mechanism.
  - iv. Selection of the sort sequence for each report, usually numeric or alphabetical. However, the University may wish to have other sort options on some reports, such as dates or level of delinquency.
  - v. Selection of multiple sorts for the same report.
  - vi. Selection of the production frequency for each report, i.e., daily, weekly, monthly, quarterly, semi-annually, annually, or on demand.
  - vii. Generating reports by group of loans assigned to the University collector, using an alphabetical range based on borrower's last name, or a numerical range based on borrower's account number.
- B. Offeror should provide the University with the option to receive (but not be limited to) any of the following reports, and should provide the option to tailor the reports to its needs and frequency desired:
  - i. **Accounting/Reconciliation Reports**
    - List of transactions and adjustments processed.



- Cash listing showing detail of deposits.
- Reconciliation of cash and related general ledger entries
- List of general ledger entries in Debit/Credit format, summed.
- List of new loans and disbursements posted.
- List of new loans and disbursements not posted.
- List of loans with disbursements in the current award year
- Special reports as requested by University's auditors.

ii. Program Maintenance Reports

- List of all borrowers included in the current year cohort and a list of borrowers who may be included in the next cohort year.
- Inventory of borrowers scheduled to graduate.
- Inventory of borrowers who are in school or in their grace period.
- Inventory of borrowers who are in repayment, with the option to include those with paid-in-full loans
- Cross-reference list with names and account numbers
- List of addresses from borrowers whose mail was returned.
- List of changed names, addresses, and telephone numbers.
- List of loans paid in full, including a comment to indicate how the loan was paid (e.g., payment, cancellation, etc.), and information sufficient to audit the accounts.
- List of accounts with credit balances
- List of accounts for which billing has been suspended, with an indication of the reason.
- List of loans that meet the criteria for IRS skip-tracing.
- Trial balance report by program to include borrower specific information and summed to reconcile with the outstanding principal balance for the program.
- Cumulative list of borrowers for whom Offeror does not have any good address.
- Cumulative list of loans with a credit balance
- List of the interest paid by borrowers during the calendar year.
- List of interest paid, as reported on 1098E forms.
- List of loans with small balances. The University should have the option to set the amount.
- Loans with bankruptcy activity, identifying those that need action by the university.

iii. Delinquency Reports

- List of delinquent loans, categorized by number of days past due. The university should select the range of days past due for each category.
- Report of borrowers with whom the University has made special payment arrangements or who have received hardship deferments or forbearance.
- Inventory of loans assigned to the U.S. Department of Education, including monetary information necessary to reconcile to the general ledger and the federal report.
- List of borrowers who become delinquent during the month, based on criteria selected by the University, i.e., number of days past due.

- List of borrowers who have brought their accounts current during the reporting period.
- List of borrowers who were previously past due but paid out the account during the period.

iv. Collection Reports

- Inventory of accounts assigned to each collection agency under contract with the University and to each University in-house collector.
- List of accounts assigned to each collection agency or University collector during the reporting period.
- Report of payments sent to Offeror by borrowers who are assigned to a collection agency or University collector.
- Report providing success rates of each collection agency used by the university.

v. Program Management Reports

- Fiscal Operations Report in the format needed for the Federal Perkins Loan Program, including a listing of accounts included in Part III, Section C
- Fiscal Operations Report for the Institutional Loan Programs
- Annual Operating Report in the format needed for the Health Profession, Primary Care, and Nurse Faculty loan programs, including a listing of accounts included in the Borrower Account Worksheet.
- Program summary report to provide the University with sufficient statistical data to monitor the status of each loan program, e.g., number of loans/borrowers, total dollars loaned and due, etc.
- Accounting report for the Federal Perkins Program, which identifies/calculates required data for the University to comply with GASB reporting requirements.
- Summary report of activity on delinquent accounts and on accounts assigned to collection agencies. This report would provide the University with a method to measure the productivity of its collectors and collection agencies.
- Offeror should discuss the capability for the University to create ad-hoc reports by setting its own parameters, as well as the ability to view such reports on-line.
- Offeror should list other reports that are available to the University and include samples.

11. Training and Support

- A. Offeror should provide initial training of university employees and follow-up training of these employees, as well as service call support for the University at no additional cost to the University. In addition, Offeror should provide training at their location for as many as three (3) University employees, at no additional cost to the University.
- B. Offeror should perform semi-annual on-site training visits as mutually agreed upon between Offeror and the University.

- C. Offeror should provide an on-site trainer with at least one (1) year of experience in using the product.
- D. Offeror should provide a complete User's Guide and System Administration Guide.
- E. Offeror should provide a primary account representative who should remain with the account for the duration of the University's relationship with Offeror, if practicable.
- F. Offeror should receive written approval before changing any University customization after product acceptance.
- G. Offeror should provide technical support and trouble reporting via a toll-free telephone number.

12. **Warranty Against Shutdown Devices**

Offeror warrants that the equipment and software (if applicable) utilized by Offeror for the fulfillment of the contract requirements should not contain any lock, counter, CPU references, virus, worm, or other device capable of halting operations or erasing or altering data or programs. Offeror further warrants that neither it, nor its agents, employees, or subcontractors should insert any shutdown device following delivery of the equipment and software.

13. **Optional Services**

- A. If the Offeror has the capability of providing additional services to assist in the collection of past due student loan accounts prior to placement with external collection agencies, those should be addressed here. These services would be in addition to the routine due diligence required by federal regulation and/or University policy.
- B. Offeror should provide a listing of any other optional services not covered in Section 4.6 Required Services.

**4.7 Criteria 3 – Financial Proposal**

The Financial Summary Form shall contain the complete financial offer made to the University using the format contained in Section 7.0. All financial information must be submitted in a sealed envelope under separate cover.

**4.8 Criteria 4 – Evidence of Successful Performance and Implementation Schedule**

- A. Offeror should provide a listing of all institutions currently under contract with the Offeror to provide the services (full service) requested in this RFP.
- B. Offeror should provide a listing of five (5) references of public and/or private colleges and universities, to include the name of the institution, as well as the name, telephone number, and email address of the contact person at each institution, along with approximate portfolio

size. These institutions should be comparable to the University of Kentucky in enrollment and student loan portfolio size.

- C. Offeror should provide a listing of all institutions whose contract has ended, for any reason, with the Offeror providing the services (full or modified) requested in this RFP, within the last five years. The listing should include the name of each institution with the name, telephone number, and email address of the contact person at each institution.
- D. Offeror should provide a detailed conversion plan and implementation schedule and explain the University's role in this process.
- E. Offeror should provide evidence of their experience in providing the services described herein (minimum five (5) years), including a short resume of the key personnel involved in the performance of this contract. Offeror employees' conduct should be professional and represent the University in a positive way during all deliberations and dealings with borrowers and former students contacted.
- F. Offeror should provide a list of all professional affiliations and activities that support and promote the ability to remain current with respect to federal requirements and industry standards. This should include a description of professional memberships and activities that evidence a commitment to servicing Federal Perkins Student Loan accounts and a strong involvement in the student loan collection community (be specific).

#### **4.9 Criteria 5 – Other Additional Information**

The offeror may present any creative approaches that might be appropriate. The offeror may also provide supporting documentation that would be pertinent to this RFP.

Offeror should describe in detail their company's commitment to diversity, equity and inclusion. Information should be provided as to the number of diverse individuals that the vendor employees as well as a description of vendors efforts to do business with Diverse Business Enterprises as they conduct their own business.

## 5.0 EVALUATION CRITERIA PROCESS

A committee of university officials appointed by the Chief Procurement Officer will evaluate proposals and make a recommendation to the Chief Procurement Officer. The evaluation will be based upon the information provided in the proposal, additional information requested by the University for clarification, information obtained from references and independent sources and oral presentations (if requested).

The evaluation of responsive proposals shall then be completed by an evaluation team, which will determine the ranking of proposals. Proposals will be evaluated strictly in accordance with the requirements set forth in this solicitation, including any addenda that are issued. The University will award the contract to the responsible offeror whose proposal is determined to be the most advantageous to the University, taking into consideration the evaluation factors set forth in this RFP.

The evaluation of proposals will include consideration of responses to the list of criteria in Section 4.0. Offerors must specifically address all criteria in their response. Any deviations or exceptions to the specifications or requirements must be described and justified in a transmittal letter. Failure to list such exceptions or deviations in the transmittal letter may be considered sufficient reason to reject the proposal.

The relative importance of the criteria is defined below:

### **Primary Criteria**

- Offeror Qualifications
- Services Defined
- Financial Proposal
- Evidence of Successful Performance and Implementation

### **Secondary Criteria**

- Other Additional Services

The University will evaluate proposals as submitted and may not notify offerors of deficiencies in their responses.

Proposals must contain responses to each of the criteria listed in Section 4 even if the Offeror's response cannot satisfy those criteria. A proposal may be rejected if it is conditional or incomplete in the judgment of the University.

## **6.0 SPECIAL CONDITIONS**

### **6.1 Contract Term**

The contract resulting from this RFP shall be effective October 1, 2023 through September 30, 2028, and is renewable for up to five (5) additional one-year renewal periods. Annual renewal shall be contingent upon the University's satisfaction with the services performed.

### **6.2 Effective Date**

The effective date of the contract shall be the date upon which the parties execute it and all appropriate approvals have been received.

### **6.3 Competitive Negotiation**

It is the intent of the RFP to enter into competitive negotiation as authorized by KRS 45A.085.

The University will review all proposals properly submitted. However, the University reserves the right to request necessary modifications, reject all proposals, reject any proposal that does not meet mandatory requirement(s) or cancel this RFP, according to the best interests of the University.

Offeror(s) selected to participate in negotiations may be given an opportunity to submit a Best and Final Offer to the purchasing agency. All information received prior to the cut-off time will be considered part of the offeror's Best and Final Offer.

The University also reserves the right to waive minor technicalities or irregularities in proposals providing such action is in the best interest of the University. Such waiver shall in no way modify the RFP requirements or excuse the offeror from full compliance with the RFP specifications and other contract requirements if the offeror is awarded the contract.

### **6.4 Appearance Before Committee**

Any, all or no offerors may be requested to appear before the evaluation committee to explain their proposal and/or to respond to questions from the committee concerning the proposal. Offerors are prohibited from electronically recording these meetings. The committee reserves the right to request additional information.

### **6.5 Additions, Deletions or Contract Changes**

The University reserves the right to add, delete, or change related items or services to the contract established from this RFP. No modification or change of any provision in the resulting contract shall be made unless such modification is mutually agreed to in writing by the contractor and the Chief Procurement Officer and incorporated as a written modification to the contract. Memoranda of understanding and correspondence shall not be interpreted as a modification to the contract.

**6.6 Contractor Cooperation in Related Efforts**

The University reserves the right to undertake or award other contracts for additional or related work to other entities. The contractor shall fully cooperate with such other contractors and University employees and carefully fit its work to such additional work. The contractor shall not commit or permit any act which will interfere with the performance of work by any other contractor or by university employees. This clause shall be included in the contracts of all contractors with whom this contractor will be required to cooperate. The University shall equitably enforce this clause to all contractors to prevent the imposition of unreasonable burdens on any contractor.

**6.7 Entire Agreement**

The RFP shall be incorporated into any resulting contract. The resulting contract, including the RFP and those portions of the offeror's response accepted by the University, shall be the entire agreement between the parties.

**6.8 Governing Law**

The contractor shall conform to and observe all laws, ordinances, rules and regulations of the United States of America, Commonwealth of Kentucky and all other local governments, public authorities, boards or offices relating to the property or the improvements upon same (or the use thereof) and will not permit the same to be used for any illegal or immoral purposes, business or occupation. The resulting contract shall be governed by Kentucky law and any claim relating to this contract shall only be brought in the Franklin Circuit Court in accordance with KRS 45A.245.

**6.9 Kentucky's Personal Information Security and Breach Investigation Procedures and Practices Act**

To the extent Company receives Personal Information as defined by and in accordance with Kentucky's Personal Information Security and Breach Investigation Procedures and Practices Act, KRS 61.931, 61.932 and 61.933 (the "Act"), Company shall secure and protect the Personal Information by, without limitation: (i) complying with all requirements applicable to non-affiliated third parties set forth in the Act; (ii) utilizing security and breach investigation procedures that are appropriate to the nature of the Personal Information disclosed, at least as stringent as University's and reasonably designed to protect the Personal Information from unauthorized access, use, modification, disclosure, manipulation, or destruction; (iii) notifying University of a security breach relating to Personal Information in the possession of Company or its agents or subcontractors within seventy-two (72) hours of discovery of an actual or suspected breach unless the exception set forth in KRS 61.932(2)(b)2 applies and Company abides by the requirements set forth in that exception; (iv) cooperating with University in complying with the response, mitigation, correction, investigation, and notification requirements of the Act, (v) paying all costs of notification, investigation and mitigation in the event of a security breach of Personal Information suffered by Company; and (vi) at University's discretion and direction, handling all administrative functions associated with notification, investigation and mitigation.

## **6.10 Termination for Convenience**

The University of Kentucky, Purchasing Division, reserves the right to terminate the resulting contract without cause with a thirty (30) day written notice. Upon receipt by the contractor of a "notice of termination," the contractor shall discontinue all services with respect to the applicable contract. The cost of any agreed upon services provided by the contractor will be calculated at the agreed upon rate prior to a "notice of termination" and a fixed fee contract will be pro-rated (as appropriate).

## **6.11 Termination for Non-Performance**

### Default

The University may terminate the resulting contract for non-performance, as determined by the University, for such causes as:

- Failing to provide satisfactory quality of service, including, failure to maintain adequate personnel, whether arising from labor disputes, or otherwise any substantial change in ownership or proprietorship of the Contractor, which in the opinion of the University is not in its best interest, or failure to comply with the terms of this contract.
- Failing to keep or perform, within the time period set forth herein, or violation of, any of the covenants, conditions, provisions or agreements herein contained.
- Adjudicating as a voluntarily bankrupt, making a transfer in fraud of its creditors, filing a petition under any section from time to time, or under any similar law or statute of the United States or any state thereof, or if an order for relief shall be entered against the Contractor in any proceeding filed by or against contractor thereunder. In the event of any such involuntary bankruptcy proceeding being instituted against the Contractor, the fact of such an involuntary petition being filed shall not be considered an event of default until sixty (60) days after filing of said petition in order that Contractor might during that sixty (60) day period have the opportunity to seek dismissal of the involuntary petition or otherwise cure said potential default; or
- Making a general assignment for the benefit of its creditors, or taking the benefit of any insolvency act, or if a permanent receiver or trustee in bankruptcy shall be appointed for the Contractor.

### Demand for Assurances

In the event the University has reason to believe Contractor will be unable to perform under the Contract, it may make a demand for reasonable assurances that Contractor will be able to timely perform all obligations under the Contract. If Contractor is unable to provide such adequate assurances, then such failure shall be an event of default and grounds for termination of the Contract.

### Notification

The University will provide ten (10) calendar days written notice of default. Unless arrangements are made to correct the non-performance issues to the University's satisfaction within ten (10)



calendar days, the University may terminate the contract by giving forty-five (45) days' notice, by registered or certified mail, of its intent to cancel this contract.

#### **6.12 Funding Out**

The University may terminate this contract if funds are not appropriated or are not otherwise available for the purpose of making payments without incurring any obligation for payment after the date of termination, regardless of the terms of the contract. The University shall provide the contractor thirty (30) calendar days' written notice of termination under this provision.

#### **6.13 Prime Contractor Responsibility**

Any contracts that may result from the RFP shall specify that the contractor(s) is/are solely responsible for fulfillment of the contract with the University.

#### **6.14 Assignment and Subcontracting**

The Contractor(s) may not assign or delegate its rights and obligations under any contract in whole or in part without the prior written consent of the University. Any attempted assignment or subcontracting shall be void.

#### **6.15 Permits, Licenses, Taxes**

The contractor shall procure all necessary permits and licenses and abide by all applicable laws, regulations and ordinances of all federal, state and local governments in which work under this contract is performed.

The contractor must furnish certification of authority to conduct business in the Commonwealth of Kentucky as a condition of contract award. Such registration is obtained from the Secretary of State, who will also provide the certification thereof. However, the contractor need not be registered as a prerequisite for responding to the RFP.

The contractor shall pay any sales, use, personal property and other tax arising out of this contract and the transaction contemplated hereby. Any other taxes levied upon this contract, the transaction or the equipment or services delivered pursuant hereto shall be the responsibility of the contractor.

The contractor will be required to accept liability for payment of all payroll taxes or deductions required by local and federal law including (but not limited to) old age pension, social security or annuities.

#### **6.16 Attorneys' Fees**

In the event that either party deems it necessary to take legal action to enforce any provision of the contract and in the event that the University prevails, the contractor agrees to pay all expenses of such action including attorneys' fees and costs at all stages of litigation.

**6.17 Royalties, Patents, Copyrights and Trademarks**

The Contractor shall pay all applicable royalties and license fees. If a particular process, products or device is specified in the contract documents and it is known to be subject to patent rights or copyrights, the existence of such rights shall be disclosed in the contract documents and the Contractor is responsible for payment of all associated royalties. To the fullest extent permitted by law the Contractor shall indemnify, hold the University harmless, and defend all suits, claims, losses, damages or liability resulting from any infringement of patent, copyright, and trademark rights resulting from the incorporation in the Work or device specified in the Contract Documents.

Unless provided otherwise in the contract, the Contractor shall not use the University's name nor any of its trademarks or copyrights, although it may state that it has a Contract with the University.

**6.18 Indemnification**

The contractor shall indemnify, hold and save harmless the University, its affiliates and subsidiaries and their officers, agents and employees from losses, claims, suits, actions, expenses, damages, costs (including court costs and attorneys' fees of the University's attorneys), all liability of any nature or kind arising out of or relating to the Contractor's response to this RFP or its performance or failure to perform under the contract awarded from this RFP. This clause shall survive termination for as long as necessary to protect the University.

**6.19 Insurance**

The successful Contractor shall procure and maintain, at its expense, the following minimum insurance coverages insuring all services, work activities and contractual obligations undertaken in this contract. These insurance policies must be with insurers acceptable to the University.

**COVERAGES**

Workers' Compensation  
 Employer's Liability  
 Commercial General Liability including operations/completed operations, products and contractual liability (including defense and investigation costs), and this contract  
 Business Automobile Liability covering owned, leased, or non-owned autos

**LIMITS**

Statutory Requirements (Kentucky)  
 \$500,000/\$500,000/\$500,000  
 \$1,000,000 each occurrence  
 (BI & PD combined) \$2,000,000 Products and Completed Operations Aggregate  
 \$1,000,000 each occurrence  
 (BI & PD combined)

The successful contractor agrees to furnish Certificates of Insurance for the above described coverages and limits to the University of Kentucky, Purchasing Division. The University, its trustees and employees must be added as additional insured on the Commercial General Liability policy with regard to the scope of this solicitation. Any deductibles or self-insured retention in the above-described policies must be paid and are the sole responsibility of the contractor. Coverage is to be primary and non-contributory with other coverage (if any) purchased by the University. All of these required policies must include a Waiver of Subrogation (except Workers' Compensation) in favor of the University, its trustees and employees.

**6.20 Method of Award**

It is the intent of the University to award a contract to the qualified offeror whose offer, conforming to the conditions and requirements of the RFP, is determined to be the most advantageous to the University, cost and other factors considered.

Notwithstanding the above, this RFP does not commit the University to award a contract from this solicitation. The University reserves the right to reject any or all offers and to waive formalities and minor irregularities in the proposal received.

**6.21 Reciprocal Preference**

In accordance with KRS 45A.494, a resident offeror of the Commonwealth of Kentucky shall be given a preference against a nonresident offeror. In evaluating proposals, the University will apply a reciprocal preference against an offeror submitting a proposal from a state that grants residency preference equal to the preference given by the state of the nonresident offeror. Residency and non-residency shall be defined in accordance with KRS 45A.494(2) and 45A.494(3), respectively. Any offeror claiming Kentucky residency status shall submit with its proposal a notarized affidavit affirming that it meets the criteria as set forth in the above reference statute.

**6.22 Auditing**

The University, or its duly authorized representatives, shall also have access to any books, documents, papers, records or other evidence which are directly pertinent to this contract for the purpose of financial audit or program review.

In the event that successful Contractor(s) does not meet the auditing requirements based on the terms and conditions herein, the contract is subject to cancellation or termination.

**6.23 Confidentiality**

The University recognizes an offeror's possible interest in preserving selected information and data included in the proposal; however, the University must treat such information and data as required by the Kentucky Open Records Act, KRS 61.870, et seq.

Information areas which normally might be considered proprietary, and therefore confidential, shall be limited to individual personnel data, customer references, formulae and company financial audits which, if disclosed, would permit an unfair advantage to competitors. If a proposal contains information in these areas and the offeror declares them to be proprietary in nature and not available for public disclosure, the offeror shall declare in the Transmittal Letter the inclusion of proprietary information and shall noticeably label as confidential or proprietary each sheet containing such information. Proposals containing information declared by the offeror to be proprietary or confidential, either wholly or in part, outside the areas listed above may be deemed non-responsive and may be rejected.

The University's General Counsel shall review each offeror's information claimed to be confidential and, in consultation with the offeror (if needed), make a final determination as to whether or not the confidential or proprietary nature of the information or data complies with the Kentucky Open Records Act.

## **6.24 Conflict of Interest**

This Request for Proposal and resulting Contract are subject to provisions of the Kentucky Revised Statutes regarding conflict of interest and the University of Kentucky's Ethical Principles and Code of Conduct ([www.uky.edu/Legal/ethicscode.htm](http://www.uky.edu/Legal/ethicscode.htm)). When submitting and signing a proposal, an offeror is certifying that no actual, apparent or potential conflict of interest exists between the interests of the University and the interests of the offeror. A conflict of interest (whether contractual, financial, organizational or otherwise) exists when any individual, contractor or subcontractor has a direct or indirect interest because of a financial or pecuniary interest, gift or other activities or relationships with other persons (including business, familial or household relationships) and is thus unable to render or is impeded from rendering impartial assistance or advice, has impaired objectivity in performing the proposed work or has an unfair competitive advantage.

Questions concerning this section or interpretation of this section should be directed to the University purchasing officer identified in this RFP.

## **6.25 University Brand Standards**

The contractor must adhere to all University of Kentucky Brand Standards. University Brand Standards are maintained by the University Public Relations Office (UKPR) and can be viewed at <http://www.uky.edu/prmarketing/brand-standards>. Non-adherence to the standards can have a penalty up to and including contract cancellation. Only the UKPR Director or designee can approve exceptions to the University standards.

Graphics standards for the UK HealthCare areas are governed by UK HealthCare Clinical Enterprise Graphic Standards, found at: <https://ukhealthcare.uky.edu/staff/brand-strategy>.

Contractor warrants that its products or services provided hereunder will be in compliance with all applicable Federal disabilities laws and regulations, including without limitation the accessibility requirements of Section 255 of the Federal Telecommunications Act of 1996 (47 U.S.C. § 255) and Section 508 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794d), and its implementing regulations set forth at Title 36, Code of Federal Regulations, Part 1194. For purposes of clarity, updated regulations under Section 508 standards now incorporate WCAG 2.0, and for purposes of this agreement WCAG 2.0 Level AA compliance is expressly included. Contractor agrees to promptly respond to, resolve and remediate any complaint regarding accessibility of products or services in a timely manner and provide an updated version to university at no cost. If deficiencies are identified, University reserves the right to request from Contractor, a timeline by which accessibility standards will be incorporated into the products or services provided by Contractor and shall provide such a timeline within a commercially reasonable duration of time. Failure to comply with these requirements shall constitute a material breach of this Agreement and shall be grounds for termination of this Agreement.

Where any customized web services are provided, Contractor represents that it has reviewed the University's Web Policy and all products or services will comply with its published standards.

Contractor will provide University with a current Voluntary Product Accessibility Template (VPAT) for any deliverable(s). If none is available, Vendor will provide sufficient information to reasonably assure the University that the products or services are fully compliant with current requirements.

**6.26 Printing Statutes**

The purchase of printing services for all state agencies is governed by Chapter 57 of the Kentucky Revised Statutes. Specifically, all printing must be awarded to the lowest responsive bidder and approved by the Governor of Kentucky. In compliance with these statutes, all printing must be provided by a contract established by the Purchasing Division.

**6.27 Payment Terms**

The University adheres to a strategic approach regarding payables management based on risk minimization, processing costs, and industry best practices. As such, suppliers and individuals doing business with the University will be paid based on the following protocol:

1. The University utilizes Payment Plus (e-payables) as its primary default form of payment. By enrolling in Payment Plus, suppliers can receive payments immediately (all invoices will be paid immediately upon confirmation of goods receipt and invoice). The process is electronic, and the supplier receives real-time payment notices. Additional information regarding Payment Plus (and enrollment form) can be found at: <https://www.uky.edu/ufs/payment-plus-supplier-enrollment-form>.
2. Payments by check. Payment terms for check payments are Net-30.
3. Individuals receiving payments from the University that require ACH direct payments will only be processed under special circumstances as approved by the Controller's office. Payment terms for ACH are Net-40.

**7.0 FINANCIAL OFFER SUMMARY**

Offerors are to provide a fixed price for the services offered.

**7.1 Required Services (Section 4.6)**

**QUOTE A FIXED PER-ACCOUNT PRICE THAT INCLUDES ALL REQUIRED SERVICES DETAILED IN SECTIONS 2.1 AND 4.6.** Please note if any services listed in either section are not included in your price. Price differences for accounts on which borrowers have multiple loans, are billed electronically, or pay by automatic debit should be distinctly noted.

Fixed Price per Account	\$ _____
Fixed Price per Account (if borrower has multiple loans)	\$ _____
Fixed Price per Account (if borrower is billed electronically)	\$ _____
Fixed Price per Account (if borrower pays by automatic debit)	\$ _____

**7.2 Optional Services (Section 4.6)**

Offerors should provide a bid on the optional services detailed in Section 4.6. The University shall, at its sole discretion, make the determination as to whether the optional service will be undertaken.

Other (please list):

_____	\$ _____
_____	\$ _____
_____	\$ _____

**7.3 Alternate Pricing**

In addition to the above financial offer, the offeror may submit alternative financial proposals, however the information requested above must be supplied and will be used for proposal evaluation purposes.