INDIANA UNIVERSITY
PURCHASING DEPARTMENT

Request for Proposal

For

Student Loan Management System

RFP-PRO-581-2021

Final response due no later than

5:00 p.m. (EST-Indiana) on March 04, 2022

*****This document is intended to provide a summary of the RFP's objective and timeline. If you wish to be invited to participate in the event, or have additional questions, please contact Lisa Hardy via the form provided on the Public Bid posting webpage.*****

Event Schedule

ACTIVITY	DATE
Request for Proposal issued.	02/07/2022
Participants' questions concerning the proposal must be received no later than 3:00 pm Eastern Time;	02/16/2022
An email response or status of response will be provided no later than 5:00 pm Eastern Time. If the information is related to substantive content of the RFP, then clarifications will be sent to all known participants of the RFP;	02/23/2022
Proposals due by 5:00 pm Eastern Time;	03/04/2022
Selection and notification of finalist on or about;	03/25/2022
Remote or on-site demos will be scheduled as deemed necessary on or about;	03/28/2022-04/01/2022
Selection of preferred supplier on or about;	04/08/2022
Initiate Security Review and Contract Negotiations on or about;	04/11/2022
Conversion & Implementation efforts to begin on or about.	05/23/2022

Statement of Needs

F1 Objectives:

University is seeking to establish a relationship with a student loan billing software and service provider. University Collection and Loan Services manages a $50+ million-dollar student loan portfolio consisting of Perkins/NDSL, Health Profession, Nursing and institutional loans and a $25+ million dollar delinquent bursar portfolio. The office currently performs activities related to all aspects of the loan once it has been awarded by the respective financial aid office. These activities include e-promissory notes, e-exit interviews, due diligence, monthly billing, benefit processing, payments, collections, agency placement, and assignments.

The service provider must be able to accommodate a large portfolio, substantially meet the items defined in the scope of work and provide accurate and timely responses to university staff, related agencies (e.g., collection agencies, credit bureaus) and both current and non-current students that have accounts with our department.

F2. Scope of Work:

Please respond to your company's and/or product's ability to provide/perform each of the functions identified in this section. Indicate whether the function is provided in the current release with enough detail to understand how the function is performed. If the item will be incorporated into a future release, indicate such, and be as specific as possible as to which future release and the expected availability. If the functionality is only available at an additional cost, please indicate.

The purpose of this section is to provide information and desired specifications in order to best serve current and future needs. It is not intended to preclude or limit respondents in any way from offering additional creative and economic solutions to our loan awarding and tracking needs.

1. **Billing Services**
    a. All phases of the system shall be in full compliance with regulations and guidelines established by the Department of Education and Department of Health and Human Services. If contracted, the participant shall comply with the Fair Debt Collection Practice Act (P.L. 95-109) and applicable federal and state regulations.
    b. The system must be able to generate consolidated billing statements for a borrower with multiple types of loans and multiple campuses and to disclose a complete summary of each loan and cumulative total.
    c. System should provide format options for billing statements and payment remissions, and a sample of all bills, notices and reports offered in this proposal.
    d. The system will provide automatic movement of an account from enrolled to grace period and repayment status.
    e. The system shall provide exit interview materials/repayment schedules with the option to print disclosures online.
    f. The system must have the capability to provide borrowers with secure online access, electronic debiting of bank account, and ability to view billing statements.
    g. The system must be able to process payments of borrowers who opt to pay in advance. Borrower may elect to pay next installment in advance, with current installment, or make an additional payment to be applied to loan principal. An advance payment of the next installment should be applied to the loan and the payment due date can be set in the future, which allows for borrower to pay less interest.
    h. The system shall provide contacts with the borrowers during the grace period based on applicable regulations as set by the Department of Education.
    i. Describe the software's ability to do general address validation?
    j. The system should be able to process deferments, postponements, and cancellations (and reversals of these transactions, as applicable), including communication with the borrower.
    k. The system must generate all past due notices in compliance with Federal Regulations.
    l. The system must be able to accommodate special payment arrangements with borrowers, including arrangements made in accordance with rehabilitation provisions.
    m. The system should be able to produce IRS form 1098E for borrowers that meet the requirements of the Taxpayer Relief Act of 1997.
    n. The system should be able to accommodate accounts in litigation, bankruptcies, rehabilitation, and accounts submitted for assignment.
    o. The company should have the ability to accept benefit forms electronically, by mail, by fax and by email.
    p. The University retains all rights to the portfolio's historical transactions on borrower accounts and report files in the event an existing agreement is terminated.

2. **Cash Management**
    a. The system should add returned check fees to the costs billed to the borrowers.

b. The system should have the ability to automatically prorate borrower payments across multiple programs and loan types with varying interest rates using a weighted average.
c. The system should apply payments according to federal guidelines.
d. If providing payment collection, cash must feed to the university daily within 48 hours of receipt.
e. If electronic payment services are offered or available, please provide a copy of your certificate of PCI DSS compliance.

3. Reporting Services

a. The system must have standard notices, letters, bills and collection agency referral forms and benefit forms.
b. The system must be able to provide a set of robust standard reports including, but not limited to; annual reports required by DOE and HHS; annual/monthly/daily financial reports; and management reports.
c. The system should provide university users the ability to generate ad-hoc reports.
d. The system must be able to report information to NSLDS and credit bureau agencies.
e. The system must be able to import information from Clearinghouse for student deferments and update accounts to reflect eligible terms.
f. The system must have the ability to extract data through an API web services or data warehouse.

4. Online Services

a. The system must have an online access for students and schools to check individual student records using SSN, Indiana University Student ID, partial name, maiden name, phone number, mailing address and email address.
b. The system must encrypt SSN and remain in compliance at all times with Indiana Code 4-1-10, 4-1-11, and 24-4-9.
c. The system should provide online web access for students to conduct entrance and exit interviews, as well as any disclosure statements.
d. The system must provide online web access for students to complete e-signature of promissory notes.
e. The system should provide online web access for the university to check summary reports.
f. The system should provide online web access for students to obtain program entitlement forms and instructions (deferments, cancellations).
g. The system should provide online web access for bill presentment and e-payment.
h. The system should provide online web access for students to submit benefit forms.
i. The system should have the ability to receive the following types of updates on-line: new loans/advances; separation date changes; borrower demographic changes, including name/address/email/student ID/SSN changes; payment posting; financial data to IU financial system (KFS) and general file maintenance.
j. The system must maintain the image of the loan at the time of conversion to allow transactions to be processed on activity prior to conversion.
k. The company shall allow on-line access for collection agencies contacting with the university to ensure access to the most current loan data. IU does not currently allow agencies to view our data online. We reserve the right to change that going forward.
l. The system must provide a method for displaying and storing images of historical documents.

5. **Technical Requirements**

University Collections & Loan Services currently uses University Accounting Services' Connect software. This is a cloud-based product; however, we are willing to consider either a cloud or a local/onsite hosted solution.

University Collections & Loan Services has an internally developed Collection Management System (CMS). This application assists IU staff with internal collections handling via a set of queues of borrowers assigned to IU collectors for review. Features of the system include creation of customized email messages and/or paper letters sent to borrowers regarding their loans, possible benefits, and consequences of remaining delinquent on loans.

Our local systems also automate reconciliation between our billing, student financial aid, and student services databases and our student loan vendor including payments received at either institution, document imaging, new loan offers, new delinquent bursar accounts and debts, student loan exits, credit bureaus, and NSLDS. Small institutions might do these by hand, but IU's systems are too large for hand-processing.

The participant response should address all the subsections below. If a locally installed solution is offered, responses must include complete description of required server hardware environment and system software to install and support production operation of system/application(s). Indiana University's workstation environment uses Microsoft Windows 10.

a. Type of Software Solution

   i. Please specify if your company provides a local/onsite hosted solution and/or cloud-based product.
   ii. Please specify the time frame for software delivery or access to cloud-based product.

b. Implementation and Data Conversion Plan

   i. The participant must provide a proposed implementation plan.
   ii. The participant must include a recommended approach to data conversion.
   iii. Please specify if you have experience converting customers from UAS Connect to your software solution.
   iv. Please specify the university's responsibilities related to the conversion (including cost, personnel and task perspective).
   v. The participant must provide a detailed summary describing the level of service that your company would provide during the conversion and implementation. The summary should include:
      1. The type of support (e.g., on-site, on-call) that will be made available during the install and implementation of the proposed software solution.
      2. Specify the tasks to be performed as well as the amount of respondent support and time to be made available for each task.

c. Data Structure Description

   i. At a minimum, provide a general description of the proposed system's data structure. Additional technical specifics such as a data diagram should also be provided if available, such as:
      1. A list of files and tables used by the system.
      2. Data element listing for all primary tables.
      3. Required database platform, if not database independent.

d. Audit Logs and Analysis

   i. Upon request, provide details regarding audit logs, which should be stored in files accessible and readable by systems administrators.
   ii. Outline tools and documentation for the analysis of these audit logs.

e. Hardware

   i. If an on-site software solution is an option, please specify required server hardware and software pre-requisites needed for optimum system functionality.
   ii. Provide descriptions of all additional hardware needed to support the specified system in the environment described in this document. Describe the hardware required for minimal and for optimum system performance. Provide any system architecture diagrams that would be useful.

f. Manuals

   i. Please provide a copy or access to all applicable documentation that would be supplied with the system.

ii. Specify titles and costs of any additional documentation that would be available for purchase after installation.

g. Application Development

i. Please describe your software development and release lifecycle.

ii. Describe your process for customer notification of system changes (release notes).

1. List how far in advance release notes are provided.

iii. List methods available for development requests / customizations.

iv. Describe the secure development lifecycle techniques your company follows.

v. List what programming languages are used by the proposed applications.

vi. Has your application been scanned for vulnerabilities with an application vulnerability scanner?

1. Please identify when the last scan was completed, by whom, and (if applicable) what risks were mitigated?

h. Authentication

i. Does your product provide support for external authentication?

IU uses an InCommon, institution-wide credential for authentication and we require that products we acquire leverage that credential. IU prefers the use of SAML-based authentication, ideally leveraging the InCommon Federation.

1. Can your product support the consumption of SAML for authentication?
2. Do you support any other forms of external authentication other than SAML?
3. Is your organization a member of InCommon?
4. Please attach or link to documentation supporting items 1-3 above. If the material is included in larger document, please identify the relevant page numbers containing the documentation in question

6. Level of Service

a. General Items

i. The standard response time to university and/or IU student emails is two business days.

b. System Related Items

i. The company will provide release notes to university for any non-emergency update at least one week in advance.

ii. Describe the process used and overall timeline your company will provide IU to test prior to any major updates of the software.

iii. The university will have access to a test environment that mirrors production with IU specific data, and the ability to test all data transfers to and from your application. (specify requirement, how often can it be down, notification)

1. How frequently is the test environment updated?
2. Does the test environment have the ability to roll backwards and forwards?

iv. The system response time from submitting request to refreshed screen should be no more than 5 seconds.

v. Provide hours of availability for online access, reporting, and API data extracts.

vi. Describe method that issues can be reported and the expected resolution time.

c. Benefit Forms Processing

i. Any non-electronic benefit form will be uploaded within 48 hours and processed within 24 hours of receipt provided proper documentation is included.

ii. Processed benefits will be checked to make sure the account is showing zero days past due with no payment due during full deferral, and only accruing interest if in forbearance.

iii. Any benefits processed will trigger billing period and credit bureau updates for all applicable current and retroactive timeframes.

iv. All TRA and loan rehabilitation benefits will apply correctly the first time.

v. Clients in occupational cancellation benefits will receive new form 30 days prior to expiration of benefit.

vi. IU will be notified within 24 hours of any benefit forms which cannot be processed.