



Oregon
University
System

REQUEST FOR PROPOSALS

RFP #2013-02

Debt Collection Services (Domestic and/or International Accounts)

ISSUE DATE: April 18, 2013

CLOSING DATE: May 13, 2013
CLOSING TIME: 12:00 PM Pacific Time

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Debt Collection Services
Section I - Information Regarding Proposal

DEFINED TERMS

Unless otherwise defined in this document, words which have well-known debt collection industry meanings are used in this RFP document in accordance with such recognized meanings. Capitalized terms used, but not defined herein, shall have the definition set forth in OAR Chapter 580, Divisions 61 and 62. The following terms shall have the meanings set forth below:

"Account" - means any debt relationship between a Debtor and an Institution. A Debtor may have multiple debt types within one Account, including but not limited to: student loans (federal and other sources), institutional loans, and accounts receivable.

"Assigned" or "Assignment" - means the Institution's assignment or referral of an Account to Contractor for debt collection Services.

"Institution" or "Institutions" - refers singularly to one of the following, or collectively to all of the following: Eastern Oregon University in La Grande ("EOU"), Oregon Institute of Technology in Klamath Falls ("OIT"), Oregon State University in Corvallis and Bend ("OSU"), Portland State University in Portland ("PSU"), Southern Oregon University in Ashland ("SOU"), University of Oregon in Eugene ("UO"), and Western Oregon University in Monmouth ("WOU").

"Closing Date and Time" - means the date and time announced in this RFP as the deadline for submitting Proposals.

"Collection Fee" - means the percentage rate of a collected Account Contractor shall be paid as compensation for its Services. The Collection Fee shall only be paid for collected Accounts on a contingency basis according to the terms of this Contract. No Collection Fee shall be due unless collection is made on an Account.

"Contract" - means the written agreement entered between the OUS and Proposer as a result of this RFP process.

"Contractor" - refers to the firm, corporation, or entity awarded a Contract to perform Account collection Services through this RFP.

"Debtor" - means an individual or entity that owes money to an Institution on an Account.

"OAR" - means the Oregon Administrative Rules.

"ORS" - means the Oregon Revised Statutes.

"OUS" - means the Oregon University System. The OUS is comprised of the seven Institutions indicated above.

"Proposer" - refers to a firm submitting a Proposal.

"Proposal" - means a competitive offer, binding on the Proposer and submitted in response to this RFP.

“Services” - means Contractor’s efforts to collect Accounts from Debtors on behalf of the Institution.

INTRODUCTION

The OUS is seeking Proposals to provide its Institutions with Account collection Services. Each Institution administers a variety of loan and deferred payment programs and relies on an internal collection unit to pursue collection of its Accounts. Only delinquent Accounts that the Institution’s internal collection unit can no longer reasonably collect are Assigned to collection agencies.

OUS’s goal is full collection of all Accounts. Contractor shall provide their Services on Assigned Accounts regardless of the amount due. However, Contract award does not ensure that an Institution will use Contractor’s Services for the collection of overdue Accounts. Contract award does not guarantee any exclusive right to Account Assignment nor does it guarantee any specific number of Assignments.

Successful Contractors must treat Debtors in a professional manner at all times and shall comply with the federal Fair Debt Collections Practices Act (“FDCPA”, Pub. L. 95-109; 91 Stat. 874, as amended) and ORS 646.639 (the “Unlawful Debt Collection Practices Act”).

Table 1 on the following page provides the dollar amount of Accounts referred to collection agencies during the 2012 fiscal year and is provided for informational purposes only. OUS in no way represents, warrants, or guarantees that the figures in Table 1 will remain consistent in the future.

[Intentionally left blank. Table 1 appears on the following page.]

Table 1.			
Institution	Type	No. of Accounts Assigned	Dollar Value
EOU	Perkins	136	\$448,005
	A/R, Inst. Loans	1187	\$1,594,554
OIT	Perkins	66	\$154,531
	A/R, Inst. Loans	150	\$357,119
OSU	Perkins	355	\$889,754
	A/R, Inst. Loans	5	\$15,000
PSU	Perkins	187	\$100,215
	A/R, Inst. Loans	6194	\$6,462,787
SOU	Perkins	360	\$934,458
	A/R, Inst. Loans	1,224	\$3,306,112
UO	Perkins	480	\$1,602,597
	A/R, Inst. Loans	1,058	\$3,400,083
WOU	Perkins	524	\$660,508
	A/R, Inst. Loans	3173	\$6,778,045
OUS Total	Perkins	2,108	\$4,790,068
	A/R, Inst. Loans	12,841	\$21,556,581

NON EXCLUSIVE

This RFP will result in the award of approximately fifteen (15) non-exclusive Contracts. However, fewer or more than fifteen (15) Contracts may be awarded at OUS's sole discretion.

TERM OF CONTRACT

The Contract awarded through this RFP will become effective in July 1, 2013 and continue through June 30, 2022. The OUS reserves the right to terminate the Contract upon 30 days notice to the Contractor. Contractor shall not be compensated for any Services following the effective date of Contract termination.

IMPORTANT NOTICE

Read this RFP carefully. By submitting a Proposal in response to this RFP, you acknowledge that you have read, understand, and agree to comply with all the provisions of this RFP. The OUS may modify this RFP or make relevant information available to potential Proposers. It is the responsibility of potential Proposers to refer daily to the OUS Current Business and Bidding Opportunities website (<https://secure.ous.edu/bid/>) to check for any available addenda, responses to clarifying questions, or solicitation cancellations.

GENERAL INFORMATION

The OUS Department of Contracting and Purchasing will be your sole point of contact during the RFP process. All correspondence pertaining to this RFP should be appropriately addressed to the Director of Contracting and Purchasing per the contact information below:

Hillary Bounds, OUS Director of Contracting and Purchasing

Telephone: (503) 725-5775

Email: PACS@ous.edu

**Email preferred*

Office Address: OUS Chancellor's Office
(required for FedEx, UPS, etc) 1800 SW 6th Avenue, Suite 520
Portland, OR 97201

Mailing Address: Oregon University System
(required for USPS) PO Box 751
Mail Code: CHAN
Portland, OR 97207-0751

GENERAL PROVISIONS

The OUS reserves the right to reject any and all Proposals received as a result of this RFP. Oregon Administrative Rules ("OAR") Chapter 580, Divisions 61 and 62 govern the procurement process for the OUS.

1. Modification or Withdrawal of Proposal: Any Proposal may be modified or withdrawn at any time prior to the Closing Date and Time, provided that a written request is received by the OUS Director of Contracting and Purchasing prior to the Closing Date and Time. The withdrawal of a Proposal will not prejudice the right of a Proposer to submit a new proposal.

2. Protests of Specifications: Protests of the RFP specifications may be made only if a term or condition of the RFP violates applicable law. Protests of Specifications must be received in writing prior to the date and time indicated in the Schedule of Events at the OUS Director of Contracting and Purchasing address or email address listed under "General Information" in this RFP. Protests may not be faxed. Protests of the RFP specifications must include the reason for the protest and any proposed changes to the requirements.

3. Requests for Clarification and Requests for Change: Proposers may submit questions regarding the specifications of the RFP. Questions must be received in writing prior to the date and time indicated in the Schedule of Events at the OUS Director of Contracting and Purchasing address or email address listed under "General Information" in this RFP. Requests for changes must include the reason for the change and any recommended modifications to the RFP requirements.

The purpose of this requirement is to permit the OUS to correct, prior to consideration of the Proposals, RFP terms or technical requirements that may be improvident or which unjustifiably restrict competition.

The OUS will consider all requested changes and, if appropriate, amend the RFP. The OUS will provide reasonable notice of its decision to all Proposers that have submitted a Notice of Interest in accordance with section 20 of this RFP.

4. Addenda: If any part of this RFP is amended, addenda will be provided on the OUS Current Business and Bidding Opportunities website (<https://secure.ous.edu/bid/>). Proposers are exclusively responsible for checking the OUS Current Business and Bidding Opportunities website to determine whether any addenda have been issued. **By submitting a Proposal, each Proposer thereby agrees that it accepts all risks and waives all claims associated with or related to its failure to obtain any addendum or addendum information.**

5. Post-Selection Review and Protest of Award: The OUS will name the apparent successful Proposer(s) in a “Notice of Intent to Award” letter. Identification of the apparent successful Proposer(s) is procedural only and creates no right in the named Proposer(s) to award of the contract. Competing Proposers will be notified in writing of the selection of the apparent successful Proposer(s) and shall be given seven (7) calendar days from the date on the “Notice of Intent to Award” letter to request and review documents regarding the selection process and to file a written protest of award. Any protest must comply with OAR 580-061-0145. Any award protest must be received in writing at the OUS Director of Contracting and Purchasing address or email address listed under “General Information” in this RFP.

The OUS will consider any protests received and:

- (A) reject all protests and proceed with final evaluation of, and any contract language negotiation with, the apparent successful Proposer(s) and, pending the satisfactory outcome of this final evaluation and negotiation, enter into a contract with the named Proposer(s); OR
- (B) sustain a meritorious protest(s) and reject the apparent successful Proposer(s) as nonresponsive if such Proposer is unable to demonstrate that its Proposal complied with all material requirements of the solicitation and Oregon public procurement law; thereafter, the OUS may name a new apparent successful Proposer(s); OR
- (C) reject all Proposals and cancel the procurement.

The OUS Vice Chancellor for Finance and Administration or designee will timely respond to any protests after receipt. The decision shall be final.

6. Acceptance of Contractual Requirements: Failure of the selected Proposer to execute a contract and deliver required insurance certificates within ten (10) calendar days after notification of an award may result in cancellation of the award. This time period may be extended at the option of the OUS.

7. Public Records: Proposals are deemed confidential until the “Notice of Intent to Award” letter is issued. This RFP and one copy of each original Proposal received in response to it, together with copies of all documents pertaining to the award of a contract, will be kept and made a part of a file or record which will be open to public inspection. If a Proposal contains any information that is considered a **TRADE SECRET** under the ORS 192.501(2), **SUCH INFORMATION MUST BE LISTED ON A SEPARATE SHEET CAPABLE OF**

SEPARATION FROM THE REMAINING PROPOSAL AND MUST BE CLEARLY MARKED WITH THE FOLLOWING LEGEND:

“This information constitutes a trade secret under ORS 192.501(2), and shall not be disclosed except in accordance with the Oregon Public Records Law, ORS Chapter 192.”

By submitting a Proposal in response to this RFP, Proposers acknowledge and agree that any information not set apart and labeled as described above is not a trade secret under ORS 192.501(2) and may be subject to disclosure under the Oregon Public Records Law.

The Oregon Public Records Law exempts from disclosure only bona fide trade secrets, and the exemption from disclosure applies only “unless the public interest requires disclosure in the particular instance.” ORS 192.500(1). Therefore, non-disclosure of documents or any portion of a document submitted as part of a Proposal, including those labeled as Trade Secrets, may depend upon official or judicial determinations made pursuant to the Public Records Law.

8. Investigation of References: The OUS reserves the right to investigate all references in addition to supplied references and investigate past performance of any Proposer with respect to its successful performance of similar services, compliance with specifications and contractual obligations, completion or delivery of a project on schedule, and lawful payment of subcontractors and employees. The OUS may postpone the award or the execution of the contract after the announcement of the apparent successful proposer in order to complete its investigation. Information provided by references may prevail in final selection, regardless of preliminary scoring results.

Despite its right to investigate all Proposer references, the OUS is not obligated to utilize references as part of its evaluation criteria and may decline to investigate or consider references. Any decision made by the OUS in regards to the use of references, including restricting the consideration of references to only Finalists, will not be considered grounds for protest.

9. RFP Preparation Costs: Cost of developing the Proposal, attendance at an interview (if requested by the OUS) or any other such costs are entirely the responsibility of the Proposer and will not be reimbursed by the OUS. By submitting a Proposal, each Proposer thereby accepts all risks, and waives all claims, associated with or related to the costs it incurs in Proposal preparation, submission, and participation in the solicitation process.

10. Clarification and Clarity: The OUS reserves the right to seek clarification of each Proposal or to make an award without further discussion of Proposals received. Therefore, it is important that each Proposal initially be submitted in the most complete, clear, and favorable manner possible.

11. Right to Reject Proposals: The OUS reserves the right to reject any or all Proposals if such rejection would be in the public interest. Whether such rejection is in the public interest will be solely determined by the OUS.

12. Cancellation: The OUS reserves the right to cancel or postpone this RFP at any time or to award no contract.

13. Proposal Terms: All Proposals, including any price quotations, will be valid and firm through the period of contract execution.

14. Usage: It is the intention of the OUS to utilize the services of the successful Proposer(s) to provide Services as outlined in the below Scope of Work.

15. Sample Contract: Submission of a Proposal in response to this RFP indicates Proposer's willingness to enter into a contract containing substantially the same terms listed in Exhibit A – OUS Master Contract for Account Collection Services, attached hereto. No action or response to the sample contract is required under this RFP. Any objections to the sample contract terms should be raised in accordance with Section 2 – Protest of Specifications – Request for Changes. Successful Proposers will be provided a Contract including substantially the same terms as included in Exhibit A for signature. The terms of the Contract provided to successful Proposers are not negotiable. Successful Proposers must sign and return the Contract with no modifications in order to provide Services. Failure of successful Proposers to return the Contract (without modifications) within ten (10) calendar days may result in cancellation of the award. **If the selected Proposer will not agree to the Contract terms indicated in Exhibit A the OUS may cancel the contract award.**

16. Review for Responsiveness: Upon receipt of all Proposals, the OUS Director of Contracting and Purchasing or designee will determine the responsiveness of all Proposals before submitting them to the evaluation committee. If a Proposal is incomplete or unresponsive in part or in whole, it may be rejected and, if rejected, will not be submitted to the evaluation committee. The OUS reserves the right to determine if an inadvertent error is solely clerical or is a minor informality which may be waived when determining if an error is grounds for disqualifying a Proposal. The Proposer's contact person identified in the Proposal will be notified by the OUS to communicate the reason(s) the Proposal is non-responsive. One copy of the Proposal will be archived.

17. Rejections and Withdrawals. The OUS reserves the right to reject any or all Proposals or to withdraw any item from the award.

18. RFP Incorporated into Contract. This RFP will become part of the final contract between the Board and the selected Contractor. The Contractor will be bound to perform according to the terms of this RFP, its Proposal, and the terms of Exhibit A.

19. Communication Blackout Period. Except as called for in this RFP, Proposers may not communicate about this RFP with Institution employees, members of the evaluation committee, or any employees of the OUS until the apparent successful Proposer is selected and all protests, if any, have been resolved. The contact person designated by the "General Information" section of this RFP is exempted from this blackout period. If any Proposer initiates or continues contact in violation of this provision, the OUS may, in its sole discretion, reject that Proposer's Proposal and remove it from consideration for award of a contract under this RFP.

20. Notice of Interest. The Notice of Interest (form attached) should be submitted to the office of the OUS Director of Contracting and Purchasing by the time and date indicated in the Schedule of Events via email. A completed Notice of Interest should provide the name, telephone number, and email of a primary contact person to be utilized for communication

regarding the RFP and other matters about the selection process. All Proposers that return an accurately completed Notice of Interest will receive the same supplementary information. Submission of the Notice of Interest is not a mandatory requirement for submission of a Proposal.

21. Prohibition on Commissions. The OUS will contract directly with organizations capable of performing the requirements of this RFP. Contractors must be represented directly. Participation by brokers or commissioned agents will not be allowed during the proposal process.

22. Ownership of Proposals. All Proposals in response to this RFP are the sole property of the OUS and subject to the provisions of ORS 192.410-192.505 (the Public Records Act).

23. Clerical Errors in Awards. The OUS reserves the right to correct inaccurate awards resulting from its clerical errors.

24. Rejection of Qualified Proposals. Proposals may be rejected in whole or in part if they limit or modify any of the terms and conditions and/or specifications of the RFP. Any terms contained in Proposals that conflict with or modify the terms of this RFP and sample contract are expressly rejected unless specifically adopted in writing by the OUS.

25. Collusion. By responding, the Proposer states that the proposal is not made in connection with any competing Proposer submitting a separate response to the RFP, and is, in all aspects, fair and without collusion or fraud.

26. Evaluation Committee: Proposals will be evaluated by a committee consisting of representatives from the OUS and other interested parties, as appropriate. The committee may include Institution representatives. The committee's recommendations will be forwarded to the OUS Chancellor's Office for final approval.

27. Commencement of Services: The Contractor shall not commence Services until all insurance requirements have been met, the Protest of Awards deadline has been passed, and a contract has been fully executed.

28. Participation of Participating Agencies: Other units of local or state government (including agencies and educational institutions) may enter into a separate contract with Contractor to utilize Contractor's Services under substantially the same terms and conditions set forth in Exhibit A (each a "Participating Agency" or collectively, "Participating Agencies"). OUS will not be responsible for payment of any costs associated with Participating Agency contracts or coordination of any services provided to Participating Agencies.

29. Additional Contractors. OUS reserves the right to issue RFPs containing substantially the same terms as included in this RFP during the term of the Contracts. The OUS may do so in order to add Contractors if it is determined that it is in the OUS's best interest to do so.

DELIVERY OF PROPOSALS

Required Method: Complete Proposals (including all attachments) must be emailed to the OUS Director of Contracting and Purchasing per the contact information provided under “General Information.” The Proposals must be electronically received by the Closing Date and Time indicated by the Schedule of Events. **Email subject line must be “Response to RFP #2013-02 [firm’s name]”** Proposer *must* telephone and confirm electronic receipt of the complete emailed document(s) before the time and date deadline. Proposals delayed or lost by email system filtering or failures may be considered at the OUS’s sole discretion.

The original Proposal must be signed by an authorized representative of the Proposer. It is the responsibility of the Proposer to ensure that Proposals arrive by the Closing Date and Time. **LATE PROPOSALS WILL NOT BE ACCEPTED, except as set out above.** Proposals must be e-mailed to: PACS@ous.edu

Proposals will be opened by the OUS Director of Contracting and Purchasing or designee at the Office of the Chancellor, located at 1800 SW 6th Avenue, Portland, Oregon on the Closing Date.

SCHEDULE OF EVENTS

The timing and sequence of events resulting from this RFP will be ultimately determined by the OUS. This Schedule is illustrative of optimal timing goals, but may be changed.

RFP Issue Date.....	April 18, 2013
Deadline for Protest of Specifications	May 2, 2013 (12:00 pm, PT)
All Clarifying Questions Due	May 2, 2013 (12:00 pm, PT)
Notice of Interest Deadline	May 2, 2013 (12:00 pm, PT)
<i>[not a mandatory submission]</i>	
Closing Date (Proposals Due).....	May 13, 2013 (12:00 pm, PT)
Deadline for Protest of Award	7 calendar days after date on Notice of Award letter (or potential notice of non-Finalist status)
Contract Begin Date.....	July 1, 2013

SCOPE OF WORK

Contractor shall perform Account collection Services on assigned Accounts as further described in the sample Contract set forth in Exhibit A of this RFP. Contractor's Collection Fee will be calculated according to the category ("Category-1" or "Category-2") of the Assigned Account. The rates and categories are set forth in Table 2 below:

Table 2.	Contractor's Fee (%) on Amount Collected
Category-1: All Assigned Accounts (except Category-2 Accounts).	20%
Category-2: Litigation on Accounts.	28%

Examples of calculation of Contractor's Collection Fee appear below:

1. Category-1 Paid in Full when Collected.

Debtor's principle/interest Account balance is \$100. Prior to Assignment the Institution will add 25% of principle and interest to the Account balance. Debtor's Account balance will be Assigned to Contractor at \$125. When collected in full, the Institution shall recover the Account principle and interest balance in full (\$100) and Contractor shall be paid its Collection Fee (20% of total Account balance, or \$25). The total amount re-paid by the Debtor shall be \$125.

2. Category-1 Partial/Installment Payment.

Debtor's principle/interest Account balance is \$100. Prior to Assignment the Institution will add 25% of principle and interest to the Account balance. Debtor's Account balance will be Assigned to Contractor at \$125. Contractor shall be entitled to keep installment payments at its Collection Fee rate of 20%. Contractor must remit the rest of each installment payment to the Institution and is not entitled to retain a Collection Fee on its 20% Collection Fee. The total amount re-paid by the Debtor shall be \$125.

3. Category-2 Accounts

Collection Fees on Category-2 Accounts shall be calculated as agreed by the Parties in Section 33 of Exhibit A.

Contract Requirements

Prior to Contract Effective Date, Contractor must demonstrate the following (more information is provided in Section III-Proposer's Required Information Form): (1) all insurance requirements have been met, (2) a surety bond has been purchased, and (3) the ORS 697.058(2) registration, certification, or exemption requirements have been satisfied.

[Scope of Work continues on next page.]

Kick-off Meeting

Contractors may be required to send a representative to a kick-off meeting (“Meeting”). The purpose of the Meeting will be for campus representatives to discuss specific campus requirements and familiarize themselves with Contractor’s services. If OUS, in its sole discretion, decides to host the Meeting, it will be held at a single OUS Institution following the selection of Contractors. Contractors will be provided at least 30 days prior written notice informing them of the scheduled date, time, and location of the Meeting.

[Intentionally left blank.]

**Section II- Information Required from Proposer
Debt Collection Services
RFP #2013-02**

PROPOSAL FORM AND CONTENT

Proposals that do not contain all the information requested in this and other sections may be rejected as non-responsive.

A. SUBMISSION FORMAT

1. The Proposal should be written on standard size (8½" x 11") paper using generally accessible word processing and/or PDF document formats conducive to cut-and-paste transfer of information to contracts or other summary documents.
2. Proposers should structure responses as outlined in this RFP. Proposals should be prepared so that responses are specifically addressed in the same order as the requested information identified below. Pages should be numbered consecutively.

B. REQUIRED PROPOSAL CONTENT

1. Title Page and/or Cover Letter

The title page and/or cover letter should indicate the following: date; RFP number; the name, address, and telephone number of the Proposer; and a signature of an authorized official with the authority to negotiate and contractually bind the Proposer. The name, title, phone number, and e-mail address of the Proposer's contact person who will receive all notices related to the RFP should also be included. Cover letters may also include an executive summary limited to 250 words.

2. Bidder/Proposer Tax Laws and Non-discrimination Certification

This document should be signed in blue ink by an authorized company official.

3. Background Information

Proposers should briefly describe their overall debt collection Services and highlight any unique experience or specialty relevant to the collection of higher education Accounts (limit to 500 words). Proposals must also include the following information about the firm:

- a. Years in business.
- b. Principal place of business (including state of incorporation, if applicable).
- c. If firm is a department, division, or subsidiary of a business entity, provide an organization chart indicating the business entity structure.
- d. Please indicate whether your firm will be willing to provide copies of its audited financial statements for the last two years, if requested.
- e. Office location(s).
- f. Key or principal employees that would be directly responsible for the Services contemplated in this RFP.
- g. Total number of employees (note any employees that primarily work out of their home office).

- h. Total number of employees whose primary responsibility is Account collection activities.
- i. A description of any known or potential conflicts of interest with any employees of the State of Oregon, OUS, and their respective Institutions, including employees, faculty, and staff. Potential conflicts of interest include, but are not limited to, current and prior personal and business relationships.

4. Prequalification Requirements.

To be considered, each Proposer must satisfy the requirements set forth in (a) through (g) below. Proposals that do not adequately demonstrate that Proposer satisfies the following requirements will not be considered by the evaluation committee:

- a. **Professional Experience** - Proposer must demonstrate that as of the Closing Date and Time of this RFP, it has at least two (2) years experience providing account collection services to institutions of higher education.
- b. **Insurance Requirements** - Proposer must certify that it will obtain (or currently holds) insurance in the amounts and forms set forth in Section 53 of the sample contract attached to this RFP as Exhibit A (certificates of insurance must be provided prior to Contract execution).
- c. **Bonding Requirements** - Proposer must certify that it will obtain (or currently holds) a surety bond with the State of Oregon in the amount of \$100,000 or will otherwise comply with Section 36 of the sample Contract attached to this RFP as Exhibit A.
- d. **Oregon Location** - Proposer must attest that it does currently, or will upon notice of award and selection, comply with the requirements of ORS 697.058(2) requiring contractors offering certain services in Oregon to maintain “a regular active business office in Oregon for the purpose of conducting business in the State” unless exempted by the Director of the Oregon Department of Consumer and Business Services. Written proof of a local office location, through Oregon registration, certification, or exemption, will be required prior to Contract execution.
- e. **Compliance with Payment Card Industry Data Security Standards (“PCI DSS”)**. Proposer must certify that it will comply with PCI DSS. Proposer should include its two most recent annual “Reports on Compliance” as an appendix to their Proposal (completed by either an external “Qualified Security Assessor” or internally through the “Self-Assessment Questionnaire”).
- f. **Compliance with Federal Law**
 - 1. **Higher Education Opportunity Act.** Proposer must:
 - i. Certify that Proposer (and all Proposer’s principals) have never been limited, suspended, or terminated by the Secretary of the Department of Education from providing collection Services.
 - ii. Provide a complete copy of its two most recent annual compliance audits prepared in compliance with 34 CFR 668.23 and, if applicable, Proposer’s corrective action plans in response to those audits. The compliance audits should be attached as an appendix to the Proposal.
 - 2. **FDCPA.** Proposer must certify that it will fully comply with all provisions of the FDCPA. If Proposer has been cited at any time for violation of the FDCPA by the

federal agency responsible for administration of the FDCPA the citation must be noted.

3. **Gramm-Leach-Bliley.** Proposer must provide a copy of its Gramm-Leach-Bliley information security policy, or similar policy as an appendix to the Proposal.
 4. **Fair and Accurate Credit Transactions Act and Red Flags Rule.** Proposer must certify that it will comply with the Fair and Accurate Credit Transactions Act and the Federal Trade Commission’s “Red Flags Rule”.
- g. **Oregon Unlawful Debt Collection Practices Act Compliance** – Proposer must certify that it will fully comply with the Oregon Unlawful Debt Collections Practices Act. If Proposer has been cited for any violation of this rule in the past, Proposer must provide a detailed explanation.

Proposers unable to comply with any of the requirements of RFP Section 4 should not complete the Proposer Questionnaire (Section III, and beginning on page 18).

5. References and Client List

Provide a list of three higher education references (name, title, address, telephone number and email address) for individuals your firm has worked with in the past three years. References should demonstrate knowledge of and experience with the Proposer’s collection Services. Proposers should provide brief details of Services performed for each reference (no more than 100 words).

References should not be from any current or former OUS employees. Proposals that do not include references as described above will be considered nonresponsive and not be submitted to the evaluation committee for scoring.

Proposers should also submit a separate list of clients for whom they have provided Account collection Services in the last three years. The client list should indicate whether the client was a public or private entity and the approximate timeframe Services were provided. The client list should highlight public higher education institutions (if any). Proposals with experience specific to public higher education institutions will be considered favorably, but such experience is not required. Please be specific.

6. International Collections

Proposers must clearly indicate whether they provide Services on domestic Accounts only, international Accounts only, or both.

Proposers that offer Services on both (or international Accounts only) must provide a brief overview of their international Services, including any processes or practices unique to international debt collection, and specific countries Services are offered in (including local offices, if any). The overview should highlight Proposer’s expertise and/or qualifications relevant to international Account collection and should highlight differences between its international and domestic Services.

Proposers that provide only domestic account Services need not address this Section 6 in their Proposals.

7. Complete Proposer Questionnaire

Proposers should answer all questions presented in the Proposer Questionnaire completely (Section III beginning on the next page). Section III will be posted in Microsoft Word format to aid Proposers.

[Intentionally left blank. Section III begins on the next page.]

Section III – Proposer Questionnaire

Please submit your responses in order beginning with question #1 by restating the question or prompt and then providing your response. Be specific with names and numbers. Clear, concise answers directly responsive to OUS’s inquiries will be looked upon favorably by the evaluation committee. Materials/exhibits should to be provided if requested.

Note: Proposers that provide only international collection Services must respond to each of the following questions. If a question is not relevant to international collection Services, Proposer must clearly indicate as such and state the reason.

Proposers that provide both international and domestic Account Services should clearly describe differences between international and domestic Accounts (if any) with respect to their answer.

1. Documentation/Reporting.

- a. Describe your firm’s method of documenting collection attempts including recordkeeping, frequency, verification and the use of technology. Please note how these methods ensure compliance with OUS’s Contract terms and how your firm invests in technology upgrades.
- b. Provide samples of reports provided to clients summarizing collection activity both on an Account-by-Account basis and on a monthly, quarterly, or annual basis. All samples should exclude or redact Debtor information.
- c. Describe the level of client access to collection attempt documentation (online, upon request, etc.).
- d. Is your firm able to provide customized reports?
- e. What is the turnaround time for generating and delivering reports on demand?
- f. Does your firm allow clients to create custom reports online? If so, please describe the process your firm offers in detail.
- g. Provide a detailed plan for how your firm would comply with the reporting requirements set forth in Section 35 of Exhibit A.

- 2. Ability to Handle OUS Volume.** List the number of Accounts on a monthly basis for which your firm can timely and effectively provide collection Services. (Example: “our firm can work an additional 1,000 Accounts at current staffing levels. For each 3,000 Accounts above that, one additional collector would be added).

3. Method of Locating Debtors.

- a. Clearly described the step by step strategy your firm uses to locate Debtors.
- b. Do the procedures vary based on amount or type of educational debt to be collected? If so, describe the differences.
- c. Indicate the specific sources your firm uses to locate Debtors, such as the following: on-line database information, social media, reverse/cross/other directory, US Post Office, and credit report.
- d. If your firm uses the US Post Office to locate debtors will the firm provide notices of change of Debtor address to Institutions at least monthly?
- e. Please describe types of international resources your firm uses to locate and collect international Accounts or Debtors? Note any resources that are specific to one country.

4. Collection and Communication Techniques.

- a. Please provide a clearly written description of collection attempts your firm will make if Assigned Accounts. Describe how your firm utilizes collection letters, telephone contacts, personal contacts, asset location attempts, social media and email as part of the collection attempt.
- b. Please provide the scoring methodology your firm uses to prioritize Services on Accounts, including timelines for each action.
- c. Please include a sample of each letter, email and current calling script utilized. Samples MUST NOT include real Debtor names, identifying numbers, or addresses.
- d. Does your firm have an automated dialer collection system? How often are Accounts worked and followed up on by actual employees?
- e. How does your firm use auto-dialers to contact cell-phone numbers?
- f. Will your firm offer payment plans to Debtors if they cannot make payment in full? Describe how your firm allows for rehabilitation plans for Perkins loans.
- g. List all types of Accounts serviced by your firm.
- h. Provide your firm's historical performance statistics (at six month and twelve months after Assignment) for each of the following:
 - i. First Assignment student loans
 - ii. Second Assignment student loans
 - iii. First Assignment account receivable/institutional loans
 - iv. Second Assignment account receivable/institutional loans

5. Debtor Payment/Cash Management Methods.

- a. Please provide a summary of how your firm handles collected funds including a detailed description of internal controls for recording payments, collected funds, cash management, bank deposits, remittances, bad checks, overpayments, and audit procedures.
- b. Describe the payment methods Debtors can use to pay on their Accounts. Do you accept ACH payments? Check payments? Third party payments? For credit cards, please specify types of credit cards accepted (e.g. Visa, MasterCard, American Express, Discover, etc.).
- c. Does your firm allow Debtors to make payments online?
- d. In Exhibit A OUS outlines how collected funds shall be handled. Describe the extent to which your current procedures comply with this process or changes you will make to ensure appropriate fund control and transfer.
- e. Indicate whether firm can electronically remit funds and statements to the Institution.
- f. Indicate banks, including name, branch address, and account type where collected funds are held.
- g. Indicate whether Proposer has ever been terminated by a client for failure to timely remit collected funds.

6. Customer Service.

- a. Please describe your firm's overall customer service plan or approach.
- b. Describe distinguishing customer service features your firm offers (examples may include multi-lingual staff, extended office hours, etc).

- c. Does your firm have secure voicemail, email, or other secure online communication method for Debtors and Institutions to utilize?
- d. Please estimate your response times to voicemail and email messages from Debtors and Institutions under normal circumstances.
- e. Is your firm willing and able to route non-sensitive email message directly to Institution representatives?
- f. Does your firm provide internet access to data on Accounts to allow for tracking and verification by Institution representatives? Explain the features of this process, where it exists, and any software necessary to access data. Can Institution manipulate data or is it read-only?
- g. Does your firm allow clients to upload data regarding accounts to its database? If so, please describe.
- h. Please describe how often your firm updates Account information in its database and/or website for clients to access.
- i. Please note any restrictions on access to Account information your firm imposes.
- j. Please provide a detailed description of security measures your firm utilizes to safeguard client and Debtor information.

7. Employee Training and Policies

- a. Describe processes employed to ensure that your employees have not been convicted of or pled guilty to fraud, embezzlement, or any other act which may pose a risk to an Institution or its Debtors.
- b. Describe initial employee training processes as they relate to state and federal regulation, as well as ongoing training to ensure continuing compliance.
- c. Provide a copy of any company guidelines or policies to provided employees on ethics, customer service, courtesy, professionalism, and Account collection rules and regulations. Copies should be provided as an appendix.
- d. Indicate whether collection personnel are ACA certified.
- e. Describe your firm's internal control mechanisms and/or monitoring techniques. On what basis is an internal control report produced? Please provide a copy of your most recent internal control report (confidential or sensitive information may be redacted).

8. Litigation.

- a. Is your firm willing and able to perform litigation, including prosecuting legal proceedings, enforcing and collecting on judgments, and other actions necessary to collect debts owed to the Institutions for the Category-2 rate?
- b. Describe your firm's plan to provide legal services including detailed plans for how these legal actions will be brought in Oregon and any of the other forty nine states (please specify each state in which litigation services would be offered).

9. Minority, Women and Emerging Small Business (MWESB) Certification. Please note that this question is for statistical purposes only. OUS does not use this information in the evaluation or selection of any Proposal.

- a. If your firm is certified with the Oregon Office of Minority, Women, and Emerging Small Businesses in accordance with OAR 445-050-0030 please provide the certification number. If your firm wishes to self report as a minority owned, women owned, or emerging small businesses, please indicate.

Section IV - Evaluation Criteria
Debt Collection Services
RFP #2013-02

Proposals will be evaluated for completeness, clarity, and compliance with this RFP. Proposals that have satisfied the prequalification requirements and are otherwise considered complete will be evaluated to determine if they comply with the administrative, contractual, and technical requirements of the RFP. If the Proposal is unclear, Proposers may be asked to provide written clarification. **Proposals that do not clearly provide all required information or are incomplete may be rejected.**

Review and Evaluation. Proposals will be reviewed by a committee of qualified personnel selected by the OUS. At the discretion of the OUS, finalist interviews may be conducted.

Criteria for Selection. Proposals will be evaluated based on the following criteria.

Criteria	Points
1. Documentation/Reporting	60 Points
Method/frequency/quality of documenting collection attempts	0-10
Quality of sample reports	0-10
Level of Client Access	0-10
Ability of Contractor to customize reports (including turnaround time)	0-10
Ability for Institutions to create own custom reports including online reports (consideration of ease of creating for Institution personnel)	0-10
Quality of recordkeeping processes in place to ensure compliance with Contract terms/produce required reports	0-10
2. Ability to Handle OUS Volume	10 Points
3. Method of Locating Debtors:	45 Points
Quality of overall strategy to locate debtors	0-10
Use of on-line database information	0-5
Use of reverse/cross/other directory	0-5
Credit Report	0-5
Use of Social Media	0-5
Post office (Contractor provides notice of change of addresses to Institution at least monthly)	0-10
International Resources (or other resources)	0-5
4. Collection and Communication Techniques	60 Points
Overall quality of collection attempt plan	0-10
Scoring methodology for prioritizing Accounts	0-5
Sample letter quality (including follow-up letters)	0-5
Sample email quality	0-5
Sample phone call scripts quality	0-5
Use of automated dialer collection system (follow-up and cell phone)	0-5
Payment plan offered to debtors if not payment in full- including a plan to allow for rehabilitation of Perkins loans	0-15

Accounts serviced by type	0-5
Historical collection rates	0-5
5. Debtor Payment Methods	60 Points
Quality of overall collected funds management program	0-10
ACH Payments accepted	0-5
Check payments	0-5
Third party payments	0-5
Debit/Credit (type of credit cards accepted)	0-10
Online (electronic) payment acceptance	0-10
Outline of how collected funds are handled/extent compliant with Contract	0-10
Ability of firm to remit collected funds/statements to Institution electronically	0-5
6. Customer Service	70 Points
Overall quality of firm's customer service approach	0-10
Quality of distinguishing features	0-10
Secure communication methods are available (online, voicemail, emails)	0-10
Ability to route non-sensitive email messages directly to Institution representatives	0-5
Allow Institution internet access to reports and/or data (including ability to upload data)	0-15
Frequency Proposer updates database/website which clients access	0-10
Safeguards on Debtor and Institution information	0-10
7. Employee Training and Policies	55 Points
Background checks on employees	0-10
Employee Training	0-15
Company guidelines/policies	0-10
Employees are ACA certified	0-5
Internal control monitoring/report	0-15
8. Litigation	40 Points
Willingness to perform litigation services	0-20
Overall quality of litigation plan	0-20
9. References	70 Points
10. Professionalism - Quality of Overall Proposal (adherence to format, readability, organization, inclusion of all requested samples and reports, etc)	50 Points
TOTAL POINTS AVAILABLE	520

References

Information provided by references submitted by a Proposer, as well as other references identified by the OUS, may prevail in final selection, regardless of preliminary scoring results.

Section IV – Additional RFP Documents and Contract Terms

**RFP #2013-02
Debt Collection Services**

Notice of Interest

Name of Proposer: _____

Check One:

- Yes, this firm intends to submit a proposal in response to this RFP. Please forward any addenda to the RFP to my attention.
- No, this firm does not anticipate submitting a proposal in response to this request.

Comments:

Signature: _____ Date: _____

Print Name: _____

Title: _____ Phone: _____

Address: _____

Email address for contact: _____

Please return this form by the date required in the Schedule of Events to the OUS Director of Contracting and Purchasing, using the contact information in the “General Information” section of the RFP. Electronic mail may be utilized for this submission. It is not mandatory to submit a Notice of Interest in order to submit a Proposal for this RFP.

BIDDER/PROPOSER
TAX LAWS AND NON-DISCRIMINATION CERTIFICATION
Debt Collection Services
RFP #2013-02

I, the undersigned, have read all of the terms and conditions of this Request for Proposals, and I understand that if awarded the contract, I and the firm represented herein shall be bound by its terms and conditions and representations made in this response. I certify that Proposer has not discriminated against minority, women or emerging small business enterprises in obtaining any required subcontracts.

Certified Minority, Women, and Emerging Small Business

For statistical purposes only, please indicate if your firm is an Oregon certified minority, women, or emerging small business: **DBE** **MBE** **WBE** **ESB**

Certificate of Compliance with Tax Laws

I, the undersigned,
(Check one)

- hereby certify under penalty of perjury as provided in ORS 305.385(6), that, I am not in violation of any of the tax laws described in ORS 305.380(4).
- hereby certify that I am authorized to act on behalf of the Contractor, and affirm, under penalty of perjury as provided in ORS 305.385(6), that, to the best of my knowledge, the Contractor is not in violation of any of the tax laws described in ORS 305.380(4).

For purposes of this certification, "tax laws" means a state tax imposed by ORS 320.005 to 320.150 and 403.200 to 403.250, ORS Chapters 118, 314, 316, 317, 318, 321 and 323; the elderly rental assistance program under ORS 310.630 to 310.706; and local taxes administered by the Oregon Department of Revenue under ORS 305.620.

Business Designation (check one):

- | | |
|--|--|
| <input type="checkbox"/> Corporation | <input type="checkbox"/> Partnership |
| <input type="checkbox"/> Sole Proprietor | <input type="checkbox"/> Governmental/Non-Profit |
| <input type="checkbox"/> Limited Partners | <input type="checkbox"/> Limited Liability Partnership |
| <input type="checkbox"/> Limited Liability Company | |

Tax Identification Number (Federal TIN): _____

Signature: _____ Date: _____
Name: _____ Title: _____
Firm: _____
Address: _____
City/State/Zip: _____ Phone: () _____
e-mail: _____ Fax: _____

**OUS MASTER CONTRACT
ACCOUNT COLLECTION SERVICES
OUS Contract Number #**

This contract (hereafter “Contract”) is entered between the State of Oregon, acting by and through the State Board of Higher Education, on behalf of the Oregon University System (“OUS”), and

[Firm Name], hereafter called (“Contractor”)	
Address:	Phone number:
Federal Tax ID:	Fax number:
Representative contact Info:	

(each a “Party” and collectively, the “Parties”).

RECITALS

WHEREAS, OUS issued certain Solicitation Documents inviting debt collection firms to submit proposals to provide debt collection Services (as further defined herein) to OUS’s seven member institutions (Eastern Oregon University (“EOU”), Oregon Institute of Technology (“OIT”), Oregon State University (“OSU”), Portland State University (“PSU”), Southern Oregon University (“SOU”), University of Oregon (“UO”) and Western Oregon University (“WOU”), each an “Institution” and, collectively, the “Institutions”), and

WHEREAS, OUS having received and evaluated the responses to the Solicitation Documents, now desires to award a non-exclusive Contract to Contractor; and

WHEREAS, Contractor is willing and able to perform Services for OUS as stated in Contractor’s Proposal;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

TERMS & CONDITIONS

1. DEFINED TERMS. Unless otherwise specifically defined in this Contract, words which have well-known debt collection industry meanings are used in this Contract in accordance with such recognized meanings. Capitalized terms used, but not defined herein, shall have the definition set forth in Oregon Administrative Rules (“OAR”) Chapter 580, Divisions 61 and 62. The following terms shall have the meanings set forth below:

"Account" - means any debt relationship between a Debtor and an Institution. A Debtor may have multiple debt types within one Account, including but not limited to the

Exhibit A to OUS RFP #2013-02 Debt Collections

following: student loans (federal and other sources), institutional loans, and accounts receivable.

“Applicable Laws” - means all federal, state, county, and local laws, statutes, rules, regulations, guidance, ordinances, and any other laws imposed by authorities having jurisdiction over Contractor’s Services or applicable to the Services or this Contract.

“Assigned” or “Assignment” - means the Institution’s assignment or referral of an Account to Contractor for debt collection Services.

“Collection Fee” - means the percentage rate of a collected Account Contractor shall be paid as compensation for its Services. The Collection Fee shall only be paid for collected Accounts on a contingency basis according to the terms of this Contract. No Collection Fee shall be due unless collection is made on an Account.

“Contract” - means this written agreement between the Parties, including the following (each incorporated herein by this reference): OUS Request for Proposal #2013-02 (“RFP”) and its specifications, terms and conditions (hereafter referred to as “Attachment 1”), and Contractor’s Proposal submitted in response to the RFP (hereafter referred to as “Attachment 2”).

“Contractor” - means the firm, corporation or entity indicated on page 1 of this Contract that will provide Services.

“Court Award” - refers to the amount of money Contractor shall be entitled to retain as a result of Litigation. The Court Award shall include the following: (1) the costs and service expenses actually awarded by the court; (2) the prevailing party fee actually awarded by the court; and (3) the amounts that Contractor is entitled to recover (and has recovered) under ORS 18.999 with respect to the Account.

“Debtor” - means an individual or entity that owes money to, or has any debt relationship with, an Institution on an Account.

“DCBS” – refers to the Oregon Department of Consumer and Business Services.

“Effective Date” - means the later of July 1, 2013 and the date on which the last Party has signed this Contract and all required approvals have been obtained.

“General Counsel” - refers to either OUS General Counsel (representing EOU, OIT, SOU, and WOU) or the Institutional General Counsel (for PSU, OSU, and UO) as context requires.

“Litigation” - refers to any legal action, case, controversy, or proceeding concerning an Account. Litigation includes, but is not limited to, small claims, garnishment actions, and general litigation on Accounts.

Exhibit A to OUS RFP #2013-02 Debt Collections

"**ORS**" - means the Oregon Revised Statutes.

"**OUS**" - refers to the Oregon University System which is comprised of the Institutions.

"**Representative**" - means the individual(s) set forth on Schedule 1 (attached hereto and incorporated by this reference) for each Institution and responsible for the coordination of Contractor's Services for the respective Institution. Schedule 1 may be updated as necessary. For Contractor, Representative means the individual(s) set forth on page 1 of this Contract and responsible for coordination of Contractor's Services.

"**Services**" - means Account collection services (as further defined herein) and Litigation (with Institution approval) to be performed by Contractor.

"**Withdrawal**" or "**Withdrawn**" - refers to an Assigned Account that the Institution has withdrawn from the Contractor by instructing Contractor to discontinue Services and return the Account to the Institution. Institutions may Withdrawal an Account at any time through written notification.

2. **INCORPORATION AND INTERPRETATION OF DOCUMENTS.** Contractor shall provide Services in accordance with the terms of this Contract. No modification to the terms of this Contract will be binding unless modified through written amendment executed by the Parties. The Contract documents are intended to be complementary, however, in the event of a conflict, the documents will be interpreted in the following descending order of precedence:
 - a. this Contract (excluding Attachment 1 and Attachment 2);
 - b. Attachment 1 (excluding this Contract and Attachment 2); and
 - c. Attachment 2 (excluding this Contract and Attachment 1).
3. **CONTRACT TERM.** The term of this Contract shall be from the Effective Date through June 30, 2022, unless earlier terminated in accordance with the terms of this Contract ("Term").
4. **SERVICES.** Contractor shall perform Account collection Services on Assigned Accounts through proper and lawful means without regard to the amount due. All Services shall be performed in a professional manner, and in accordance with the highest industry standards. Contractor's Services may not rely on any unfair or unprofessional collection practices (as set forth in ORS 646.639 and hereafter the "Oregon Unlawful Debt Collection Practices Act") nor violate any other Applicable Laws. Contractor shall ensure its employees practice good judgment and honesty at all times during performance of Services, and all communication with Debtors (or Institution employees) is conducted in a respectful and positive manner. Contractor shall promptly respond to complaints or inquiries regarding Contractor's Services transmitted to Contractor by the Institution.
5. **NON-EXCLUSIVE.** Contractor shall have a non-exclusive right to provide Services to the OUS or its Institutions. Neither the OUS nor its Institutions guarantee that any

Exhibit A to OUS RFP #2013-02 Debt Collections

Accounts, nor any specific number of Accounts, will be Assigned to Contractor during the Term. OUS reserves the right to contract with additional collection firms during the Contract Term.

6. **CONTACTS.** Institution Representatives may be contacted for coordination of Services to be performed for their respective Institution. The OUS Representative will be the primary contact regarding the terms of this Contract.
7. **CONTRACTOR AVAILABILITY.** Contractor shall ensure that its Representative, or designee, is reasonably available to coordinate Services with the Institutions. If at any time the Representative is unavailable, Contractor shall ensure that backup Representatives are available. Contractor agrees to be reasonably available for Institution and Debtors to contact between the hours of 8:00 AM to 5:00 PM, Pacific Time on all regular business days (except for holidays recognized by Oregon and set forth in ORS 187.010).
8. **CONTRACTOR'S EMPLOYEES.** Contractor's employees must remain qualified and licensed as required by Applicable Laws to perform Account collection Services for the entire Term of the Contract.
9. **COMMUNICATION MATERIALS.** Upon Institution request, Contractor must provide any materials intended for communication with Debtors (hereafter "Communication Materials" and including, but not limited to its letters, emails, and calling scripts) to the Institution. The Institution may request changes to the Communication Materials, which the Contractor must make prior to sending further Communication Materials to Debtors.
10. **DEBTOR COMMUNICATION.** Debtors must be allowed to contact Contractor using telephone, email, the internet or any other reasonable means. Contractor shall clearly include its contact information on all Communication Materials transmitted to Debtor, accept collect calls, provide a toll-free number for Debtors to call, and provide an access number for international callers.
11. **ACCOUNT ASSIGNMENT.** An Institution may contact Contractor for Account Assignment. If Accounts are Assigned, the Institution will provide Contractor with a summary including the following information for each Account: Debtor information, principle amount, interest to date, late charges, account category (as further defined in this Section) and collection charges ("Account Summary"). Contractor must provide the Institution with a written acknowledgement of Assignment within five (5) business days of Assignment ("Acknowledgement"). Contractor shall be primarily responsible for updating the Account Summary as necessary. However, the Institution may update the Account Summary from time to time and provide it to Contractor. Each Assigned Account will be defined as one of the following three categories:
 - a. **Category-1.** Assigned Accounts will be considered "Category-1" Accounts.

Exhibit A to OUS RFP #2013-02 Debt Collections

- b. **Category-2.** Only those Accounts approved for Litigation per the terms of this Contract will be considered “Category-2” Accounts. The Contractor may not collect the Category-2 rate in combination with any charge under Category-1.

12. CONTRACTOR’S FEE TABLE. Contractor shall be paid its Collection Fee according to the Account categories and fixed rate of compensation set forth in Table 1:

Table 1.	Contractor’s Fee (%) on total Amount Collected
Category-1	20%
Category-2	28%

The percentages in Table 1 shall remain unchanged throughout the Contract Term and any extensions.

13. COLLECTION FEE CALCULATION. Calculation of the Collection Fee shall be consistent with the following:

- a. The Collection Fee will equal the percent set forth in Table 1 for the appropriate Account category multiplied by the total amount collected, subject to the provisions of Section 14. Examples of Collection Fee calculation are set forth in Exhibit 1 (attached hereto and incorporated by this reference).
- b. Payments received directly by Contractor within thirty (30) days of Withdrawal notification shall be subject to Contractor’s Collection Fee, unless otherwise provided in this Contract.
- c. Payments received directly by the Institution for Assigned Accounts shall be subject to Contractor’s Collection Fee. The Institution will inform Contractor of its receipt of such funds within thirty (30) days.

14. EXEMPTIONS TO COLLECTION FEE. Contractor’s Collection Fee shall be subject to the following exemptions:

- a. Payments received by the Institution or Contractor within fourteen (14) calendar days of the date of Assignment shall not be subject to Contractor’s Collection Fee.
- b. If an Account is reduced, canceled, or otherwise forgiven by the Institution, no Collection Fee shall be due Contractor for the amount so reduced, canceled, or forgiven.
- c. The Contractor shall add all Collection Fees to the Debtor’s Account unless prohibited (or limited) by Applicable Laws. However, the applicable percent set forth in Table 1 shall not be applied to Contractor’s Collection Fee, and the Collection Fee shall not include a “fee-on-fee.” This Section shall not be

Exhibit A to OUS RFP #2013-02 Debt Collections

interpreted to prevent the addition of court costs, disbursements, and/or attorney's fees to the Debtor's Account when consistent with Oregon laws and the terms of this Contract.

- d. The Institution may credit the Account (or "Offset") funds due the Debtor from the Internal Revenue Service, Oregon Department of Revenue, or any other source at any time. Contractor shall not be entitled to any Collection Fee for any Offset amount. No payment received by the Institution as a result of a pre-Offset notice shall be subject to Contractor's Collection Fee.
- e. No Collection Fee shall be owed on funds received from the sale, refinance, or purchase of real or personal property unless Contractor can demonstrate to the Institution's satisfaction that the collection was a direct result of Contractor's action.
- f. No Collection Fee shall be due Contractor for any payments received from a foreclosure, probate, or bankruptcy trustee.
- g. Contractor may not assess any charge or fee, including convenience fees or bank charges to the Debtor and shall not be entitled to a Collection Fee on any such prohibited charge. This prohibition also includes fees or charges issued or imposed by any third-party provider.

15. ACCOUNT ADJUSTMENTS. Contractor shall comply with the following requirements for each Assigned Account:

- a. If Contractor reasonably expects to receive funds in foreign currency, the Contractor shall ensure exchange rates are applied and appropriately communicated to Debtor to ensure accurate credit to the Account.
- b. Contractor must notify the Institution if all Collection Fees are not assessed to Debtor and indicate the reason for such action.

16. UNDERCOLLECTED ACCOUNTS. Contractor shall monitor all Accounts and update the Account Summary as necessary (including interest and unpaid balances). In the event that Accounts are collected, and, through the negligence, omission, or any other fault of the Contractor the true Account Summary balance is miscalculated and not collected, Contractor shall reimburse the Institution for the difference between the collected amount and the actual Account balance ("True-Up Payment"). True-Up Payment shall be made to the Institution within ten (10) days of discovery of any such deficiency.

17. SPECIAL CONSIDERATION FOR REHABILITATED ACCOUNTS. Payments received by the Contractor during the initial twelve (12) month "qualification period" are subject to the Collection Fee. Accounts for which twelve (12) "qualifying payments" (or nine (9) "qualifying payments" for Perkins loans) have been received must be returned to the Institution and shall no longer be subject to Contractor's Collection Fee. Before

Exhibit A to OUS RFP #2013-02 Debt Collections

returning the Account to the Institution, Contractor must receive authorization from the Institution.

- 18. CREDIT BUREAU REPORTING.** Contractor must receive prior written authorization from the Institution before reporting delinquent Accounts to any credit bureau.
- 19. REMITTANCE AND INVOICE.** By the fifteenth (15th) day of each month Contractor shall remit to the Institution the net amount of monies collected for the Institution's Accounts during the preceding calendar month. Contractor shall also provide an invoice that clearly identifies each Account successfully collected, the total amount collected for each Account, the date collected, and the applicable Collection Fee. Each invoice and remittance will be for the preceding one month period.
- 20. CANCELLED ACCOUNTS.** Each Institution has the sole authority to cancel, reduce, or forgive any or all amounts owed on its Accounts. Consistent with Section 14, in the event an Account is reduced, canceled, or forgiven no Collection Fees shall be due Contractor for the amount so reduced or canceled, or forgiven.
- 21. ACCOUNT WITHDRAWAL.** The Contractor shall establish procedures to ensure that any payments received after Withdrawal are promptly forwarded to the Institution, consistent with Section 13. Such Accounts must be returned on a monthly basis, and no backlog may exist at any time.
- 22. CONSOLIDATION.** All consolidation certification forms shall be sent to the Institution within ten (10) days for validation and certification of Account balance due. Contractor is not authorized, and shall not, complete on-line consolidation applications for the Debtor.
- 23. REPAYMENT AGREEMENTS.** Any repayment agreement ("Repayment Agreement") entered into between Contractor and Debtor must be provided to the Institution within thirty (30) days of its effective date. Contractor shall not enter into a Repayment Agreement with a Debtor which restricts or forecloses the Institution or OUS from exercising its rights to offset monies the Institution or OUS owes the Debtor, or which restricts or forecloses the Institution or OUS from withholding services until the entire delinquency is paid.
- 24. SUSPENSION OF SERVICES.** Contractor must suspend Services on any Account upon receipt of a written request from the Institution. The Institution will provide written authorization to Contractor when Services are to resume on the Account. Payments received by either the Contractor or Institution on suspended Accounts within thirty (30) days after suspension notification date shall be subject to the Collection Fee provided in this Contract (except payments made to rehabilitated Accounts). The Contractor shall establish procedures to ensure that any payments received on a suspended Account are promptly forwarded to the Institution. Accounts that have been suspended 180 days or more shall be considered Withdrawn.

Exhibit A to OUS RFP #2013-02 Debt Collections

- 25. OVERPAYMENT.** Any funds received by Contractor in excess of the total Account balance due are “Overpayments” and must be forwarded to the Institution in full with an explanation that the amount is an Overpayment. Contractor shall not be entitled to Collection Fees on any Overpayment and shall not retain any portion of an Overpayment.
- 26. UNCOLLECTABLE OR RETURNED ACCOUNTS.** In the event Contractor returns an Account for any reason, the Account shall be returned to the Institution with a written explanation of the facts and circumstances that have led Contractor to return the Account. The written explanation shall be mailed to the Institution within five (5) business days unless the Institution permits email delivery.
- 27. RETURN OF ACCOUNTS.** Assigned Accounts must be returned to the Institution within twelve months of the date of Assignment unless one or more of the following circumstances exist:
- a. Contractor has entered into a Repayment Agreement with the Debtor which has been provided to Institution;
 - b. An acceptable repayment schedule has been established through the efforts of the Contractor, for which payments are being received regularly. In such a case the Account shall remain with the Contractor until the Account is deemed eligible for loan rehabilitation, or a default occurs, at which time the Account will be subject to review by the Institution and Contractor;
 - c. Any legal action has been commenced;
 - d. Any other reasons mutually agreed upon in writing by the Contractor and Institution; or
 - e. A judgment has been obtained.
- 28. DEBTOR PAYMENT METHODS.** Contractor must accept cash, check, money order, credit card, and debit card payments from Debtors. Contractor may not charge an additional fee for any payment method used by Debtor (including manual or automated payment methods). Contractor shall comply with the following:
- a. If Contractor receives payment in full through uncertified funds, the payment shall be posted to the Debtor’s Account with a “two week hold” on the Account. Contractor must wait two weeks, and ensure the money has successfully transferred, before reporting the Account as “paid in full” to the Institution.
 - b. If Contractor receives two “not sufficient funds” or “NSF” notices on an Account within a twelve (12) month period, Contractor shall only accept future payments in the form of certified funds.
- 29. DEFERRED ACCOUNTS.** An Institution will not knowingly forward Accounts to Contractor if the Debtor qualifies for deferment. If Contractor determines that an

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Account may be eligible for deferment or cancellation benefits, Contractor must immediately notify the Institution and, if requested, immediately return the Account to the Institution. No Collection Fees shall be paid for deferred Accounts returned to the Institution.

- 30. SETTLEMENT OFFERS.** Contractor does not have authority to approve or solicit a compromise settlement offer (“Settlement Offer”). Should Contractor receive a Settlement Offer from Debtor, Contractor must forward the Settlement Offer to the Institution for consideration. If a Settlement Offer is received from Debtor, Contractor must suspend Services until the Institution has made a determination of whether to accept the Settlement Offer. If Contractor accepts a Settlement Offer without authorization from the Institution, the Contractor shall pay (in addition to any amounts collected under the settlement) the balance of the Account to the Institution and close the Account. Contractor shall not notify Debtor that the Account has been satisfied unless it receives prior written authorization from the Institution.
- 31. DEBTOR BANKRUPTCY.** Upon discovery by Contractor that a Debtor has filed a bankruptcy petition under the bankruptcy code (“Bankruptcy Code”), Contractor shall diligently investigate the validity of the petition. If valid, Contractor must stop Services and immediately return the Account to the Institution (including all related documents, the date of filing, case number, chapter of the Bankruptcy Code, and the name and address of the court in which the petition was filed). If Contractor fails to promptly investigate the validity of a bankruptcy petition and/or return the Account in a timely fashion, Contractor shall be responsible for all damages, interest, and court costs incurred by the Institution. Contractor shall not be entitled to any Collection Fees on funds received from a bankruptcy trustee.
- 32. DECEASED DEBTOR.** Should Contractor become aware that a Debtor is deceased, Contractor shall immediately discontinue Services and notify the Institution of any details available regarding the Account, including estate information. The Institution will either Withdrawal the Account (if appropriate) or request Contractor to continue Services on the estate (if appropriate).
- 33. LITIGATION.** Contractor may commence and pursue judicial remedies in its own name, whenever such actions are economically suitable and where the costs of Litigation, including attorney’s fees, do not exceed the amount that can be recovered by the Debtor. Contractor shall pursue Litigation only with prior written approval of the Institution. Contractor shall submit the names of its proposed attorney’s, who shall be approved or disapproved at the sole discretion of the General Counsel.

Contractor may request authorization to commence Litigation or an Institution may request Contractor to commence Litigation. When Contractor requests authorization to commence Litigation, Contractor must prepare a cost-benefit analysis supporting initiation of Litigation on the Account. When an Institution requests Contractor to commence Litigation, Institution will prepare a cost benefit analysis supporting initiation of Litigation on the Account. Contractor shall only commence Litigation on an Account

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after receiving written approval from the Institution. The Institution will not front or pre-pay any expenses or costs associated with Litigation. The Institution's written Litigation approval shall memorialize the Parties agreement regarding the collected funds subject to the Category-2 Collection Fee (including contemplation of the Court Award). If an Institution approves an Account (or Accounts) for Litigation Contractor must:

- a. Inform the Institution of the status of all Accounts in Litigation on a monthly basis.
- b. Submit complete copies of all legal documents filed with the court within ten (10) days of filing for each Account.

34. ASSUMPTION OF LITIGATION RISK. Contractor assumes all risks arising out of or related to Litigation. These risks include, but are not limited to the following: adverse judicial decisions, failure to be able to recover all amounts sought, and the application of the various statutes, legal principles, and possible moratoriums that affect Debtors' rights or which may affect Debtor's rights in the future. **CONTRACTOR HEREBY WAIVES AND RELIQUISHES ANY AND ALL CLAIMS AND DEMANDS OF ANY NATURE AGAINST OUS, AND ITS INSTITUTIONS, DIVISIONS, OFFICERS, EMPLOYEES AND AGENTS, THAT MAY ARISE OUT OF OR RELATE TO ANY SUCH LITIGATION.** Nothing in this Section may be construed as creating or imposing any new or additional obligation on Contractor to provide any indemnification that exceeds the scope of the indemnification in Section 52.

35. REPORTING REQUIREMENTS. Contractor shall provide the reports set forth in this Section to the Institution(s) receiving Services (except where indicated that it shall be delivered to the OUS). All reports supplied by Contractor shall be timely, clearly legible, accurate, and complete. Each Institution may require a different reporting format and shall have the right to request new reports as well as modifications to existing reports during the Term. Contractor shall provide the appropriate Institution(s) with each of the following reports:

- a. A monthly inventory report, in a format requested by the Institution, listing all Assigned Accounts for the Institution ("Inventory Report"). The Inventory Report must clearly identify the Debtor, Account, the date the Account was Assigned, copy of the Acknowledgement, summary of collection attempts, the principal, accrued interest, estimated Collection Fee, total balance due, and Account status (statuses, include but are not limited to the following: Category-1, Category-2, active, un-collectable, or bankruptcy filed).
- b. A monthly report summarizing all Accounts in Litigation, clearly identifying any legal fees associated with the filing, indentifying the nature of the charge, and the balance of the Court Award, if possible ("Litigation Report"). The Litigation Report shall be provided to the Institution along with the Inventory Report.
- c. A separate monthly report listing all Accounts canceled, closed, returned, or

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Withdrawn during the preceding month (“Return Report”). The Return Report must include:

- i. Service history/summary including a record of contacts made with the Debtor, the Debtor’s current mailing address and telephone number(s), the dates and amounts of all payments and charges and any other information necessary for Institution to comply with federal due diligence requirements and the future collection of the Account. The Contractor shall also return all documentation provided by the Institution, any notices relating to the Bankruptcy Code, and any documentation obtained during Litigation.
 - d. A fiscal year summary report must be provided to each Institution receiving Services during the fiscal year (“Fiscal Year Summary Report”). The Fiscal Year Summary Report shall be due by July 1 for the preceding fiscal year (July 1 through June 30). Each Fiscal Year Summary Report must include the following:
 - i. Number of Accounts held for the Institution.
 - ii. Dollar amount (total balance due) for each Account.
 - iii. Amounts collected during the period.
 - iv. Dollar value of Accounts returned to the Institution.
 - v. Dollar value of Accounts Withdrawn by the Institution.
 - vi. Notation of Account category (Category-1 or Category-2) for each Account.
 - e. Upon OUS request, Contractor shall provide the OUS Representative with a compliance report (“Compliance Report”). The Compliance Report must include the following information:
 - i. Updates to Contractor’s Representative contact information, if applicable.
 - ii. A list including each Institution receiving Services in the prior year (with total Collection Fees).
 - iii. Documentation demonstrating that the surety bond required in Section 36 remains in place.
 - iv. An DCBS issued certificate as proof of current registration to do business in Oregon as a collection agency (as required by Section 37).
 - v. Certificates of Insurance as evidence of insurance coverages required in Section 53.
- 36. SURETY BOND.** The Contractor shall post a good and sufficient surety bond with the OUS in an amount of \$100,000 or shall have all Account payments sent to and deposited directly into a lock-box account in the name of the Institution. The bond shall be in a form and issued by a surety satisfactory to the OUS and shall require at least thirty (30) days advance written notice of cancellation to the OUS.
- 37. CONTRACTOR REGISTRATION.** ORS Chapter 697 requires the Contractor to be registered as a collection agency with the DCBS on the Effective Date. Contractor must keep its DCBS registration current for the duration of the Term (including any extension

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thereof). Contractor shall annually provide a certificate issued by the DCBS as proof of its current registration to the OUS Representative as part of its Compliance Report (described in Section 35). Should Contractor's DCBS registration lapse, Contractor must immediately suspend all Services and notify the OUS Representative. Contractor must comply with all applicable provisions of ORS Chapter 697 throughout the Contract Term.

38. HIGHER EDUCATION OPPORTUNITY ACT COMPLIANCE. Contractor shall fully comply with all provisions of the Higher Education Opportunity Act Pub. L. No. 110-315 ("HEOA", and reauthorizing the Higher Education Act of 1965, as amended) and all regulations promulgated under that statutory authority, all rules and regulations promulgated by the Department of Education ("DOE") and all special arrangements, agreements, limitations, suspensions, and terminations entered into under the authority of the HEOA, as amended. Contractor shall:

- a. Complete its Services in a manner consistent with all statutory and regulatory provisions applicable to the administration of a federal student financial aid program under Title IV of the HEOA ("Title IV Program").
- b. Comply with HEOA requirements mandating the use of any funds, and any interest or other earnings thereon, by servicer administrators (as that term is used in the HEOA) solely for the purposes specified and in accordance with Title IV Program requirements.
- c. Refer to the DOE, Office of Inspector General, and the Institution, any information regarding the following circumstances: (1) there is reasonable cause to believe that the Institution might have engaged in fraud or other criminal misconduct in connection with the Institution's administration of any Title IV Program, or (2) an applicant for Title IV Program assistance might have engaged in fraud or other criminal misconduct in connection with his or her application. Information that must be referred to the Inspector General of the DOE and the Institution includes, but is not limited to, the following:
 - i. False claims by the Institution for Title IV Program assistance;
 - ii. False claims of independent student status by a Debtor;
 - iii. False claims of citizenship by a Debtor;
 - iv. Use of false identities by a Debtor;
 - v. Forgery of signatures or certifications by a Debtor; and
 - vi. False statements of income by a Debtor.
- d. Be jointly and severally liable (with the Institution) to the Secretary of the DOE for Contractor's violation of any statutory provision, regulatory provision, and any applicable special arrangement, agreement, or limitation entered into under the authority of statutes applicable to a Title IV Program.
- e. Immediately return to the Institution all records pertaining to the administration of a Title IV Program and all funds (including interest thereon) received from or held in trust on behalf of the Institution (or Institutions), or its students, if any of

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the following occur:

- i. this Contract is terminated.
 - ii. the Contractor stops providing Services for the administration of a Title IV Program.
 - iii. Contractor goes out of business.
 - iv. Contractor files a petition under the Bankruptcy Code.
- f. Certify that neither Contractor nor principals of the Contractor:
- i. Have been limited from providing Services, suspended, or terminated by the Secretary of DOE within the preceding five years;
 - ii. Have not had, during the two most recent audits of its administration of Title IV Program(s), an audit finding that resulted in the Contractor being required to repay an amount greater than five percent of the funds that the Contractor administered under the Title IV Program(s) for any award year.
- g. Certify that the following are true, and that failure of any of these conditions to be true constitutes violation of Contractor's fiduciary duty under this Contract:
- i. Contractor has not been convicted of, nor has pled "nolo contendere" or guilty to, a crime involving the acquisition, use, or expenditure of Federal, state, or local government funds, nor has Contractor been administratively or judicially determined to have committed fraud nor any other material violation of law involving those funds;
 - ii. Nor has any person who exercises substantial control over Contractor, as determined according to 34 CFR §668.15, been convicted of, or pled "nolo contendere" or guilty to, a crime involving the acquisition, use, or expenditure of Federal, state, or local government funds, or been administratively or judicially determined to have committed fraud or any other material violation of law involving those funds;
 - iii. Nor does Contractor employ a person in a capacity that involves the administration of Title IV Programs or the receipt of Title IV Program funds who has been convicted of, or has pled "nolo contendere" or guilty to, a crime involving the acquisition, use, or expenditure of Federal, state, or local government funds, or who has been administratively or judicially determined to have committed fraud or any other material violation of law involving those funds; or
 - iv. If during the Term, Contractor learns of a conviction, plea, or administrative or judicial determination described in this Section, Contractor shall immediately (within three (3) business days) notify the Institution and OUS and shall promptly remove the person, agency, or organization from any involvement in the administration, or day to day

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activities of the Services of this Contract, or, as applicable, remove or eliminate any substantial control, as determined according to 34 CFR §668.15, over activities under this Contract.

39. GRAMM LEACH BLILEY COMPLIANCE. Contractor shall comply with the requirements of the Gramm Leach Bliley Act, Pub. L. No. 106-102 ("GLB") and 16 CFR §314 (referred to as the "Safeguards Rule").

- a. The following terms used in the GLB and this Section 39 shall have the meanings set forth below:
 - i. "Covered Data and Information" means all Debtor information required to be protected under the GLB, including but not limited to the following: Student Financial Information (as hereafter defined) and any credit card information received in the course of Contractor's business (whether or not such credit card information is covered by GLB). Covered Data and Information includes both paper and electronic records.
 - ii. "Offering a Financial Service or Product" includes offering student loans to students, collecting on those loans, receiving income tax information from a student's parent when offering a financial aid package, and other miscellaneous financial services as defined in 12 CFR §225.28.
 - iii. "Student Financial Information" is information Contractor obtained from the Institution or Debtor in the process of Offering a Financial Service or Product, or information provided to the Contractor by another financial institution. Examples of Student Financial Information include addresses, phone numbers, bank and credit card account numbers, income and credit histories and Social Security Numbers, in both paper and electronic format.
- b. This Contract allows Contractor access to Covered Data and Information, including but not limited to the following:
 - i. Debtor addresses, phone numbers, bank and credit card account numbers, income and credit histories, Social Security Numbers, and other data necessary to collect Accounts.
- c. Contractor must hold the Covered Data and Information in strict confidence. Contractor shall not use or disclose Covered Data and Information received from, or on behalf of an Institution, unless required by Applicable Laws, this Contract, or as otherwise authorized in writing by an Institution.
- d. Contractor must implement and maintain "appropriate safeguards" (as that term is used in §314.4 of the Safeguards Rule) for all "customer information" (as defined in §314.2(b) of the Safeguards Rule) held by the Institution and delivered to Contractor. Contractor must protect all Covered Data and Information it receives according to commercially acceptable standards and no less rigorously than it protects its own confidential information.

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- e. Upon termination or expiration of this Contract, Contractor shall:
 - i. Return all Covered Data and Information (in whatever form or medium) to the Institution. Contractor shall also be responsible for the return of Covered Data and Information in the possession of Contractor's subcontractors or agents. Contractor shall retain no copies of Covered Data and Information, including any compilations derived from and allowing identification of Covered Data and Information. Contractor must complete such return as soon as practicable, but no less than thirty (30) days after the effective date of the termination or expiration of this Contract. Contractor must provide each Institution with written notice when return of its Covered Data and Information is complete.
 - ii. If return is not practicable, Contractor shall destroy all Covered Data and Information. Contractor shall also be responsible for the destruction of Covered Data and Information in the possession of Contractor's subcontractors or agents. Contractor shall ensure the destruction of all copies of Covered Data and Information, including any compilations derived from and allowing identification of Covered Data and Information. Contractor must complete such destruction as soon as practicable, but no less than thirty (30) days after the effective date of the termination or expiration of this Contract. Contractor must provide each Institution with written notice when destruction of its Covered Data and Information is complete.
 - iii. If the return or destruction of Covered Data and Information is not practicable, Contractor must provide written notification of the conditions that make return or destruction impracticable. Upon mutual agreement of the Contractor and the Institution that return or destruction is not practicable, Contractor shall extend the protections of this Contract to Covered Data and Information received from or created on behalf of the Institution, and limit further uses and disclosures of such Covered Data and Information, for so long as Contractor maintains the Covered Data and Information.
- f. If Contractor provides any Covered Data and Information to a subcontractor or agent, Contractor shall require such subcontractor or agent to agree to the restrictions and conditions imposed by this Section.
- g. Contractor shall develop, implement, maintain and use appropriate administrative, technical and physical security measures to preserve the confidentiality, integrity and availability of all electronically maintained or transmitted Covered Data and Information.
- h. Contractor must provide the Institution with a written report detailing any use or disclosure of Covered Data and Information not authorized by this Contract.

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Contractor shall make the report to Institution not less than one (1) business day after Contractor learns of such use or disclosure. Contractor's report shall identify: (i) the nature of the unauthorized use or disclosure, (ii) the Covered Data and Information used or disclosed, (iii) who made the unauthorized use or received the unauthorized disclosure, (iv) what Contractor has done or shall do to mitigate any deleterious effect of the unauthorized use or disclosure, and (v) what corrective action Contractor has taken or shall take to prevent future similar unauthorized use or disclosure. Contractor shall provide any other information reasonably requested by the Institution.

- i. Contractor's obligations under this Section 39 regarding the safeguarding of Covered Information and Data survive the termination or expiration of the Contract.
- j. If OUS reasonably determines that: 1) Contractor has materially breached any obligation set forth in this Section, 2) the security of Covered Data and Information has been compromised or is inadequate, or 3) Contractor has lost or materially altered Confidential Data and Information, the OUS may, in its sole discretion:
 - i. exercise any of its rights to reports, access, and/or to conduct an inspection under this Contract;
 - ii. require Contractor to submit to an on-site audit of Contractor's security program, and/or a plan of monitoring and reporting, as the Institution may determine necessary to maintain compliance with this Contract;
 - iii. provide Contractor with a fifteen (15) day period to cure the breach; or
 - iv. terminate the Contract immediately if Contractor has breached a material term of this Contract and cure is not possible (as determined by the OUS).
 - v. Before exercising any of the above, OUS shall provide written notice to Contractor describing the violation and the action(s) it intends to take.

40. FAIR AND ACCURATE CREDIT TRANSACTIONS ACT. Contractor shall comply at all times with the Fair and Accurate Credit Transactions Act of 2003 ("FACTA", Pub. L. 108-159). The Federal Trade Commission promulgated a "Red Flags Rule" based on sections 114 and 315 of the FACTA. Contractor must comply with the requirements of FACTA and the Red Flags Rule throughout the Contract Term. If Contractor fails to comply with FACTA or the Red Flags Rule it must provide OUS with written notice immediately.

41. FAIR DEBT COLLECTIONS PRACTICES ACT. Contractor shall comply at all times with the provisions of the Federal Fair Debt Collections Practices Act ("FDCPA", Pub. L. 95-109, 15 U.S.C. 1692 et seq.) as amended from time to time. If Contractor is cited for unfair collection practices by the federal agency charged with administrative authority over the FDCPA, it shall provide OUS with written notification immediately.

42. OREGON UNLAWFUL DEBT COLLECTIONS ACT. Contractor shall comply at all times with the provisions of the Oregon Unlawful Debt Collections Practices Act (ORS

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646.639), as amended from time to time. If Contractor is cited by the state agency charged with administrative authority over the Oregon Unlawful Debt Collections Practices Act, it shall provide OUS with written notification immediately.

43. PAYMENT CARD INDUSTRY DATA SECURITY STANDARDS.

Contractor must comply with the Procurement Card Industry Data Security Standards (“PCI DSS”). Upon Institution request, Contractor must provide its two most recent annual “Reports on Compliance” (completed by either an external “Qualified Security Assessor” or internally through the “Self-Assessment Questionnaire”) to the Institution. If Contractor fails to comply with the PCI DSS it shall provide OUS with written notification immediately.

44. FERPA.

Contractor acknowledges that Debtor or Institution information may include records or information from records, that are subject to the Family Educational Rights and Privacy Act (20 USC Section 1232g) and the Family Educational Rights and Privacy Act Regulations (34 CFR Part 99), as amended or otherwise modified from time to time (“FERPA”). To the extent this is the case, Contractor shall be considered a “School Official” as the term is used in FERPA and shall comply with the requirements of FERPA.

45. FEDERAL DUE DILIGENCE.

Contractor shall comply with federal “due diligence” requirements for student loan collections, and 26 USC Section 6103(m)(4) and (5) applicable to addresses obtained by the Institution from the Internal Revenue Service. If Contractor becomes aware of any legal or regulatory change applicable to its Services, Contractor shall immediately notify the Institution and OUS Representative of such change.

46. PARTICIPATING AGENCIES.

Other units of local or state government (including agencies) may enter into a separate contract with Contractor to utilize Contractor’s Services under substantially the same terms and conditions of this Contract (each a “Participating Agency” or collectively, “Participating Agencies”). OUS will not be responsible for payment of any costs associated with Participating Agency contracts or coordination of any services provided to Participating Agencies.

47. ACCESS TO RECORDS.

Contractor shall maintain books, records, documents, and other evidence and accounting procedures and practices sufficient to properly reflect all costs of whatever nature claimed to have been incurred and anticipated to be incurred in the performance of this Contract. The State Board of Higher Education, OUS, Oregon Secretary of State, federal government, and their duly authorized representatives shall have access to the books, documents, papers, and records of Contractor which are directly pertinent to this Contract for the purpose of making audit, examination, excerpts, and transcripts. Such books and records shall be maintained by Contractor for a minimum of three (3) years, or such longer period as may be required by applicable law, following final payment and termination of this Contract, or until the conclusion of any audit, controversy or litigation arising out of or related to this Contract, whichever date is later.

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- 48. CAPTIONS.** The captions or headings in this Contract are for convenience only and in no way define, limit, or describe the scope or intent of any provisions of this Contract.
- 49. COMPLIANCE WITH APPLICABLE LAWS.** Contractor shall comply with all Applicable Laws. Contractor specifically agrees to comply with all applicable requirements of federal and State civil rights and rehabilitation statutes, rules, and regulations. Contractor shall also comply with the Americans with Disabilities Act of 1990 (Pub. L. No. 101-336), title VI of the Civil Rights Act of 1964, Section V of the Rehabilitation Act of 1973, ORS 659.425, and all regulations and administrative rules established pursuant to those laws. Contractor further agrees to make payments promptly when due, to all persons supplying to such Contractor, labor or materials for the prosecution of the work provided in this Contract; pay all contributions or amounts due the Industrial Accident Funds from such Contractor responsibilities incurred in the performance of this Contract; not permit any lien or claim to be filed or prosecuted against the State on account of any labor or material furnished; pay to the Department of Revenue all sums withheld from employees pursuant to ORS 316.167. If Contractor fails or refuses to make any such payments required herein, the appropriate OUS official may pay such claim. Any payment of a claim in the manner authorized in this Section shall not relieve the Contractor or Contractor's surety from obligation with respect to unpaid claims. Contractor shall promptly pay any person or entity that furnishes medical care to Contractor's employees those sums which Contractor agreed to pay for such services and all money Contractor collected or deducted from employee's wages to provide such services.
- 50. GOVERNING LAW.** This Contract shall be governed and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law. Any claim, action, or suit between OUS and Contractor that arises out of or relates to the performance of this Contract shall be brought and conducted solely and exclusively within the Circuit Court for Marion County, for the State of Oregon. Provided, however, that if any such claim, action, or suit may be brought in a federal forum, it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. In no way will this Section be construed as a waiver by OUS or its Institutions of any form of defense or immunity, whether it is sovereign immunity, governmental immunity, immunity based on the Eleventh Amendment to the Constitution of the United States, or otherwise, from any claim or from the jurisdiction of any court. CONTRACTOR, BY EXECUTION OF THIS CONTRACT, HEREBY CONSENTS TO THE IN PERSONAM JURISDICTION OF SAID COURTS.
- 51. FEDERAL AND STATE PROGRAM ELIGIBILITY.** Contractor represents and warrants that it is not excluded from participation, and is not otherwise ineligible to participate in a "federal health care program," as defined in 42 USC §1320a-7b(f) or otherwise ineligible to participate in any other government payment program ("Excluded"). In the event Contractor is Excluded during the Term, Contractor must notify OUS in writing within three (3) days after such event. OUS may immediately terminate this Contract upon written notice to Contractor and shall have no responsibility to pay for any Services from the date Contractor was Excluded.

52. INDEMNITY, RESPONSIBILITY FOR DAMAGES. Contractor shall be responsible for all damage to property, injury to persons, and loss, expense, inconvenience, and delay which may be caused by, or result from the conduct of Services under this Contract, or from any act, omission, or neglect of Contractor, its subcontractors, or employees. Contractor shall save, defend, indemnify, and hold harmless the State of Oregon, the State Board of Higher Education, OUS and its Institutions, officers, agents, employees, and members from all claims, suits and actions of any nature resulting from or arising out of the activities or omissions of Contractor or its subcontractors, officers, agents, or employees acting under this Contract. Contractor shall have control of the defense and settlement thereof, but neither Contractor nor any attorney engaged by Contractor shall defend the claim in the name of the State of Oregon or any agency of the State of Oregon, nor purport to act as legal representative of the State of Oregon or any of its agencies, without first receiving from OUS, authority to act as legal counsel for the State of Oregon, nor shall Contractor settle any claim on behalf of the State of Oregon without the approval of the OUS. The State of Oregon may, at its election and expense, assume its own defense and settlement in the event that the State of Oregon determines that Contractor is prohibited from defending the State of Oregon, is not adequately defending its interests, or that an important governmental principle is at issue and the State of Oregon desires to assume its own defense. OUS reserves all rights to pursue any claims it may have against the Contractor if OUS elects to assume its own defense. Contractor shall reimburse OUS for direct damages (including the cost to reconstruct lost or altered Covered Data and Information) due to any security breach or loss or alteration of Covered Data and Information as described in Section 39.

53. INSURANCE REQUIREMENTS. For the entire Term (including any extensions) Contractor shall maintain in full force at its own expense, each insurance listed below. Insurance policies, which cannot be excess to a self-insurance program, must be consistent with the following:

- a. **Workers' Compensation. Required by OUS of Contractor with one or more workers, as defined by ORS 656.027.** Contractor, its subcontractors, if any, and all employers providing work, labor, or materials under this Contract are subject employers under the Oregon Workers' Compensation Law, and shall either comply with ORS 656.017, which requires said employers to provide workers' compensation coverage that satisfies Oregon law for all their subject workers, or shall comply with the exemption set out in ORS 656.126.
- b. **Professional Liability/Errors & Omissions.** The Contractor shall provide OUS with proof of coverage for Professional Liability/Errors & Omissions insurance covering any damages caused by negligent error, omission, or any act in regard to the Services and all related work products of the Contractor. The policy may be either a practice-based policy or a policy pertaining to this Contract. The Contractor shall provide proof of insurance of not less than the following amounts: \$3,000,000 per occurrence and \$5,000,000 in aggregate.
- c. **Commercial General Liability.** Contractor shall obtain, at the Contractor's

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expense, Commercial General Liability Insurance covering bodily injury and property damage in a form and with coverage that are satisfactory to OUS. This insurance shall include personal injury, products and completed operations, contractual liability, premises liability, and coverage for the indemnity provided under this Contract and is made on an occurrence basis. Contractor shall provide proof of insurance of not less than the following amounts: \$3,000,000 per occurrence and \$5,000,000 in aggregate.

- d. **Automobile Liability.** Contractor shall obtain, at the Contractor's expense, Automobile Liability Insurance covering all owned, leased, or hired vehicles, as applicable. This coverage may be written in combination with the Commercial General Liability Insurance. Contractor shall provide proof of insurance of not less than \$1,000,000 combined single limit.
- e. **"Tail Coverage".** If any insurance required in this Contract is arranged on a "claims made" basis, "tail" coverage will be required at the completion of the Services for a duration of 24 months or the maximum time period available to the Contractor in the marketplace if less than 24 months. Contractor shall be responsible for furnishing certification of "tail" coverage as described or continuous "claims made" liability coverage for 24 months following completion of Services. Continuous "claims made" coverage shall be acceptable in lieu of "tail" coverage provided its retroactive date is on or before the effective date of this Contract. Evidence of suitable coverage shall be a condition of final acceptance and payment.
- f. **Certificates of Insurance.** Prior to execution of this Contract (and annually in its Compliance Report delivered to OUS) Contractor must furnish certificates of insurance as evidence of the insurance coverages provided in this Section ("Certificates"). All Certificates, with the exception of Worker's Compensation and Professional Liability/Errors & Omissions, must include the following language: "The Oregon State Board of Higher Education, the OUS and its Institutions, officers and employees, are named as additional insureds with respect to their interests." Contractor shall provide an endorsement from the insurance company to this effect. Complete copies of insurance policies, trust agreements, or other related documentation must be provided to OUS upon request. Contractor shall be financially responsible for all pertinent deductibles, self-insured retentions, and self-insurance.
- g. **Notice of cancellation or change.** The Certificates required to be provided by the insurance company or companies must give a 30-calendar day notice (without reservation) to OUS if the insurance is canceled. If Contractor receives a non-renewal or cancellation notice from an insurance carrier regarding coverage required herein, or receives notice that coverage no longer complies with the insurance requirements herein, Contractor shall notify OUS within ten (10) business days with a copy of the non-renewal or cancellation notice, or written specifics as to which coverage is no longer in compliance. When notified by OUS, Contractor shall stop Services, unless all required insurance remain in

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effect. Any failure to comply with the reporting provisions of this Section, except for the potential exhaustion of aggregate limits, shall not affect the coverage provided to OUS and its Institutions, divisions, officers, and employees. OUS may suspend Contractor's Services until a new Certificate of insurance is provided to OUS evidencing the replacement coverage. Contractor expressly agrees that OUS reserves the right to withhold payment to Contractor until evidence of reinstated or replacement coverage is provided to OUS.

- h. **Eligible Insurers.** Contractor shall obtain insurance coverage required from insurance companies or entities acceptable to the OUS and that are eligible to provide such insurance under Oregon law. Eligible insurers include admitted insurers that have been issued a certificate of authority from the Oregon DCBS authorizing them to conduct an insurance business and issue policies of insurance in the state of Oregon, and certain non-admitted surplus lines insurers that satisfy the requirements of applicable Oregon law and which are subject to approval by the OUS.
- i. **Change of Carrier.** If Contractor changes any insurance carrier during the Term, Contractor shall provide OUS with Certificate(s) from the new carrier(s) in accordance with the terms of this Contract.

54. LIMITATION OF LIABILITIES. Except for liability arising under or related to Section 59, neither party shall be liable for (i) any indirect, incidental, consequential or special damages under this Contract or (ii) any damages of any sort arising solely from the termination of this Contract in accordance with its terms.

55. NOTICES. Except as otherwise expressly provided in this Contract, any communications or notices between the Parties shall be given in writing by email, personal delivery, or mailing (postage prepaid) to Contractor or OUS. Notice to OUS may only be made to the OUS Representative set forth on Schedule 1. Notice for Contractor may only be made to Contractor's Representative set forth on page 1 of this Contract or to such other addresses or numbers as either party may hereafter indicate. Any communication or notice so addressed and mailed (postage prepaid) shall be deemed to be given five (5) days after mailing. Any communication or notice by email or personal delivery shall be deemed to be given when actually delivered. Notices specific to Contractor's Services for a particular Institution shall be given to the Representative listed on Schedule 1 for that Institution.

56. OWNERSHIP OF WORK PRODUCT. All work product of Contractor that results from this Contract (the "Work Product") is the exclusive property of OUS. OUS and Contractor intend that such Work Product be deemed "work made for hire" of which OUS shall be deemed the author. If for any reason the Work Product is not deemed "work made for hire", Contractor hereby irrevocably assigns to OUS all of its right, title, and interest in and to any and all of the Work Product, whether arising from copyright, patent, trademark or trade secret, or any other state or federal intellectual property law or doctrine. Contractor shall execute such further documents and instruments as OUS may reasonably request in order to fully vest such rights in OUS. Contractor forever waives

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any and all rights relating to the Work Product, including without limitation, any and all rights arising under 17 USC § 106A or any other rights of identification of authorship or rights of approval, restriction or limitation on use or subsequent modifications.

57. REPRESENTATIONS AND WARRANTIES. Contractor represents to OUS that:

- a. Contractor has the power and authority to enter into this Contract and perform the contemplated Services.
- b. This Contract, when executed and delivered, shall be a valid and binding obligation of Contractor enforceable in accordance with its terms.
- c. The Services under this Contract shall be performed in a good and workmanlike manner and in accordance with the highest professional standards.
- d. Contractor shall at all times during the term of this Contract, be qualified, professionally competent, and duly licensed to perform the Services.
- e. The warranties set forth in this Section 57 are in addition to, and not in lieu of, any other warranties provided.

58. TERMINATION. This Contract may be terminated as follows:

- a. At any time by mutual consent of the Parties.
- b. By OUS upon thirty (30) days notice to the Contractor.
- c. By OUS effective upon delivery of notice to Contractor, or at such later date as may be established by the OUS, for any of the following causes (“Termination for Cause”):
 - i. Contractor, at any time during the Contract, has used any of the prohibited collection practices set forth in the FCDCPA or the Oregon Unlawful Debt Collection Practices Act (or been cited by an administrative body for the use of abusive collection practices).
 - ii. Federal or state laws, rules, regulations or guidelines are modified, changed, or interpreted in such a way that either the Services under this Contract are prohibited or OUS is prohibited from paying for such Services from the planned funding source.
 - iii. Any license or certificate required by Applicable Laws to be held by the Contractor is for any reason denied, revoked, or not renewed.
 - iv. Contractor fails to provide Services or materials called for by this Contract within the time specified herein or any extension thereof.
 - v. Contractor fails to perform any of the other provisions of this Contract or so fails to pursue its Services as to endanger performance of this Contract in accordance with its terms, and after receipt of notice from OUS, fails to correct such failure within ten business days.
- j. Contractor shall not be entitled to any Collection Fees after the effective date of a Termination of Cause and must, no later than the effective date of Termination for Cause, return all Assigned Accounts to the Institution and discontinue all Services.

59. TERMINATION DUE TO NONAPPROPRIATION OF FUNDS. If sufficient funds are not provided in future legislatively approved budgets of OUS (or from applicable Federal, state, or other sources or by allotment) to permit OUS in the exercise of its

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reasonable administrative discretion to continue this Contract, or if OUS or the program for which this Contract was executed is abolished, the OUS may terminate this Contract without further liability by giving Contractor not less than thirty (30) days notice. In determining the availability of funds from the Oregon Legislature for this Contract, OUS may use the budget adopted for it by the Joint Ways and Means Committee of the Oregon Legislative Assembly.

- 60. AVAILABILITY OF FUNDS.** OUS certifies that sufficient funds are available and authorized for expenditure to finance costs of this Contract within its current biennial appropriation or expenditure limitation, provided, however, that continuation of the Contract, or any extension, after the end of the fiscal period in which it is written, is contingent on a new appropriation or limitation for each succeeding fiscal period sufficient in amount, in the exercise of the OUS's reasonable administrative discretion, to continue to make payments under this Contract.
- 61. INDEPENDENT CONTRACTOR STATUS.** The Service to be rendered under this Contract are those of an independent contractor. Although the OUS reserves the right to determine (and modify) the delivery schedule for the Services to be performed and to evaluate the quality of the completed performance, OUS cannot and will not control the means or manner of Contractor's performance. Contractor is responsible for determining the appropriate means and manner of performing Services. Contractor is not to be considered an agent or employee of OUS for any purpose, and neither Contractor nor any of Contractor's agents or employees are entitled to any of the benefits that OUS provides its employees. Contractor shall be solely and entirely responsible for its acts and for the acts of its agents or employees during the performance of this Contract. The OUS will report the total amount of all payments to Contractor, including any expenses, in accordance with Federal Internal Revenue Service and State of Oregon Department of Revenue regulations.
- 62. NO THIRD PARTY BENEFICIARIES.** OUS and Contractor are the only Parties to this Contract and are the only Parties entitled to enforce its terms. Nothing in this Contract gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly, indirectly or otherwise, to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Contract.
- 63. TIME IS OF THE ESSENCE.** Contractor agrees that time is of the essence under this Contract.
- 64. FOREIGN CONTRACTOR.** If the Contractor is not domiciled in or registered to do business in the State of Oregon, Contractor shall promptly provide to the Oregon Department of Revenue and the Secretary of State, Corporate Division, all information required by those agencies. Prior to the Effective Date, Contractor must satisfactorily demonstrate its legal capacity to perform its Services in the State of Oregon.
- 65. FORCE MAJEURE.** Neither OUS nor Contractor shall be held responsible for delay or

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default caused by fire, riot, acts of God, or war where such cause was beyond, respectively, OUS's or Contractor's reasonable control. Contractor shall, however, make all reasonable efforts to remove or eliminate such a cause of delay or default and shall upon the cessation of the cause, diligently pursue performance of its obligations under this Contract.

- 66. WAIVER.** The failure of OUS to enforce any provision of this Contract shall not constitute a waiver by OUS of that or any other provision.
- 67. RECYCLING.** In the performance of this Contract the Contractor shall use, to the maximum extent economically feasible, recycled paper.
- 68. OUS'S CONFIDENTIAL INFORMATION.** Contractor and its employees, subcontractors, or agents may, in the course of performing their responsibilities under this Contract, be exposed to or acquire OUS's confidential information including but not limited to: reports, documents, software, and financial, statistical, personnel and other non-technical data ("Confidential Information"). With respect to OUS's clearly designated Confidential Information which Contractor obtains for the purpose of fulfilling its responsibilities under this Contract, Contractor shall instruct its personnel to keep such information confidential by using the same care and discretion that Contractor uses with similar data which Contractor designates as confidential or proprietary. Confidential Information shall be deemed not to include information that (a) is publicly known or is contained in a publicly available document; (b) is rightfully in Contractor's possession without the obligation of nondisclosure prior to the time of its disclosure under this Contract; (c) is obtained from a source other than OUS without the obligation of confidentiality; (d) is disclosed with the written consent of OUS; or (e) is independently developed by employees, subcontractors or agents of Contractor who can be shown to have had no access to the Confidential Information.
- 69. SURVIVAL.** All rights and obligations shall cease upon termination or expiration of this Contract, except for the rights and obligations set forth in Sections 39, 47, 52, 54, 56, 57, 69 and 71.
- 70. DISCLOSURE OF SOCIAL SECURITY NUMBER.** Contractor must provide its Social Security number unless Contractor provides a federal tax ID number. The number is requested pursuant to ORS 305.385 and OAR 150-305.100. Social Security numbers provided pursuant to this authority will be used for the administration of State, federal and local tax laws.
- 71. EXECUTION AND COUNTERPARTS.** This Contract may be executed in several counterparts, each of which shall be an original, all of which shall constitute one and the same instrument.
- 72. SEVERABILITY.** If any term or provision of this Contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the

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Parties shall be construed and enforced as if the Contract did not contain the particular term or provision held invalid.

73. SUBCONTRACTS, SUCCESSORS AND ASSIGNS. Contractor shall not enter into any subcontracts for any of the Services contemplated in this Contract. The provisions of this Contract shall be binding upon and shall inure to the benefit of the Parties and their respective successors and assigns. Contractor shall not assign or transfer any of its interest in or rights or obligations under this Contract, without OUS's prior written approval. If OUS does not provide consent, Contractor must return all Assigned Accounts to the Institution and provide all appropriate records and documentation as described in this Contract.

74. TAX COMPLIANCE CERTIFICATION. Contractor hereby affirms, under penalty of perjury as provided in ORS 305.385(6), that, to the best of Contractor's knowledge, the Contractor is not in violation of any of the tax laws described in ORS 305.380(4). For purposes of this certification, "tax laws" means a state tax imposed by ORS 320.005 to 320.150 and 403.200 to 403.250, ORS Chapters 118, 314, 316, 317, 318, 321 and 323; the elderly rental assistance program under ORS 310.630 to 310.706; and local taxes administered by the Oregon Department of Revenue under ORS 305.620.

75. OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS (OFCCP). The requirements of Executive Orders 13201 and 11246 and 41 CFR part 60 are hereby incorporated by reference into this Contract. Each Executive Order may be found online at the following links: EO 13201 <http://www.dol.gov/olms/regs/statutes/eo13201.htm>; and EO 11246 <http://www.dol.gov/ofccp/regs/statutes/eo11246.htm> (as amended by E.O. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and as supplemented by regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor").

76. DEBARMENT AND SUSPENSION. Contractor certifies that they are not a party listed on the General Services Administration's List of Parties Excluded from Federal Procurement or Nonprocurement Programs (E.O.s 12549 and 12689, and collectively referred to as the "Debarment List"). The Debarment List contains the names of parties debarred, suspended, or otherwise precluded from working with federal agencies, and contractors declared ineligible under statutory or regulatory authority other than E.O. 12549. Contractors with awards that exceed the small purchase threshold shall provide the required certification regarding its exclusion status and that of its principal employees.

77. SEXUAL HARASSMENT. Contractor understands that the OUS has adopted policies applicable to contractors that prohibit sexual harassment and accepts and agrees that its company and its employees are required to adhere to the Chancellor's Office and/or Institution's policy prohibiting sexual harassment in their interactions with members of the OUS.

78. MERGER. THIS CONTRACT CONSTITUTES THE ENTIRE AGREEMENT

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BETWEEN THE PARTIES. THERE ARE NO UNDERSTANDINGS, AGREEMENTS, OR REPRESENTATIONS, ORAL OR WRITTEN, NOT SPECIFIED HEREIN REGARDING THIS CONTRACT. NO AMENDMENT, CONSENT, OR WAIVER OF TERMS OF THIS CONTRACT SHALL BIND EITHER PARTY UNLESS IN WRITING AND SIGNED BY ALL PARTIES AND ALL NECESSARY STATE APPROVALS HAVE BEEN OBTAINED. ANY SUCH AMENDMENT, CONSENT, OR WAIVER SHALL BE EFFECTIVE ONLY IN THE SPECIFIC INSTANCE AND FOR THE SPECIFIC PURPOSE GIVEN. CONTRACTOR, BY THE SIGNATURE HERETO OF ITS AUTHORIZED REPRESENTATIVE, ACKNOWLEDGES HAVING READ AND UNDERSTOOD THIS CONTRACT AND CONTRACTOR AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS.

SIGNATURE

, CONTRACTOR		The State of Oregon acting by and through the State Board of Higher Education on behalf of the Oregon University System, OUS	
Sample Signature	Date	Signature	Date
Print Name		Print Name	
Title		Title	

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Schedule 1-OUS Master Contract for Debt Collection Services
 OUS/Institution Representatives

OUS – Representative	OUS Contracts Manager P.O. Pox 751 Mail Code: CHAN Portland, OR 97207-0751 503-725-5770 pacs@ous.edu	
Oregon State University	Sample	Sample
University of Oregon	Sample	Sample
Portland State University	Sample	
Oregon Institute of Technology	Sample	
Southern Oregon University	Sample	Sample
Eastern Oregon University	Sample	Sample
Western Oregon University	Sample	

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Exhibit 1-OUS Master Contract for Debt Collection Services

Collection Fee calculation examples.

1. Category-1 Paid in Full when Collected.

Debtor's principle/interest Account balance is \$100. Prior to Assignment the Institution will add 25% of principle and interest to the Account balance. Debtor's Account balance will be Assigned to Contractor at \$125. When collected in full, the Institution shall recover the Account principle and interest balance in full (\$100) and Contractor shall be paid its Collection Fee (20% of total Account balance, or \$25). The total amount re-paid by the Debtor shall be \$125.

2. Category-1 Partial/Installment Payment.

Debtor's principle/interest Account balance is \$100. Prior to Assignment the Institution will add 25% of principle and interest to the Account balance. Debtor's Account balance will be Assigned to Contractor at \$125. Contractor shall be entitled to keep installment payments at its Collection Fee rate of 20%. Contractor must remit the rest of each installment payment to the Institution and is not entitled to retain a Collection Fee on its 20% Collection Fee. The total amount re-paid by the Debtor shall be \$125.

3. Category-2 Accounts

Category-2 Accounts shall be calculated as agreed by the Parties in Section 33.