AMENDMENT NO. 1 TO SOLICITATION

TO: ALL VENDORS

FROM: Charles Johnson, Procurement Manager

SUBJECT: SOLICITATION NUMBER: USC-RFP-2196-CJ
STUDENT LOAN BILLING AND ACCOUNTING SERVICES

DATE: May 7, 2012

This Amendment No.1 modifies the Request for Proposals only in the manner and to the extent as stated herein.

BIDDER SHALL ACKNOWLEDGE RECEIPT OF AMENDMENT NO. 1 IN THE SPACE PROVIDED BELOW AND RETURN IT WITH THEIR BID RESPONSE. FAILURE TO DO SO MAY SUBJECT BID TO REJECTION.

_______________________________ _________________________

Authorized Signature Name of Offeror

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Date

THE FOLLOWING QUESTION WAS RECEIVED FROM VENDOR A:

QUESTION: Can you tell me which level of service the University currently has with its current contractor (full or modified)? Additionally which service level is desired as part of this RFP?

VENDOR'S CLARIFICATION REGARDING QUESTION: Most servicers offer two levels of service – full and modified. Here is the difference in the two. Under full service, the servicer sends the borrower bills out with the servicer's return address and phone number on them. This allows the servicer to handle in-bound borrower calls, process their deferment and cancellation forms, etc.

Under modified service, the bills would go out with the school's return address and phone number on them. This would allow the calls to go to the school along with any deferments, and cancellations, etc., which would be processed by the school. With modified service, the loan servicer remains in the background with the school handling almost all the borrower contact.

ANSWER: We have full service with our current contractor. For this solicitation, we want full service.

THE FOLLOWING QUESTIONS WERE RECEIVED FROM VENDOR B:

Page Number in RFP: p. 25
Specification: Does your Client Website provide the ability for University Staff to instantly access your most up-to-date Escrow Transfer Schedule? Please answer "yes" or "no". If "yes", please explain in detail.
QUESTION: Could the University define what is meant by the Escrow Transfer Schedule?

ANSWER: The Escrow Transfer Schedule specification in Item 9. Client Website Functionality of the Program Requirements / Requests (Desires) in Section III Scope of Work / Specifications has been deleted from the solicitation. Please see the modified/revised Item 9. Client Website Functionality of the Program Requirements / Requests (Desires) in Section III Scope of Work / Specifications of the solicitation below. The Escrow Transfer Schedule question in Item I. Client Website Functionality of the Proposal Contents subsection of Section IV. Information for Offerors to Submit has been deleted from the solicitation. Please see the modified/revised Item I. Client Website Functionality of the Proposal Contents subsection of Section IV. Information for Offerors to Submit of the solicitation below.

Page Number in RFP: p. 45
Specification: It is a requirement for offerors to provide client references to support each individual claim and perform an onsite system demonstration as well. For client references, please include Contact Information for each (i.e. Company/School Name, Contact Name, Phone #, Email Address, etc.).
QUESTION: As a standard practice, we provide contact information for three references. Would this number be sufficient?

ANSWER: Three client references will be sufficient.

Page Number in RFP: p. 46
Specification: Please include Contact Information for each Student Loan Servicing Client (i.e. School Name, Contact Name, Phone #, Email Address, etc.). NOTE: Please be sure to remove all non-Student Loan Servicing Clients from this total number and/or other clients potentially added by your parent company that are not applicable to this question (ex: Collection Agency Accounts). If your company has recently enhanced its Student Loan Servicing Technology / Platform, please indicate the date in which your company's product went "live".

QUESTION: We treat our client list as proprietary information and provide services to customers on a confidential basis. If the University agrees, is there a minimum number of customers that we can provide as a representative sample?

ANSWER: A sample of twenty-five (25) Student Loan Servicing Clients would provide us with a representative sample.

Specifications, page number: General Question

QUESTION: Throughout the proposal a variety of State of South Carolina terms and conditions are provided. Does each item require an individual response or an acknowledgement of any kind?

ANSWER: Please read the Cover Page of the solicitation. Right above the Name Of Offeror space on the page, we say "By submitting a bid or proposal, You agree to be bound by the terms of the Solicitation." Also, please refer to Paragraph (c) Responsiveness of the Responsiveness / Improper Offers clause/provision in Section II. Instructions to Offerors – A. General Instructions of the solicitation and Contents Of Offer (RFP) clause/provision in Section II. Instructions to Offerors – B. Special Instructions of the solicitation.
Each question listed in item 1. Technical Proposal of the Proposal Contents clause/provision in Section IV. Information For Offerors To Submit of the solicitation requires an answer/response. The Implementation Plan & Work Plan in item 1. Technical Proposal of the Proposal Contents clause/provision in Section IV. Information For Offerors To Submit of the solicitation requires a response. Items 2. Cost, 3. Offeror's Qualification, and 4. Additional Services/Qualities of the Proposal Contents clause/provision in Section IV. Information For Offerors To Submit of the solicitation require responses. The Minority Participation clause/provision in Section IV. Information For Offerors To Submit of the solicitation requires answers/responses.

Specifications, page number: General Question, p. 46

QUESTION: No cost proposal is included in the RFP. May we use our own pricing format? Where should the price proposal appear in the proposal?

ANSWER: Please read item 2. Cost of the Proposal Contents clause/provision in Section IV. Information For Offerors To Submit of the solicitation carefully. It tells you the format we expect you to follow in preparing your Cost Proposal. Also, your Cost Proposal should be separately bound; it should not be included in your Technical Proposal.

Specifications, page number: General Question

QUESTION: Is it possible to review total loan volumes per loan program by: enrolled, monthly grace/repayment, quarterly grace/repayment, annual grace/repayment, in collections, paid-in-full/closed, assigned to U.S. Department of Education, NSLDS reporting, credit bureau reporting?

ANSWER: Yes, the University with review total loan volumes per loan program by: enrolled, monthly grace/repayment, quarterly grace/repayment, annual grace/repayment, in collections, paid-in-full/closed, assigned to U.S. Department of Education, NSLDS reporting, and credit bureau reporting with contractor for the contract awarded from the solicitation after the contract commences.

ITEM 9. <u>CLIENT WEBSITE FUNCTIONALITY</u> REQUIREMENT OF THE PROGRAM REQUIREMENTS / REQUESTS (DESIRES) IN SECTION III SCOPE OF WORK / SPECIFICATIONS OF THE SOLICITATION HAS BEEN MODIFIED/REVISED AND NOW READS AS FOLLOWS:

9. <u>Client Website Functionality</u>

At a minimum, the University requires that our Student Loan Billing Servicer's (contractor's) Website provide state-of-the-art functionality for the *University's Staff*.

a. Contractor's Client Website allows University Staff to view Borrower Website Information in the exact format that our borrowers view it.

b. Contractor's Client Website provides the ability for University Staff to enter ACH / Direct Debit and/or Credit Card Payments.

c. Contractor's Borrower Website provides the ability for our borrowers to review their Direct Payment Transaction History.

d. Contractor's Client Website provides the ability for University Staff to instantly retrieve a copy of an Electronic Billing Statement for *every* month and year that the borrower has been in Repayment and the University has been a client? Please note: This functionality should be made available to for all University Borrowers and not simply those that have signed up to receive Electronic Billing Statements.

e. Contractor's Client Website provides the ability for University Staff to instantly review a specific borrower's Current Account Balance Information.

f. Contractor's Client Website provides the ability for University Staff to instantly view a specific Electronic Copy of any 1098-E Form for *every* year that the University has been a client.

g. Contractor's Client Website provides the ability for University Staff to instantly review all "Signed, Unsigned, and/or Cancelled" On-Line Entrance Interviews by "Account Number" and by "Date Range".

h. Contractor's Client Website allows this information to be instantly downloaded and exported into our current Main Frame or ERP System.

i. Contractor's Client Website provides the ability for University Staff to manually enter and upload all information necessary for the instant creation of an On-Line Entrance Interview and Electronic Promissory note, if desired.

j. Contractor's Client Website provides the ability for University Staff to instantly review all "Signed, Unsigned, and/or Cancelled" Electronic Promissory Notes by "Account Number" and by "Date Range".

k. Contractor's Client Website allows this information to be instantly downloaded and exported into a Microsoft Excel File.

l. Contractor's Client Website provides the ability for University Staff to instantly review all "Signed, Unsigned, and/or Cancelled" On-Line Exit Interviews by "Account Number" and by "Date Range".

m. Contractor’s Client Website allows this information to be instantly downloaded and exported into our current Main Frame or ERP System.

n. Contractor’s Client Website provides the ability for University Staff to instantly view all Electronic Disclosure Statements by “Account Number”.

o. Contractor’s Client Website provides the ability for University Staff to instantly access your On-Line User’s Guide / Help Manual.

p. Contractor’s Client Website provides the ability for University Staff to instantly access Training Manuals.

q. Contractor’s Client Website provides the ability for University Staff to instantly access and download your most recent SAS-70 Audit Report.

r. Contractor’s Client Website provides the ability for University Staff to instantly access your most up-to-date Service Schedule.

s. Contractor’s Client Website provides the ability for University Staff to instantly access all scanned documents, such as: Checks, Remittance Statements, Entitlement Forms, ACH Forms, Miscellaneous Borrower Correspondence, etc.

t. Contractor’s Client Website provides the ability for University Staff to instantly access, approve, and/or deny, all pending Clearinghouse Exits.

u. Contractor’s Client Website provides the ability for University Staff to instantly retrieve *any* Monthly Management Report from *every* month and year, since the University has been a client.

ITEM I. CLIENT WEBSITE FUNCTIONALITY QUESTIONS OF THE PROPOSAL CONTENTS SUBSECTION IN SECTION IV. INFORMATION FOR OFFERORS TO SUBMIT OF THE SOLICITATION HAS BEEN MODIFIED/REVISED AND NOW READS AS FOLLOWS:

I. CLIENT WEBSITE FUNCTIONALITY

At a minimum, the University requires that our Student Loan Billing Servicer’s (Contractor’s) Website provide state-of-the-art functionality for the *University’s Staff*. Please indicate whether your Client Website *currently* provides *each* of the following by answering “yes” or “no” in the space provided. If “yes”, please explain in detail. If “no”, your proposal will be deemed non responsive and removed from further consideration.

a. Does your Client Website allow University Staff to view Borrower Website Information in the exact format that our borrowers view it? Please answer “yes” or “no”. If “yes”, please explain in detail.

b. Does your Client Website provide the ability for University Staff to enter ACH / Direct Debit and/or Credit Card Payments? Please answer “yes” or “no”. If “yes”, please explain in detail.

c. Does your Borrower Website provide the ability for our borrowers to review their Direct Payment Transaction History? Please answer “yes” or “no”. If “yes”, please explain in detail.

d. Does your Client Website provide the ability for University Staff to instantly retrieve a copy of an Electronic Billing Statement for *every* month and year that the borrower has been in Repayment and the University has been a client? Please note: This functionality should be made available to for all University Borrowers and not simply those that have signed up to receive Electronic Billing Statements. Please answer “yes” or “no”. If “yes”, please explain in detail.

e. Does your Client Website provide the ability for University Staff to instantly review a specific borrower’s Current Account Balance Information? Please answer “yes” or “no”. If “yes”, please explain in detail.

f. Does your Client Website provide the ability for University Staff to instantly view a specific Electronic Copy of any 1098-E Form for *every* year that the University has been a client? Please answer “yes” or “no”. If “yes”, please explain in detail.

g. Does your Client Website provide the ability for University Staff to instantly review all “Signed, Unsigned, and/or Cancelled” On-Line Entrance Interviews by “Account Number” and by “Date Range”? Please answer “yes” or “no”. If “yes”, please explain in detail.

h. Does your Client Website allow this information to be instantly downloaded and exported into our current Main Frame or ERP System? Please answer “yes” or “no”. If “yes”, please explain in detail.

i. Does your Client Website provide the ability for University Staff to manually enter and upload all information necessary for the instant creation of an On-Line Entrance Interview and Electronic Promissory note, if desired? Please answer “yes” or “no”. If “yes”, please explain in detail.

j. Does your Client Website provide the ability for University Staff to instantly review all “Signed, Unsigned, and/or Cancelled” Electronic Promissory Notes by “Account Number” and by “Date Range”? Please answer “yes” or “no”. If “yes”, please explain in detail.

k. Does your Client Website allow this information to be instantly downloaded and exported into a Microsoft Excel File? Please answer “yes” or “no”. If “yes”, please explain in detail.

l. Does your Client Website provide the ability for University Staff to instantly review all “Signed, Unsigned, and/or Cancelled” On-Line Exit Interviews by “Account Number” and by “Date Range”? Please answer “yes” or “no”. If “yes”, please explain in detail.

m. Does your Client Website allow this information to be instantly downloaded and exported into our current Main Frame or ERP System? Please answer “yes” or “no”. If “yes”, please explain in detail.

n. Does your Client Website provide the ability for University Staff to instantly view all Electronic Disclosure Statements by “Account Number”? Please answer “yes” or “no”. If “yes”, please explain in detail.

o. Does your Client Website provide the ability for University Staff to instantly access your On-Line User's Guide / Help Manual? Please answer "yes" or "no". If "yes", please explain in detail.

p. Does your Client Website provide the ability for University Staff to instantly access Training Manuals? Please answer "yes" or "no". If "yes", please explain in detail.

q. Does your Client Website provide the ability for University Staff to instantly access and download your most recent SAS-70 Audit Report? Please answer "yes" or "no". If "yes", please explain in detail.

r. Does your Client Website provide the ability for University Staff to instantly access your most up-to-date Service Schedule? Please answer "yes" or "no". If "yes", please explain in detail.

s. Does your Client Website provide the ability for University Staff to instantly access all scanned documents, such as: Checks, Remittance Statements, Entitlement Forms, ACH Forms, Miscellaneous Borrower Correspondence, etc? Please answer "yes" or "no". If "yes", please explain in detail.

t. Does your Client Website provide the ability for University Staff to instantly access, approve, and/or deny, all pending Clearinghouse Exits? Please answer "yes" or "no". If "yes", please explain in detail.

u. Does your Client Website provide the ability for University Staff to instantly retrieve *any* Monthly Management Report from *every* month and year, since the University has been a client? Please answer "yes" or "no". If "yes", please explain in detail.