
**LOS ANGELES COMMUNITY COLLEGE
DISTRICT Contracts Office
770 Wilshire Boulevard, 6th Floor
Los Angeles, California 90017**

RFQ Number: REQUEST FOR PROPOSAL (RFP) NO. 21-04

Addendum Number: 3

Date: August 10, 2021

NOTICE TO PROPOSERS: THIS ADDENDUM SHALL BECOME PART OF THE RFP, AND PROPOSERS SHALL ACKNOWLEDGE, IN WRITING, RECEIPT AND INCORPORATION OF ALL ADDENDA AND CLARIFICATIONS IN THEIR RESPONSE. FAILURE OF THE BIDDER TO RECEIVE ADDENDA SHALL NOT RELIEVE THE BIDDER/PROPOSER FROM ANY OBLIGATION UNDER ITS BID/PROPOSAL AS SUBMITTED. THE BIDDER/PROPOSER SHALL IDENTIFY AND LIST IN ITS BID ALL ADDENDA RECEIVED AND INCLUDED IN ITS BID; FAILURE TO DO SO MAY BE ASSERTED BY THE DISTRICT AS A BASIS FOR DETERMINING THE BID NON-RESPONSIVE.

CLARIFICATION(S) REQUESTED BY POTENTIAL PROPOSERS:

NUMBER	QUESTION	EDUCATIONAL SERVICES CENTER RESPONSE
1	Who is the incumbent, and how long has the incumbent been providing the requested services?	This question is not relevant to being able to provide the best services and most advantageous value to the District.
2	What is the anticipated total contract value?	This question is not relevant to being able to provide the best services and most advantageous value to the District.
3	Is the College looking to replace current vendors?	This question is not relevant to being able to provide the best services and most advantageous value to the District.
4	Pg. 10, B: Can a bidder provide their USB response in a searchable PDF format in lieu of a Word Document?	No. The proposer shall submit to the District one (1) printed original and seven (7) copies of its proposal, together with one (1) copy of a USB drive containing an electronic version of the proposal in Microsoft Word format, addressing each of the items in the RFP.

5	<p>Pg. 12, C: Will Zoom/Webex meetings be acceptable in lieu of in-person meetings?</p>	<p>Yes.</p>
6	<p>Pg. 13: Are (individual) three-ring binders acceptable for hard copy submissions?</p>	<p>Yes.</p>
7	<p>Pg. 15, item 1.1, bullet point 4: Please confirm recovery rates for the last three years is sufficient.</p>	<p>Please provide the most recent three years.</p>
8	<p>In regards to page 16, 3.2. "Firms shall identify and describe all local, state and federal proceedings (legal action, dates action commenced and concluded, and status or outcome. List all applicable agreements, including any settlement or compliance." – what time frame are you looking for us to provide this information from?</p>	<p>Please provide the most recent three years.</p>

9	Pg. 30: How does the District evaluate Civic Responsibility?	This question is not relevant to being able to provide the best services and most advantageous value to the District.
10	Pg. 32, Schedule of Exhibits: Please confirm Exhibit H will replace Exhibit B in any resulting contract.	Confirmed. Exhibit H will become Exhibit B in the resulting Professional Services agreement.
11.	Can the District please provide Exhibit H?	Please see below.

d. Program Costs and Costs Savings

1. Cost Proposed

1.1 Provide the company’s contingency fees as a percentage of funds recovered. Provide rates for first placement accounts, second placement accounts, and litigation accounts for each debt type.

1.2 How does the company handle collection costs?

Proposal Pricing Los Angeles Community College District Request for Proposal, Collection Services December 8, 2015	
Primary Placements Tiers - All Portfolios	xx%
Secondary Placements Tiers - All Portfolios	xx%
Legal Collections - All Tiers / All Portfolios	xx%
Pre-Collect programs as discussed in <u>f. Additional Information, 1.3 Added Value Services for the District</u> of this response are negotiable with contract award and scope of work.	

12	Pg. 32, Schedule of Exhibits: Please confirm Exhibit G will replace Exhibit A in any resulting contract.	Confirmed. RFP Exhibit G will be Exhibit A in the resulting Professional Services agreement.
13	Pg. 38, Exhibit F: Please confirm Exhibit F is for review only.	Confirmed. Exhibit F is for review only.
14	Page 45, G.1 Support Proof or Capability – We currently serve State of CA higher education systems (CSU and U of CA) as well as other California schools, and have other large community colleges (>46) throughout the rest of the US. However, we do not have a California community college as a client. Will LACCD give equal consideration to our submission?	Yes.
15	Pg. 48, G. 3: Please confirm that NSLDS Reporting is not a requirement for this procurement.	Yes.

16	Pg. 50, G. 11 b: Can the fidelity bond requirement be satisfied by appropriate insurance line?	The RFP speaks for itself in this regard.
17	Exhibit I: Please confirm being an SLEDV business is a requirement in order to receive the 10 points found on the Evaluation Criteria (page 30).	Exhibit I is a self-certifying declaration and is not mandatory. 10 points is given for completion of the form.
18	If the bidder is not claiming SLEDV status, are we required to submit Exhibit I?	Exhibit I is a self-certifying declaration and is not mandatory. 10 points is given for completion of the form.
19	Will each awarded agency receive all listed debt types?	Yes, Federal Perkins and Nursing loans only. We do not refer tuition and AR at this time
20	Are your current vendors receiving all listed debt types?	Federal Perkins and Nursing loans, only. No tuition and AR
21	What is your recovery rate for each listed debt type?	For first placement about 28.7% overall Second placements, 11.69%

22	If a current contracted agency were not to be re-awarded, would all of their active accounts be re-assigned to the newly awarded agency?	Yes, contracts will be assigned after a twelve month period has been satisfied with the current collection agency.
23	What do you hope to improve with these new contracts	We are satisfied with the work provided by our current agencies. We will be satisfied if they can provide the same quality of service, if not better.
24	How many Perkins Loans still exist in the District's portfolio?	1,721
25	How many Perkins Loans in the District's possession are currently in default for more than two years?	1,400

26	<p>On page 50, it is stated that the agency will earn commission on balances placed with the agency and not non delinquent portions.</p> <p>a. Are Perkins loans fully accelerated? b. Does the District only refer the past due amount and not the entire loan for collection?</p>	<p>a. Yes b. No, the District refers the entire loan.</p>
27	<p>What is your case management/accounting software system of record?</p>	<p>SalNet and/or SAP</p>
28	<p>Can the District please provide the anticipated volume for the various types of accounts to be referred?</p>	<p>The volume will depend on on the three collection agencies' performance. Accounts will be assigned accordingly.</p>
29	<p>Can the District please provide the historical placement volumes for AR and tuition receivables?</p>	<p>No. We do not collect on AR and tuition receivables</p>
30	<p>What is present commission or fee percentage?</p>	<p>22% to 30%</p>

31	What are historic placement volumes by type of debt?	The majority are Federal Perkins loans. There are a small number of Nursing loans.
32	What are historic recovery rates by type of debt?	<p>First Placement between 26.21% – 63%</p> <p>Second Placement and older between 11.69% - 51%</p>
33	Will the DISTRICT consider setting a single, set fee structure for all contracted agencies? There is potential risk associated with the inequity of passing on the cost of agencies' collection fees onto debtors at different rates. As an example, requiring one debtor to pay the higher collection fee of Agency "A" can be perceived as discriminatory, when another debtor pays less simply because their account was assigned to Agency "B," which happens to have a lower collection fee.	Agencies have the flexibility to adjust rates based on their business needs and services provided. However, agencies must remain within the 22% to 30% rate range imposed by the government for Federal Perkins loans.
34	What internal collection activity is performed prior to placement?	Billing and phone calls are placed by the Federal Perkins loan servicer and delinquent accounts are submitted to the Chancellors Office Tax Offset Program

		(COTOP) for delinquent borrowers.
35	What is the total dollar value of accounts available for placement now by category, including any backlog?	\$4,080,942.00 Federal Perkins Loans \$ 72,825.32 Nursing
36	What is the average balance of accounts by category?	\$ 2,743.46 Federal Perkins Loans \$ 3,034.39 Nursing
37	<p>Please advise if LACCD will be assessing collection costs as the State of California prohibits the assessment of costs to non-federal debt.</p> <p>a. Under the Collection Cost section (G.11) it states - For non-federal accounts, (e.g. tuition debts, institutional loans or receivables) only accounts which have an express signed, written agreement (i.e., Promissory Note) between the College and the debtor containing language authorizing addition of such charges shall be considered eligible for addition of collection cost charges.</p>	We are not collecting on tuition and AR at this time

38	May current incumbents utilize LACCD as a reference?	Yes.
39	Please clarify 6.2 evaluation procedures. In section 2.1, page 6, it is stated that LACCD will chose three firms to work with. In 6.2 evaluation procedures, it is stated that the top three firms will be shortlist and only one will be chosen. Please clarify if three firms will be awarded and worked with.	The District is seeking to award a professional services contract to three (3) qualified firms
40	With regard to Exhibit G, Section 1, we are licensed Nationwide and have Community College Districts as clients in other states outside of California; we also have multiple clients in California including the System contract for the University of California State system. Would that experience suffice and satisfy the requirement?	Yes.

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Failure of the Proposer to receive addenda shall not relieve the Proposer from any obligation under its proposal as submitted. The Proposer shall identify and list in its proposal all addenda received and included in its proposal. The Proposer's failure to identify and list in its proposal all addenda received and included in its proposal may be asserted by the "DISTRICT" as a basis for determining a proposal as non-responsive.

Please be reminded: UNAUTHORIZED COMMUNICATIONS

Proposers shall not, prior to Award, contact or communicate, either verbally or in writing, with any of the following persons (other than the person named above) for the purpose of discussing the requirements of the RFP Documents or the RFP process: (1) any trustee, officer, employee, or representative of the District; or (2) any consultant, or employee of a consultant, providing the District with assistance, advice, or professional services relating to the matters covered by the RFP Documents or who is involved in any aspect of the RFP evaluation or scoring processes. Unauthorized communication by a Proposer in violation of the foregoing may result in disqualification.