

January 15, 2004

04-088

ACCEPT PROPOSAL/AWARD CONTRACT FOR
STUDENT LOAN MANAGEMENT SERVICES

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FINANCIAL
RESPONSIBILITY: Wing-Kit Chung, Associate VP of Finance

APPROVED BY: Randy McEwen, Vice President, Administrative Services
Gerard "Jerry" Berger, President

REPORT: The College's Financial Services/Accounts Receivable Department has for many years outsourced Student Loan Management Services to the most qualified service provider. These services consist of, but are not limited to, providing collection and management services of student loan receivables.

At the September 17, 1998 meeting, per Resolution 99-023, the Board awarded a contract to AFSA Data Corporation (now known as ACS, Inc.) to provide student loan management services to the College. The contract was approved for a five (5) year term through September 30, 2003. At the June 19, 2003 meeting, per Resolution 03-156, the Board approved an extension of the original contract with ACS, Inc. through January 31, 2004 to allow for additional time to process a new Request for Proposals (RFP) and award a new contract.

The RFP for Student Loan Management Services was released and advertised on November 14, 2003. It was advertised in the Daily Journal of Commerce, on the State of Oregon VIP System, and on the PCC Procurement website. The RFP was developed to establish a multi-year service agreement with the successful proposer for a not-to-exceed term of six (6) years. A total of eleven (11) vendors received copies of the RFP document, none of which were certified MWESB firms. By the due date of December 9, 2003, the College received a total of three (3) proposals.

Each of the proposals were rated and scored based on the following criteria: Functionality, Support Service, Presentation, Innovation, Reference/Financial Strength and Cost. The Proposal/Vendor with the highest points will be recommended for award of the new contract.

Vendor:	Total Points:
ACS, Inc	76
ECSI, Inc	86.5
UAS, Inc	85.5

For approximately the past twenty-three (23) years ACS, Inc has provided student loan management services and the College has been satisfied and grateful for their service. However, after intensive review of all the proposals, the committee felt that ECSI provides the following benefits that more closely meet the College's needs: ECSI's pricing is lower and guaranteed for the life of the relationship; offers a more innovative and flexible system process; ease of conversion (which is 1-2 weeks), and have a unique disaster recovery process.

RECOMMENDATION:

That the Board of Directors accept the proposal from, and award a contract to ECSI, Inc, to provide student loan management services. The new contract will be valid, initially, for three (3) years, through January 31, 2007, with an option to renew for another three (3) years, through January 31, 2010 (not to exceed six years). The contract expenditure will be \$45,000 annually; the total expenditure for the six-year term of the agreement will be for not-to-exceed \$270,000. All expenditures will be paid from General Funds.

Director Margolin moved for approval of Resolutions 04-082 through 04-091 by consent agenda and it passed unanimously.