Request for Proposal

Student Loan Services

April 29, 2002

Issued by
Procurement Services
Charlottesville, Virginia
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This Request for Proposal (RFP) has been posted on Procurement Services web site for your convenience. Addenda and attachments are posted if issued. It is the firm’s responsibility to ensure that the entire RFP package has been reviewed prior to the firm's submittal of a proposal. We encourage you to check the web site frequently for any changes prior to the submittal date. To receive a hard copy of the RFP or addenda (which will be identical to those posted on the web site unless otherwise noted), contact Becky Sims, Contracts Administrator, at (434) 924-1346 or email pur-rfp@virginia.edu. For additional public posting information consult Procurement Services web site at: http://www.virginia.edu/procurement/. For questions about the content of the RFP, contact the buyer listed in Section VI, Information about this RFP.

I. Overview of the RFP Process

The Rector and Visitors of the University of Virginia (University), a Virginia public corporation, seeks an experienced firm to provide a comprehensive loan plan that includes Federal Stafford and Parent Loan for Undergraduate Students (PLUS) Loans and private alternative loans to its students and/or sponsors of students. This RFP is part of a competitive procurement process which helps to serve the University's best interests. It also provides firms with a fair opportunity for their services to be considered. The process of competitive negotiation being used in this case should not be confused with the different process of competitive sealed bidding. The latter process is usually used where the goods or services being procured can be described precisely and price is generally the determinative factor. With competitive negotiation, however, price is not required to be the determinative factor, although it may be, and the University has the flexibility it needs to negotiate with firms to arrive at a mutually agreeable relationship.

For ease of reference, each firm receiving this RFP is referred to as a "firm" and the firm selected to provide services for the University is referred to as the "Selected Firm." This RFP states the instructions for submitting proposals, the procedure and criteria by which a firm may be selected, and the contractual terms by which the University proposes to govern the relationship between it and the Selected Firm.
It is the policy of the Commonwealth of Virginia and the University of Virginia to contribute to the establishment, preservation, and strengthening of small businesses and businesses owned by women and minorities, and to encourage their participation in State procurement activities. The Commonwealth and the University encourage firms to provide for the participation of small businesses and businesses owned by women and minorities through partnerships, joint ventures, subcontracts, or other contractual opportunities.

II. Background Discussion and Goals of the University

When Thomas Jefferson founded the University in 1819, he intended it to be nothing less than a world-class institution of higher learning. Jefferson’s spirit lives on – not only in the Rotunda and Academical Village he designed, and which remain treasures of American architecture, but in the University’s standing as a leader in education, research, and community service.

The nearly 20,000 students attending the University work within a true meritocracy and live by an Honor Code unique among American universities. Each student is exposed to the widest spectrum of disciplines – from arts and athletics to humanities and technology. Our students also enjoy a unique connection to the world beyond college through the University’s outstanding professional training, exemplified by its nationally ranked schools of Law, Business, and Medicine. The University as a whole has had a consistently high ranking not only among public schools, where it usually heads the list, but among all American universities, public and private.

Over 9,700 University faculty and staff are committed to serving both the local and national community. The University makes a real difference in the world, through its invaluable research, a hospital ranked among the nation’s finest, and graduates who have consistently been among the forefront of our nation’s shapers. At the University, our bright future is the direct result of our great history.
In 1995 the University became a Year Two School in the Direct Loan program which reduced costs and improved service to students. The University is considered nationally as one of the most successful Direct Loan schools in its processing and accuracy. Current information on the University’s loan programs may be found at this web site: 
http://www.virginia.edu/financialaid/loans.html. The University is also interested in exploring the possibility of originating Federal Family Education Loan Program (FFELP) loans for its graduate and professional students.

The University currently operates a mainframe-based Integrated Student Information System (ISIS) with Cincom’s relational database, SUPRA. The possibility exists that the University will migrate to Oracle’s ERP Student Information System by 2005. In addition, the University’s College at Wise operates its own student system, COCO, which runs on a Hewlett Packard mainframe. Throughout this RFP such systems will be referred to as “Automated Systems”.

The University’s loan volume has remained relatively constant over the past five years, except for a 245 percent increase in alternative (non-subsidized) loans. These non-subsidized loans represent a more expensive method of borrowing and currently University students pay a premium for such loans. One of the University’s major concerns is the rising debt of its student body. Among the purposes of this RFP are: to enhance the process of borrowing; improve the understanding that University students have regarding their loans; reduce the interest and fees that are paid relative to current terms; generate additional revenue as appropriate; and explore alternatives for different loan arrangements that could result in financial benefits to the University and its students.

In support of its mission and in an effort to maintain the highest quality services for its students and parents, the University seeks an experienced Firm to develop a comprehensive student loan plan that would provide University students (“Students”) with an improved and simplified loan process incorporating reduced interest and/or fees
to Students and their families. The University reserves the right to award to different Selected Firms to respectively provide individual components of the student loan plan.

III. Scope of Services

It is the University's intent to enter into an Agreement with the Selected Firm for a comprehensive student loan plan for the University (the “Loan Plan”). The Loan Plan will include Federal Stafford and PLUS Loans and private loans for Students and parents along with the services necessary to help the University achieve its goals as outlined in this RFP (the “Services”). In order to achieve this goal the Selected Firm may be requested to provide the Services outlined in this section.

A. General

The Selected Firm will:

1. Develop state of the art technology that would interface with the University’s Automated Systems.
2. Operate using one guarantor and four or fewer preferred lenders, offering a single point of service from loan guarantee through repayment servicing.
3. Provide a high level of service to include prompt and courteous problem resolution.
4. Provide electronic funds transfer for all transactions.
5. Train University employees on the Selected Firm’s systems.
6. Provide savings for Students with respect to current interest rates and fees.
7. Provide flexibility for University students on non-subsidized loans.

B. Loan Programs

The Selected Firm will provide loan programs to include the Services listed in this section.

1. Federal Loan Program
   a. Both the Federal Stafford and PLUS programs
b. A PLUS loan approval process to include:
   • Pre-approval service
   • Parental pre-approval process
   • Validity of credit results for 180 Days
   • Notification to the University Student Financial Services of approval/denial for either pre-approvals or regular credit checks
   • Loan program criteria at least as stringent as federal guidelines
   • Capability to reevaluate a denied parent/borrower
   • Capability to design a pre-approval process that can be customized to meet the University’s needs

2. Private Loan Program
   a. A credit-based private loan program incorporating competitive fees and interest rates.
   b. Programs, such as those listed in these categories, which are customized to meet the needs of Students/parents/borrowers:
      • General Undergraduate and Graduate Programs
      • Graduate Business Program
      • Graduate Law Program
      • Allopathic Medical Program
      • Parents who do not qualify for a PLUS loan
      • Students who do not qualify for an alternative loan
      • International Students (no required co-signer)
   c. A private program for law students to help cover costs associated with the bar examination.

3. University as Lender Loan Programs.
   Loan program(s) designed with the University as a lender which originates FFELP loans for graduate and professional students in accordance with
existing laws and regulations. Services are expected to include provision of:

- Initial capital
- Purchase agreement for loan sales at a premium price
- Consultation and advice on risks and benefits of the graduate lending arrangement

4. Loan Origination and Disbursement Processing

The Services and/or the Selected Firm’s capabilities will incorporate:

a. Capability to provide a ‘one-stop-shopping’ for origination, guarantee, disbursement and servicing for federal and private loans

b. Utilization of an experienced and reputable student loan servicer

c. Operation as a “life of loan” holder” or reselling of loans on the secondary market in a sound manner

d. Process Master Promissory Notes (MPN) in accordance with industry standard CommonLine version for both new and serial loans

e. Use of reputable, experienced guarantor to guarantee the loans and to include:
   - Automated link with guarantor
   - Speedy loan guarantee and a process that quickly transmits that information to the University
   - Guarantee fee waiver
   - Other services/capabilities as required

f. Use of ACH and/or direct wire as primary disbursement options. (Use of individual check and master check will be minimal.)

g. Processes which will allow University Student Financial Services to make changes to a loan record for both pre-disbursed and post-disbursed loans. (This capability should be available via the Internet.)

5. Online Services for Students/Parents/Borrowers
Provide online services that are as full-featured as possible, to include:

a. A web site/URL

b. Ability to process Stafford, PLUS and private loans to incorporate:
   - Simplified borrower application/enrollment and timely loan guarantee
   - Borrower pre-qualification results incorporating corresponding timely credit check and pre-qualification results validity for 180 days.
   - Ability for the University to certify loan records.

c. Completion of Student entrance and exit counseling in a manner that meets federal requirements and advises University Student Financial Services when the borrower has completed counseling

d. Any other loan processing services available via the Selected Firm’s web site which are advantageous to the University and Students/parents/borrowers

e. University co-branding with the Selected Firm of these online services as mutually agreed upon

f. Incorporation of a self-serve, ‘look up’ component for financial aid administrators and Students/parents/borrowers

g. Appropriate online access to loan records for University staff and Students/parents/borrowers to include both read-only and editable content

h. Receipt/delivery of correspondence and/or bills via the Internet

i. Multiple payment options via the Internet

6. Borrower Benefits and Repayment Options

The Selected Firm will provide:

a. Borrower benefits/incentives for Student and parent borrowers for both federal and private loan programs

b. Repayment plans for Student and parent borrowers
c. Repayment programs which would allow the University to partner with local businesses to provide employer-based tuition reimbursement programs

7. Customer Service for Students/Parents/Borrowers

The Selected Firm will provide:

a. Toll-free number for Students/parents/borrowers to inquire about the status of a loan
b. Minimum hours of operation of Monday through Friday from 8:00 a.m. to 5:00 p.m. (Eastern Time)
c. Self-service voice response system which incorporates the option for Students/parents/borrowers to speak directly to a customer service representative
d. Ability to serialize or consolidate a borrower’s loans, so a Student/parent/borrower would not be required to make multiple monthly payments
e. Other assistance as required by Students/parents/borrowers

8. Customer Service for Financial Aid Staff

The Selected Firm will provide:

a. Toll-free number for University Student Financial Services staff to inquire about the status of a loan
b. Minimum hours of operation of Monday through Friday from 8:00 a.m. to 5:00 p.m. (Eastern Time)
c. Other assistance as required by University Student Financial Services staff to include on-site assistance as required by the University.

9. Collateral Materials

The Selected Firm will provide:

Collateral materials for distribution to University financial aid staff, Students and/or parents to include:

a. Application Processing
b. Entrance/Exit interview materials.
c. Debt management materials
d. General loan information/Customer assistance
e. Private loan materials

10. Default Prevention
The Selected Firm will provide:
   a. An active program designed to reduce student loan defaults and improve debt management
   b. A superior default rate

C. Higher Education Act
It is the University’s intent that any Agreement resulting from this RFP fully comply with applicable provisions of the Higher Education Act of 1965, as amended (the "HEA"), including Section 435(d)(5)(a), which bars lenders from, among other things, offering "directly or indirectly, points, premiums, or other inducements, to any educational institution or individual in order to secure applicants for loans…." Accordingly, nothing in this RFP or any resulting Agreement will be construed to encourage or obligate the Selected Firm to provide inducements to the University that are prohibited by the HEA, and the University will not accept payments that are prohibited by the HEA. Further, nothing in this RFP or resulting or any resulting Agreement will permit the University or the Selected Firm to interfere with an individual borrower's right to select the lender of his or her choice.

D. Automated Systems Interface and Support
1. The Selected Firm will be required to accept and process files in the specific formats required by the University’s Automated Systems. Anticipated areas that will require the Selected Firm to ensure a seamless interface with Automated Systems include:
   a. Making changes to loan data
b. Edits

c. Generation of promissory notes

d. Generation of disclosure statements

e. PLUS loan applications

f. Timing of imported/exported data from/to the University and the Selected Firm

g. Sequence in which data is to be sent/received

h. Order in which data will be processed

i. Time involved in processing loans (also differences in timing depending on the type of loan)

j. Systems requirements including:
   - Hardware
   - Software
   - Electronic access
   - Printing
   - Security

k. Reporting facilities to include
   - Error reporting
   - Reconciliation tools, including fund reconciliation, individual student loan amount confirmation, and year end closeout reconciliation.

2. The Selected Firm will provide ongoing support in these areas:

   a. Technical support via various methods (phone, email, online, etc.) as required

   b. Designated technical contact for the University

   c. Notification of changes to the University regarding Automated Systems and federal/state regulations

   d. Implementation of changes/updates due to federal mandates or otherwise

3. The Selected Firm will provide personnel, including programmers and analysts, who will be based on-site in Charlottesville and will be solely
dedicated to the University to and its Automated Systems IT development. Such personnel must be specifically approved by the University.

IV. Basis of Selection.

A. The University will evaluate proposals and, if a firm is to be selected, select the firm on the basis of:

1. The firm's plan to assist the University to meet its goals for providing the Loan Plan as discussed in Section II, Background Discussion and Goals of the University, and Section III, Scope of Services;

2. The firm's relevant experience, qualifications and success in providing the services outlined in this RFP;

3. The firm's references from institutions of higher education and clients which are comparable to the University;

4. The firm's ability to provide value-added products and services to Students and the University;

5. The quality of the proposal, specifically, responsiveness to requirements and adequacy of information provided;

6. The contractual terms which would govern the relationship between the University and the Selected Firm;

7. The firm’s financial proposal; and

8. Any other factors relevant to the firm's capacity and willingness to satisfy the University.

Note: The University reserves the right to award the Agreement for all or part of the Services to one or more firms.

V. Contents of the Proposal

Proposals should include information outlined in this section. Copies of proposals must be sent to the Issuing Office, Procurement Services, Carruthers Hall, and not to any other office or department whatsoever at the University of Virginia.
A. Services
1. Describe how the firm plans to provide the Services associated with the Loan Plan, which is the primary goal of this RFP.
2. Provide a plan of operation to achieve the objectives set forth in Section III, Scope of Services. Comment on each individual area of Section III.
3. Describe how the firm plans to work with Students and the University in providing student loans.
4. State the length of time required and a proposed schedule for implementing the Services.
5. List and describe any procedures, organizations or publications that the firm would use in maintaining a high level of effective communication with the Students and the University.
6. Provide a sample copy of any brochures or any other literature describing services offered which would be sent to Students as part of the Loan Plan.
7. List any restrictions which would prevent a Student, or sponsor of a student, from participating in the Loan Plan.
8. Describe the firm’s customer service operation to include hours of operation and modes of customer contact.

B. Firm Information, Personnel, References
1. Provide a brief history of the firm and its experience in providing similar comprehensive student loan plans. Describe the firm, its size, number of employees, and annual dollar volume of student and parent federal and private loans.
2. Provide information on those individuals assigned to work with the University including a description of their experience in managing similar comprehensive student loan plans.
3. Provide a list of all of the firm's clients comparable to the University indicating the length of service of each account. The University may contact and/or visit any of these accounts.
4. Provide a list of all clients lost within the last three years which includes:
   a. A contact name and telephone number
   b. Length of service at the account
   c. Reason for the loss

5. A copy of the firm's most recent audited financial statements.

C. Financial Proposal
   1. Describe the fees that the firm will charge for the Services. Include a five-year history of past rate increases.
   2. Describe how the University and/or Students/parents/borrowers will benefit from additional revenue and/or cost savings by accepting the firm's proposal.
   3. Describe how the firm intends to charge for new and/or Future Services, including those which would incorporate new technology or would result in cost/time savings or greater convenience to the University, Students, parents, and/or borrowers. The University expects all fees related to new and/or Future Services to reflect market pricing or better.

D. Contractual Arrangements
   1. Provide the University with any form or contract the University may be requested to sign.
   2. State the firm's acceptance of Attachment 1, Mandatory Contractual Provisions.
   3. State the firm's acceptance, with any proposed modifications, of Attachment 2, Preferred Contractual Provisions.

E. Site Visits
   It may be necessary or desirable for the University's evaluation team of less than ten people to travel to a site chosen jointly by the firm and the University to view its operation. Each firm will indicate whether it will reimburse the University for
the reasonable and actual expenses (travel, lodging, meals, etc.) incurred by the University for its travel.

F. Minority Business

Specify whether the firm is a minority firm. The Commonwealth of Virginia’s definition of a minority firm is a firm that is at least 51% owned, operated, and controlled by a minority; or in cases of a publicly-owned business, at least 51% of the stock must be owned by a minority. Such minorities include, but are not limited to, African Americans, Hispanic Americans, Asian Americans, Native Americans, Eskimos, and Aleuts. If the firm is not a minority firm, describe the firm’s partnering relationships with minority firms and how it plans to support the University’s goal to award 5% of its business to minority firms.

G. Other Information

Provide any other information which the University should consider in evaluating the firm's proposal.

VI. Information about this RFP

A. Procurement Schedule

Here is a brief schedule for this procurement, specifying the important dates and milestones:

Issue Date of RFP: 04/29/02
Preproposal Conference: 05/14/02
Deadline for Receipt of Proposals: 05/29/02
Oral Presentations: 06/25/02 - 06/26/02
Negotiations: 07/10/02
Contract Award: 08/30/02
B. Issuance of RFP and Questions

The Issuing Office for this RFP is:
Procurement Services
University of Virginia
1001 North Emmet Street
P.O. Box 400202
Charlottesville, Virginia  22904-4202

Attention: Steve Heldreth, Senior Purchasing Analyst
Telephone:  (434) 924-4217
Fax :  (434) 982-2690
TDD:  (434) 982-HEAR
Email:  heldreth@virginia.edu

Any questions concerning this RFP will be directed to Steve Heldreth as listed above and not to any other person at the University.  The University will determine whether any addenda should be issued as a result of any question or other matters raised.

C. Preproposal Conference

A conference for firms receiving this RFP will be held on Tuesday, May 14, 2002 at 1:30 p.m. in Carruthers Hall Conference Room #6, Charlottesville, Virginia (map viewed at this web site: http://www.virginia.edu/Map/). Attendance at this conference is advised if your firm wishes to raise any questions in connection with this RFP. The University intends to present general information which may be helpful in the preparation of proposals and to offer firms the opportunity to ask questions concerning this RFP. No firm may have more than two representatives present at the Preproposal Conference.

Firms planning to attend the Preproposal Conference should notify Becky Sims either by email (pur-rfp@virginia.edu) or telephone (434-924-1346), no later than 12:00 p.m. EDT on Thursday, May 9, 2002 of the names, titles, and phone numbers of the individuals who will attend.
D. Proposal Deadline
All proposals must be received at the Issuing Office by 3:00 p.m., Wednesday, May 29, 2002. Ten copies of each proposal must be provided in individual, bound volumes.

E. Oral Presentations and Negotiations
An oral presentation by two or more firms may be required after written proposals are received by the University. If the University requires such a presentation, the Issuing Office will schedule a time and place. Each firm should be prepared to discuss and substantiate any of the areas of the proposal it submitted, its own qualifications for the services required and any other area of interest relative to its proposal. Oral presentations are tentatively scheduled for Tuesday, June 25, 2002 and Wednesday, June 26, 2002. Negotiations with two or more firms will be conducted by the University on the firms' financial proposals and proposed terms and conditions. Negotiations are scheduled for July 10, 2002.

F. Communications Between the University and the firms Regarding This Request for Proposal

Informal Communications
From the date of receipt of this Request for Proposal by each firm until a binding contractual agreement exists with the Selected Firm and all other firms have been notified, or when the University rejects all proposals, informal communications regarding this procurement will cease. Informal communications will include but not be limited to:

1. Requests from the firms to any department at the University, with the exception of Procurement Services for information, comments, speculation, etc.;
2. Requests from any department at the University, or any employee of the University, with the exception of Procurement Services for information, comments, speculation, etc.

Formal Communications
From the date of receipt of this Request for Proposal by each firm until a binding contractual agreement exists with the Selected Firm and all other firms have been notified, or when the University rejects all proposals, all communications between the University and the firms will be formal, or as provided for in this Request for Proposal, or as requested by Procurement Services. Formal communications will include but not be limited to:

1. Preproposal Conference
2. Oral presentations
3. Site visits, Interviews, etc.

Any failure to adhere to the provisions set forth in Informal Communications and the Formal Communications sections above may result in the rejection of any firm's proposal or cancellation of this RFP.

G. Formation of the Agreement with the Selected Firm
All proposals received will be carefully evaluated by the University. The University will then select two or more firms deemed to be fully qualified and best suited among those submitting proposals, on the basis of evaluation criteria described in this RFP. The University will then conduct negotiations with each of these firms. After negotiations have been conducted, the University will select the firm which, in its opinion, has made the best proposal. The University will award the agreement to the Selected Firm by either of these methods:

1. Accept the proposal as written by issuing a written notice to the Selected Firm which refers to this RFP and accepts all or part of the proposal submitted in response to it and/or any addenda submitted during the negotiation process; or
2. Execute a mutually satisfactory written agreement based on this RFP, the proposal submitted, and the negotiations concerning these.

3. If the University determines in writing and in its sole discretion that only one firm is fully qualified, or that one firm is clearly more highly qualified than the others under consideration, it may decide to negotiate and award an agreement to that firm.

Because the University may use alternative (1) above, each firm must include in its written proposal all requirements, terms or conditions it may have, and should not assume that an opportunity will exist to add such matters after the proposal is submitted.

Firms should also note that, as described in Section H, Provisions Deemed Included in the Proposal, certain matters will automatically be deemed part of the proposal.

H. Provisions Deemed Included in the Proposal

The University will consider each proposal to include not only the matters expressly stated in the proposal as requested in Section V, Contents of the Proposal, but also other provisions which consist of two different types: those which are "mandatory" and cannot be changed by a firm in its proposal; and those which are "preferred" by the University, but which a firm may wish to alter by expressly and specifically so stating in its proposal.

The University includes mandatory provisions so that all proposals will be governed by the same basic contractual terms. The University encourages any firm which feels that a mandatory provision is unreasonable to contact the University before proposals are due so the University can consider amending the provision. The University includes preferred provisions so that any difference
between the firm and the University's preferred contractual provisions can be considered during the University's evaluation of proposals.

1. Mandatory Provisions

Each proposal received by the University in response to this RFP will automatically be deemed to include the firm's agreement to the provisions of (a) and (b) below. Although such provisions will govern the firm's proposals as submitted, the University and one or more firms may later mutually agree to amend such provisions, such as when additional time is needed to consider proposals, or when contractual negotiations or performance indicate that such amendments are appropriate.

a. The proposal constitutes an offer by the firm which will remain open and irrevocable for a period of 120 days from the deadline for submitting proposals as stated in Section C, Proposal Deadline.

b. If selected by the University, the provisions governing the firm's performance will include all the provisions of Attachment 1, Mandatory Contractual Provisions.


Unless a firm expressly and specifically provides otherwise in its written proposal, the proposal received by the University in response to this RFP will automatically be deemed to include the firm's agreement to these provisions:

a. The firm consents to the University contacting and obtaining any information relevant to this RFP from the references and others identified by the firm in its proposal, as well as from any other persons, firms, or organizations which the University wishes to contact; and

b. If selected by the University, the provisions governing the firm's performance will include all the provisions of Attachment 2, Preferred Contractual Provisions.
I. Rejection of Proposals
The University reserves the right to reject any or all proposals received. Nonacceptance of a firm's proposal will mean that one or more proposals were deemed more advantageous to the University or that all proposals were rejected. Firms whose proposals are not accepted will be notified after a binding contractual agreement between the University and the Selected Firm exists, or when the University rejects all proposals.

J. Virginia Freedom of Information Act
Except as provided below, once an award is announced, all proposals submitted in response to this RFP will be open to the inspection of any interested person, firm or corporation, in accordance with the Virginia Freedom of Information Act. Trade secrets or proprietary information submitted by firms as part of its proposal will not be subject to public disclosure under the Virginia Freedom of Information Act; however, the firm must invoke the protections of this section prior to or upon submission of its proposal, and must identify the specific data or other materials to be protected and state the reasons why protection is necessary. Firms may not request that its entire proposal be treated as proprietary information.
Attachment 1

Mandatory Contractual Provisions

A. Nondiscrimination

During the performance of this Agreement, the Selected Firm will comply with the contract provisions contained in Section 2.2-4311 (1) & (2) of the Code of Virginia or any successor provisions which may be applicable to this Agreement. Also, in accordance with Section 2.2-4343.1, the University does not discriminate against faith-based organizations.

B. Conflict of Interests

The Selected Firm represents to the University that its entering into this Agreement with the University does not entail any violation of the Virginia State and Local Government Conflict of Interests Act.

C. Assignment

Neither party to this Agreement will have the right to assign this Agreement in whole or in part without the prior written consent of the other.

D. Amendments

No amendment of this Agreement will be effective unless it is reduced to writing and executed by the University's Director of Procurement Services and by the individual signing the Selected Firm's proposal or by other individuals named by either party as specified in Section E, Notices below. If the Selected Firm deviates from the terms of this Agreement without a written amendment, it does so at its own risk.

E. Notices

All notices will be given in writing and deemed given when delivered to, or deposited in the U.S. Postal Service mail, certified mail return receipt requested, and addressed to the other party as shown below.
If to the University:
Eric N. Denby, C. P. M.
Director of Procurement Services
Carruthers Hall
University of Virginia
1001 North Emmet Street
P.O. Box 400202
Charlottesville, Virginia 22904-4202

If to the Selected Firm:

The person signing the Selected Firm's proposal in response to the University's RFP, at
the Selected Firm's address indicated in such proposal; or to such other person or address
as either may designate for itself in writing and provide to the other.

F. Independent Contractor

Selected Firm is not an employee of the University, but is engaged as an independent
contractor. The Selected Firm will indemnify and hold harmless the Commonwealth of
Virginia, the University, and its employees and agents, with respect to all withholding,
Social Security, unemployment compensation and all other taxes or amounts of any kind
relating to the Selected Firm's performance of this Agreement. Nothing in this
Agreement will be construed as authority for the Selected Firm to make commitments
which will bind the University, or to otherwise act on behalf of the University, except as
the University may expressly authorize in writing.

G. Worker's Compensation and Employers Liability

The Selected Firm will comply with all federal or state laws and regulations pertaining to
Worker's Compensation Requirements for insured or self-insured programs.

H. Drug-Free Workplace

The Selected Firm, its agents and employees are prohibited, under the terms of this
Agreement and the Commonwealth of Virginia, Department of Personnel and Training
Policy Number 1.02 executed by Governor Lawrence Douglas Wilder on July 1, 1991,
from manufacturing, distributing, dispensing, possessing, or using any unlawful or unauthorized drugs or alcohol while on University property.

During the performance of this Agreement, the Selected Firm agrees to 1) provide a drug-free workplace for the Selected Firm's employees; 2) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the Selected Firm's workplace and specifying the actions that will be taken against employees for violations of such prohibition; 3) state in all solicitations or advertisements for employees placed by or on behalf of the Selected Firm that it maintains a drug-free workplace; and 4) include the provisions of the foregoing clauses in every subcontract or purchase order of over $10,000, so that the provisions will be binding upon each subcontractor or vendor.

For the purposes of this section, "drug-free workplace" means a site for the performance of work done in connection with a specific agreement awarded to a Selected Firm, the employees of whom are prohibited from engaging in the unlawful manufacturing, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the agreement.

I. Information Technology Access Act

In accordance with §§ 2.2-3504 of the Code of Virginia, the following will apply to all information technology Agreements:

NON-VISUAL ACCESS TO TECHNOLOGY: All information technology (the "Technology") which is purchased or upgraded by the University will comply with the following non-visual access standards from the date of purchase or upgrade until the expiration of the Agreement:

- Effective, interactive control and use of the Technology will be readily achievable by non-visual means;
Technology equipped for non-visual access will be compatible with information technology used by other individuals with whom any blind or visually impaired user of the Technology interacts;

Non-visual access technology will be integrated into any networks used to share communications among employees, program participants or the public; and

Technology for non-visual access will have the capability of providing equivalent access by non-visual means to telecommunications or other interconnected network services used by persons who are not blind or visually impaired.

Compliance with the foregoing non-visual access standards will not be required if the Director of Procurement Services, University of Virginia determines that 1) the Technology is not available with non-visual access because the essential elements of the Technology are visual and 2) non-visual equivalence is not available.

Installation of hardware, software, or peripheral devices used for non-visual access is not required when the Technology is being used exclusively by individuals who are not blind or visually impaired, but applications programs and underlying operating systems (including the format of the data) used for the manipulation and presentation of information will permit the installation and effective use of non-visual access software and peripheral devices.

If requested, the Agreement must provide a detailed explanation of how compliance with the foregoing non-visual access standards is achieved and a validation of concept demonstration.
A. Services
During the term of this Agreement, the Selected Firm will provide for the University the services offered to the University by the firm in its proposal and/or any addenda to its proposal and as specified by the University when it selected the firm.

B. Term of Agreement
The term of this Agreement will be for five years, with an option for renewal by the University, if agreeable to the Selected Firm on the same terms and conditions, for two additional one-year terms. The Selected Firm and the University will mutually agree at least 180 days prior to each renewal option whether to renew the terms of the Agreement.

C. Contract Administrator
The University will identify a Contract Administrator for any Agreement which results from this RFP. The individual will be the point of contact at the University for day-to-day operations, but cannot approve amendments to the Agreement or price changes.

D. Waiver
No waiver of any right will be deemed a continuing waiver, and no failure on the part of either party to exercise wholly or in part any right will prevent a later exercise of such or any other right.

E. Indemnification
The Selected Firm will indemnify and hold harmless The Commonwealth of Virginia, The Rector and Visitors of the University of Virginia, and their agents, employees and officials from any and all costs, damage or loss, claims, liability, damages, expenses (including, without limitation, attorneys' fees and expenses) caused by or arising out of the performance or non performance of the Agreement by the Selected Firm or its agents.
or subcontractors, including the provision of any services or products. The Selected Firm warrants that the products, goods and services provided the University may be used by the University without being in violation of any copyright, patent or similar property right or claim by others and will defend, indemnify and save the University (its employees and agents) from and against any such claim.

F. Governing Law
This Agreement will be governed in all respects by the laws of the Commonwealth of Virginia.

G. Termination
If the Selected Firm fails to provide quality services in a professional manner, solely as determined by the University, and, upon receipt of notice from the University, does not correct the deficiency, to the University's satisfaction within a reasonable period of time, not to exceed 30 calendar days unless otherwise agreed to by both parties, the University reserves the right to terminate this Agreement by giving written notice to the Selected Firm.

H. Non-Appropriation
Funding for any Agreement between the University and a Selected Firm is dependent at all times upon the appropriation of funds by the Virginia General Assembly and/or any other organization of the Commonwealth authorized to appropriate such funds. In the event that funding to support this Agreement is not appropriated, whether in whole or in part, then the Agreement may be terminated effective the last day for which appropriated funding is available.

I. Right of Audit
The University reserves the right to audit or cause to be audited the Selected Firm's books and accounts regarding the University's account at any time during the term of this Agreement and for five years thereafter.
J. Contractual Claims
This Agreement is subject to the University's policy on Contractual Claims which is provided as Attachment 3, Procedure for Resolution of Contractual Claims.

K. Insurance
Listed below is the insurance which the Selected Firm must maintain under any Agreement resulting from this RFP. In no event should the Selected Firm construe these minimum required limits to be their limit of liability to the University. Each Firm will maintain insurance which meets or exceeds the requirements of the University. No Agreement will be executed by the University until the Firm satisfies the insurance requirements of the University. The Selected Firm may be required to provide the University with a valid Certificate of Insurance before providing any goods or services to the University. The University reserves the right to approve any insurance proposed by the Selected Firm.

Comprehensive Commercial General Liability:
The Selected Firm and any Subcontractor will maintain a minimum combined single Limit of Liability for bodily injury and property damage of $1,000,000 per occurrence with coverage for:
\{x\} Premises/Operations    \{x\} Contractual
\{x\} Personal Injury

Financial Institution Bond:
The Selected Firm and any Subcontractor will provide a Financial Institution bond with a maximum deductible of $1,000,000 or an amount agreed to by the University based on the Selected Firm’s financial ability.

Computer Crime Insurance for Financial Institutions:
The Selected Firm and any Subcontractor will provide Computer Crime Insurance for Financial Institutions with coverage of at least $1,000,000 per claim.
Professional Liability:
The Selected Firm and any Subcontractor will provide Errors & Omissions Insurance with coverage of at least $1,000,000 per claim.

Automobile Insurance:
The Selected Firm and any Subcontractor will provide a minimum combined single Limit of Liability for bodily injury and property damage of $1,000,000 per occurrence with the following coverages for vehicles operated by their employees.
{x} Any Automobile    {x} Owned and Non-Owned Automobiles
{x} Garage Liability

Additional Insured:
If the University requests to be named as an Additional Insured, the proper name is: "The Commonwealth of Virginia, and the Rector and Visitors of the University of Virginia, its officers, employees and agents."

L. Use of Agreement by Third Parties
If agreeable with the Selected Firm, these organizations may have access to any Agreement resulting from this RFP: 1) Any University related foundation, and 2) Any institution of higher education which is a member of the Virginia Association of State College and University Purchasing Professionals (VASCUPP). A current list of VASCUPP members can be found on Procurement Services web site at [http://www.virginia.edu/procurement/RelatedLinks.html - VASCUPP](http://www.virginia.edu/procurement/RelatedLinks.html), and 3) City of Charlottesville and County of Albemarle. The Selected Firm will respond promptly to a request from any of these organizations for access to the Agreement, but is NOT required to enter into an equivalent agreement with the organization. A Firm's willingness to provide this access to these organizations will not be a consideration in awarding this RFP. Although the organizations may have access to the Agreement, their entry into any equivalent agreement with the Selected Firm is strictly optional.
If an organization chooses to enter into an equivalent agreement, it will so notify the Selected Firm in writing, and will proceed to execute such an agreement. The University will have no responsibility whatsoever for payment of invoices rendered to the organization, resolution of problems, or administration of contractual claims. The Selected Firm, at the request of the University, will provide usage reports for all VASCUPP members accessing the Agreement. The University anticipates requiring such reports quarterly. The University's sole intent is to provide other organizations with access to the University's Agreements and to provide Selected Firms with opportunities to do business with other organizations. It is understood and agreed that the University is not responsible for the acts or omissions of any VASCUPP member, and will not be considered in default of the Agreement no matter the circumstances.

M.  Favored Nations
The Selected Firm represents that the prices, terms, warranties, and benefits specified in its proposal are comparable to or better than the equivalent terms being offered by the firm to any present customer.

N.  The University's Authorized Representatives
The only persons who are or will be authorized to speak or act for the University in any way with respect to this Agreement are those whose positions or names have been specifically designated in writing to Selected Firm by the University's Director of Procurement Services.

O.  Purchasing Manual
This Agreement is subject to the provisions of the Commonwealth of Virginia "Purchasing Manual for Institutions of Higher Education and Their Vendors" and any subsequent revisions, which is available on Procurement Services web site at: http://www.virginia.edu/procurement/about/PurchasingManual.html
P. Copyrights
Unless expressly agreed to the contrary in writing, all documents, reports, writings, video images, photographs or papers of any nature prepared by the Selected Firm (or its subcontractors) in performing an Agreement will not be disclosed to any other person or entity without the written permission of the University, and the University will own all copyrights thereto.

Q. Project Manager
The Selected Firm agrees to provide an individual (“Project Manager”) to implement, perform, and manage all Services. The University must approve the appointment of the Project Manager prior to execution of the Agreement. The Project Manager will be the University’s primary contact, although the Project Manager will be assisted by other members of the Selected Firm’s staff in completing key activities. To ensure consistent project management and supervision, the Project Manager will attend all project meetings as requested by the University, and will visit and inspect the project site at least twice a week during active installation or testing periods.

In the event that the Project Manager or any other individual responsible for the University’s account, is no longer employed by the Selected Firm, is unavailable for any reason, or is performing in an unsatisfactory manner as determined by the University’s Contract Administrator, the Selected Firm will propose a replacement for that individual within a reasonable time frame, so as not to significantly delay the provision of Services to the University. The University reserves the right to approve the replacement, or to cancel the Agreement. If a proposed replacement is accepted by the University, the replacement will provide the Services at rates no higher than the rates of the original individual and in accordance with all terms and conditions specified in this Agreement.
R. Future Services

The University reserves the right to have the Selected Firm provide additional services directly related to the University’s ongoing banking requirements under the same pricing, terms, and conditions.

S. Mailing List

The Selected Firm will not sell or give the lists of University personnel to third parties or otherwise use such personnel information except as needed to provide the Services listed in this Agreement.

T. Confidentiality

Both parties acknowledge that in the negotiation and performance of this Agreement, confidential and proprietary information of each has been and will be made available to the other. The parties agree to use reasonable efforts to maintain the confidentiality of such material, but in no event lesser than was used with like material of the receiving party, and not to make any internal use of such material not required under this Agreement. Neither party will disclose the information to any third party without prior written authorization from the disclosing party, and will not use the information received by it, except to those of its employees, agents, and consultants whose duties justify the need for access to the information provided that such individuals are subject to obligations of secrecy and limited use commensurate in scope with this Agreement. These obligations will apply to verbal information as well as specific portions of the information that are disclosed in writing or other tangible form and marked to indicate its confidential nature. These obligations will not apply to any of the information which:

1. Was known to the receiving party prior to receipt under this Agreement, as demonstrated by the receiving party's records; or
2. Was publicly known or available prior to receipt under this Agreement, or later becomes publicly known or available through no fault of the receiving party; or
3. Is disclosed to the receiving party without restrictions on disclosure by a third party having the legal right to disclose the same; or
4. Is disclosed to a third party by the disclosing party without an obligation of confidentiality, unless such information must be retained by that party for that party to fulfill its legal or contractual obligations under this Agreement; or

5. Is independently developed by an employee, consultant, or agent of the receiving party without access to the information as received under this Agreement; or

6. The receiving party is obligated to produce as required by law, lawfully issued subpoena, or a court order, provided that the disclosing party has been given notice thereof and an opportunity to waive its rights or to seek a protective order or other appropriate remedy.

Upon written request of a disclosing party, the receiving party will return all information disclosed in written or tangible form, and the receiving party will destroy all of its copies, excerpts, or notes make by it which contain any portions of the information unless otherwise provided for by the parties.

To the extent that particular information is subject to specific statutory confidentiality requirements, the requirements of such statute, rather than this section, will be controlling.

U. Minority Business Reporting

The Selected Firm will identify and fairly consider minority firms for subcontracting opportunities when qualified minority firms are available to perform a given task in performing for the University under the resulting Agreement. The Selected Firm will submit a quarterly minority business report to the University by the 15th of the month following each calendar quarter, specifically the months of April, July, October, and January. The Selected Firm will submit the quarterly minority business reports to:

Contracts Administrator
University of Virginia
Procurement Services
Carruthers Hall, PO Box 400202
1001 North Emmet Street
Charlottesville, Virginia 22904-4202
The quarterly minority business reports will contain this information:

- Minority firms name, address and phone number with which the Selected Firm has contracted over the specified quarterly period.
- Contact person at the minority firm who has knowledge of the specified information.
- Type of goods and/or services provided over the specified period of time.
- Total amount paid to the minority firm as it relates to the University’s account.

V. eVA Business To Government Vendor Registration

The eVA Internet electronic procurement solution, web site portal [www.eva.state.va.us](http://www.eva.state.va.us), is the Commonwealth of Virginia’s electronic procurement system. The portal is the gateway for vendors to conduct business with state agencies and public bodies. All vendors desiring to provide goods and/or services in the Commonwealth are encouraged to participate in the eVA Internet e-procurement solution.
Attachment 3

Procedure for Resolution of Contractual Claims

Section 2.2-4363 of the Virginia Public Procurement Act requires contractors with the University to submit any claims, whether for money or other relief, in writing no later than 60 days after final payment, however, written notice of the contractors intention to file such a claim will have been given at the time of the occurrence or beginning of the work upon which the claim is based.

The University's procedure for deciding such contractual claims is:

A. The Selected Firm must provide the written claim to:
   Assistant Director of Procurement Services
   University of Virginia
   1001 North Emmet Street
   P. O. Box 400202
   Charlottesville, Virginia 22904-4202

B. Although the Selected Firm may, if it chooses, attempt to resolve its claim by dealing with a University department other than the one stated in Section A above, the Selected Firm must submit any unresolved claim in writing no later than 60 days after final payment to the Assistant Director of Procurement Services if it wishes to pursue its claim.

C. Upon receiving the written claim, the Assistant Director of Procurement Services will review the written materials relating to the claim and decide whether to discuss the merits of the claim with the Selected Firm. If such discussion is to be held, the Assistant Director of Procurement Services will contact the Selected Firm and arrange such discussion. The manner of conducting such discussion will be as the Assistant Director and the Selected Firm mutually agree.

D. The Assistant Director of Procurement Services will mail his or her decision to the Selected Firm within 60 days after receipt of the claim. The decision will state the reason for granting or denying the claim.
E. The Selected Firm may appeal the decision to:
   Director of Procurement Services
   University of Virginia
   Carruthers Hall
   1001 North Emmet Street
   P.O. Box 400202
   Charlottesville, Virginia  22904-4202

   by providing a written statement explaining the basis of the appeal, within 15 days after
   the Selected Firm's receipt of the decision.

F. Upon receiving the written appeal, the Director of Procurement Services will review the
   written materials relating to the claim and decide whether to discuss the merits of the
   claim with the Selected Firm. If such discussion is to be held, the Director of
   Procurement Services will contact the Selected Firm and arrange such discussion. The
   manner of conducting such discussion will be as the Director of Procurement Services
   and the Selected Firm mutually agree.

G. The Director of Procurement Services will mail his or her decision to the Selected Firm
   within 60 days after the Director of Procurement Services receipt of the appeal. The
   decision will state the reasons for granting or denying the appeal.