



Rhode Island Higher Education
Assistance Authority

REQUEST FOR PROPOSALS

To provide Default Aversion Services for the
Administration of the Federal Family Education Loan
Program

TABLE OF CONTENTS

	<u>Page</u>
Section 1 – Introduction	3
Section 2 – Scope of Work	4
Section 3 – Cost Requirements/Pricing	8
Section 4 – Contractual Terms and Conditions	9
Section 5 – Administrative	14
Section 6 – Proposal Format and Content	15
Section 7 – Proposal Evaluation Criteria	16
Section 8 – Non-Discrimination	16
Section 9 – State Code of Ethics	16

Section 1. Introduction

1.1 Purpose

The Rhode Island Higher Education Assistance Authority (“RIHEAA”), as the state designated guarantor for the Federal Family Education Loan Program (FFELP), is seeking to contract with a qualified third party to provide default aversion services to assist RIHEAA in fulfilling its responsibilities to administer and manage its FFELP loan portfolio.

Currently, RIHEAA contracts directly with an outside vendor to provide default aversion services on delinquent student loans.

Offerors who propose to provide default aversion services must be prepared to address conflict of interest issues in a manner that RIHEAA deems to be satisfactory. RIHEAA reserves the right to select more than one vendor to provide these services.

1.2 Authority Background

RIHEAA’s mission is to enhance educational access and choice by providing a variety of services that promote equality of opportunity for postsecondary education to students who would otherwise be restricted financially from participating in the educational program best suited to them.

RIHEAA is a public corporation and governmental agency created on July 1, 1977 by an Act of the Rhode Island General Assembly. RIHEAA has a distinct legal existence from the State of Rhode Island. RIHEAA administers financial assistance programs assigned by law to expand access to and choice among post-secondary education opportunities for Rhode Islanders. Functionally, and for management financial reporting purposes, RIHEAA’s activities are organized into three divisions, which administer, respectively, the Scholarship and Grant Program, the Tuition Savings Program, and the Federal Family Education Loan (FFEL) Program.

RIHEAA’s Federal Student Loan portfolio activity consists of the following:

Data is for federal fiscal year ended September 30, 2013

Ending Original Principal Outstanding (OPO) \$1.2 billion

Additional information about the programs and services offered by RIHEAA as well as audited financial statements are on www.riheaa.org.

1.3 Key Events/Dates

<u>Event:</u>	<u>Date:</u>
RFP Release Date	April 1, 2014
Final Date for Receipt of Written Questions	April 8, 2014
Official Responses to Questions posted on RIHEAA website	April 10, 2014
Proposal Due Date by Close of Business	April 16, 2014
Finalization of contract	April 28, 2014

1.4 Definitions

“Contract” shall mean the agreement entered into by and between RIHEAA and the successful Qualified Offeror containing terms that are acceptable to RIHEAA.

“Qualified Offeror” shall mean an Offeror who meets all of the mandatory requirements of this RFP and the requirements to administer the FFELP Program as prescribed by the Department of Education.

“Request for Proposals” (RFP) shall mean this document and all attachments hereto, and all supplements issued pursuant hereto.

“State Code of Ethics” shall mean Title 36, Chapter 14 of the General laws of Rhode Island, as amended, and all regulations promulgated thereunder.

“System” shall mean the Offeror’s computer program for providing the default aversion services contemplated hereunder.

Section 2. Scope of Work

2.1 Qualifications of Offerors

The purpose of the RFP is to invite Qualified Offeror’s to submit a proposal to provide default aversion services.

This RFP contains the proposal instructions and a description of the mandatory requirements. To be eligible for consideration, an Offeror must meet all mandatory requirements. Compliance with mandatory requirements determined by RIHEAA. When imperative language (shall, will, must) appears in any section of the RFP, it is considered to be mandatory.

The Offeror must supply a comprehensive overview of its current default aversion servicing system.

The default aversion system proposed by the Offeror must support the following loan programs:

- Federal Stafford Loan Program (subsidized and unsubsidized)
- Federal Plus Program
- Federal Grad Plus Program
- Federal Consolidation Loan Program

➤ Federal SLS Loan Program

The Offeror's proposal must meet or exceed the requirements described herein. The proposed system must interface with and be compatible with electronic systems used by RIHEAA.

2.2 Experience, Expertise, and Reliability

- a. The Offeror must provide a list of at least three (3) entities for which it provides the same or similar services as proposed. For each entity, the Offeror must provide a contact name, telephone number and e-mail address and a description of the services that are similar to those proposed.
- b. The Offeror must describe its organization and any proposed subcontractor organization. The Offeror's description should include a description of breadth, financially and geographically, of the organization(s) as well as all resources utilized in support of RIHEAA.
- c. The Offeror must describe the expertise of its personnel including their respective job descriptions, and qualifications, being sure to identify the key personnel who will be working on the contract with RIHEAA. The Offeror's proposal must include resumes of the key personnel who are responsible for the contract with RIHEAA.
- d. The Offeror should provide any additional relevant information to assist in the evaluation of its experience, expertise, and reliability, including, but not limited to, the number of years that the Offeror has been in the business of providing the proposed services; summaries of audits and program reviews for the previous three years and SAS 70 reports, if applicable.
- e. The Offeror must describe all authentication and security features. The Offeror's description must include how user identification and passwords are established and distributed to program participants, and periodic expiration of passwords.
- f. The Offeror must describe the process by which information is transmitted to and from program participants.

2.3 Default Aversion Services

RIHEAA currently uses a third-party servicer to perform default aversion activities. RIHEAA reserves the right to perform default aversion activities itself for a segment of the loan portfolio, and may add one or more servicers to perform default aversion activities in a competitive environment in the future.

a. Lender Requests for Assistance

The System must provide lenders with the capability to transmit LRA's electronically in compliance with all statutory and regulatory requirements.

b. Lender Updates

Describe how the System accommodates lender updates including the reporting of cures, cancellations and changes to demographics, loan and repayment information. The System must accommodate both manual and electronic updates from lenders and must include a tracking function that identifies manual lender update requests.

c. Borrower Contact

The System must be capable of generating default aversion letters directed to the borrower and any endorser or co-maker. These letters must comply with all statutory and regulatory requirements and are subject to approval by and customization by RIHEAA. Provide sample letters.

The System must also allow RIHEAA personnel to access information, and conduct compliance reviews of due diligence for delinquent borrowers, endorsers or co-makers.

Describe in detail System features that assist users in contacting borrowers.

The System must also support skip-tracing activities. Describe in detail the System's capacity to perform skip-tracing functions.

d. Cure Status

The System must be able to electronically accept and record the method by which the loan was cured (e.g. repayment, deferment, etc.) and provide reports to RIHEAA. The System must provide a report that details the cure rate for each entity. Describe in detail the features that would assist RIHEAA in monitoring and evaluating the performance.

e. Reporting

The System must provide comprehensive reporting to monitor and manage default aversion activities. The System must provide performance reports to measure productivity.

The System must provide reports to support RIHEAA's accounting effort for collection, proper handling and documentation of default aversion fees. Provide a description of the frequency, use, and distribution of all default aversion reports generated by the System and indicate whether the reports are available in both hard copy and electronic formats.

2.4 Program Review

Federal statute requires RIHEAA to review schools and lenders for compliance within program statutes, regulations, and policies. The System must be able to generate lists

of borrowers within designated parameters from which RIHEAA can select random samples.

Please describe all System features that support RIHEAA's program review function.

2.5 System Conversion and Implementation

The Offeror must prepare a detailed conversion, testing and implementation plan outlining the steps and associated dates to ensure successful conversion and implementation. The conversion and implementation is to be completed within a timeframe that minimizes disruption for our clients. In consultation with Authority staff, the Offeror is responsible for all analysis and data mapping necessary for the accurate transfer of data from RIHEAA's current system to the Offeror's System. RIHEAA staff will be available to assist in the conversion, but the Offeror's plan must specify in detail the tasks performed by RIHEAA staff and the time commitments required. The plan must demonstrate the Offeror's ability to convert existing files and outline all control mechanisms with emphasis on data balancing and verification routines. The Offeror must describe in detail the conversion edits that are used to identify potential problem data and the level of support the Offeror will provide for problem resolution. The Offeror must also include its plan and approach to testing prior to conversion and comment specifically about whether the Offeror proposes parallel run time. The Offeror's conversion plan must minimize program disruptions and is subject to final approval by RIHEAA.

The Offeror must provide detailed recommendations for hardware configuration, including printers, phone lines, etc. needed to operate the Offeror's system successfully. RIHEAA reserves the right to obtain the necessary hardware through the Offeror or directly from other sources.

The plan must also include items such as the following:

- Defining specifications, coding, testing and verification of all conversion and reconciliation programs.
- Defining the conversion responsibilities of RIHEAA, the existing servicer and the new servicer.
- Documentation of new procedures for RIHEAA staff.
- Developing and implementing a comprehensive test of the data conversion.
- Installing all system hardware, software and telecommunications equipment and lines as necessary.
- Providing regular progress reports to RIHEAA's management outlining completed items, problems and other information necessary for the success of the conversion.
- Recommending equipment needs for RIHEAA
- Coordinating transfer of operation so all participants remain in compliance and experience minimal disruption.

2.6 De-conversion

At the end of the contract period, or at any time when it is determined that the selected Offeror will no longer provide services for RIHEAA, the Offeror must provide assistance

to RIHEAA in converting operations to another servicer, to RIHEAA or a combination of the two. As part of its response, the Offeror must explain its overall approach to de-conversion and provide a plan for converting all program data files, documentation and other related data to RIHEAA or the successor servicer. The Offeror should emphasize how its de-conversion plan will provide an orderly and controlled transition and will minimize disruption. The Offeror must include de-conversion fees in the cost proposal of this RFP.

2.7 Disaster Recovery

Describe in detail, or provide a copy of, the Offeror's current Disaster Recovery Plan.

Section 3. Cost Requirements

3.1 General Pricing Requirements

The Offeror must state firm, fixed prices to provide all hardware, software, and services required to provide default aversion services for the initial one-year contract period and three subsequent one-year renewal periods.

3.2 Software

The Offeror must provide firm, fixed prices for all software proposed. The Offeror may state total (fixed) prices, transaction-based unit (variable) prices (based on transaction volumes, etc.), or some combination of fixed and variable prices. The Offeror must clearly indicate which portions of the overall software prices are fixed and/or variable prices. For all variable prices, the Offeror must indicate the types of transactions, and the Offeror's assumptions about transaction volumes for each pricing year. The Offeror must also clearly describe all formulas used for calculating variable prices.

3.3 Implementation

The Offeror must provide a firm, fixed price for executing the comprehensive System Implementation plan. The plan must include steps detailing:

- 1) Conversion
- 2) Hardware Installation and Configuration
- 3) Interfaces
- 4) Testing

3.4 System Enhancements Requested by RIHEAA

The Offeror must state a firm, fixed price per hour for the initial one-year contract period and each subsequent renewal period to implement enhancements to the System that RIHEAA requests and that are not federally mandated. The Offeror shall understand and agree that RIHEAA shall not be responsible for the cost of enhancements to support compliance with federal regulatory changes or changes in official interpretations of federal regulatory changes that affect its loan programs, or for the cost of enhancements not specifically requested by RIHEAA.

3.5 System Enhancements Required by the US Department of Education

The Offeror shall understand and agree that RIHEAA shall not be responsible for the cost of enhancements to support compliance with federal regulatory changes or changes in official interpretations of federal regulatory changes that affect its loan programs.

3.6 De-conversion

The Offeror must state a firm, fixed price for de-conversion of RIHEAA data from its system that shall occur upon the expiration or earlier termination of the contract. The Offeror's firm, fixed de-conversion price shall be valid for the entire term of the contract, including renewal option periods.

3.7 Other Charges

The Offeror's System prices must include any other costs to the Offeror, one-time or recurring, that shall be required. The Offeror must specify the frequency of all recurring prices. All prices identified as "other" are to be supported by additional information.

Section 4. Contractual Terms and Conditions

RIHEAA intends to execute a contract (the "Contract") with the successful Offeror. RIHEAA may require that the RFP and the terms and conditions attached to it, the Offeror's response, the best and final offer (if required), and any formal addenda to the RFP be included as part of any contract documents.

4.1 Contract Period and Renewal

The Contract shall become effective when the parties to the Contract sign it, and all necessary approvals are in place. It is RIHEAA's present intention that the term of the Contract shall be one year and, at the option of RIHEAA, shall be extended for three additional one year periods.

4.2 Contractor Assurances

The Offeror shall represent and warrant in its response to this RFP as follows: that it has carefully reviewed the needs of RIHEAA for default aversion services as described in the RFP and its attachments and otherwise communicated in writing by RIHEAA to the Offeror; that it has familiarized itself with RIHEAA's specifications; and that it can provide such services as described in the RFP and as represented in its Proposal.

The Offeror shall represent and warrant in its response to this RFP that, if selected, it shall have the power and authority to enter into the Contract; that the Contract, when executed and delivered to RIHEAA, will be a valid and binding obligation of the Contractor enforceable in accordance with its terms; and that it will perform its contractual obligations in accordance with all applicable Federal, State and local laws, rules and regulations now or hereafter in effect.

Offerors must include a sample of a standard contract for similar services as part of their response to this RFP.

The Offeror shall represent and warrant its response to this RFP that it has the exclusive right to and ownership of the System to be used in the provision of services to RIHEAA.

The Offeror shall further represent and warrant in its response to this RFP and, if selected, in the Contract, that it has the skill and knowledge possessed by well-informed members of its trade or profession and that it will apply that skill and knowledge with care and diligence to ensure that the Services to be rendered to RIHEAA will be performed in a professional manner and in accordance with industry standards.

4.3 Price

Prices shall be firm and not to exceed for the initial term and all renewal terms of the Contract.

RIHEAA shall not pay or be liable for any other additional costs including but not limited to taxes, shipping charges, insurance, interest, penalties, termination payments, attorney fees, liquidated damages, etc.

The Offeror shall in its response to this RFP represent and warrant that for the duration of the Contract it shall, at no additional cost to RIHEAA, provide RIHEAA with any enhancements, updates, replacements, revisions, additions or conversions to the System and Services, including appropriate documentation, training and on-site installation support, any of which are necessary to make the System and Services comply with applicable federal requirements related to Loan Programs.

4.4 Ownership & Title to Deliverables

The Offeror shall acknowledge in its response to this RFP that if selected all reports, documentation, and material developed or acquired by it as a direct requirement specified in the Contract shall become the property of RIHEAA and, unless prohibited by law, all discussions with RIHEAA and all information gained by the contractor as a result of the contractor's performance under the Contract shall be confidential and that no reports, documentation, or material prepared as required by the contract shall be released to the public without the prior written consent of RIHEAA.

4.5 Additional Security/Confidentiality Requirements

The Offeror shall acknowledge in its response to this RFP its understanding that if selected it and its employees or agents may, in the course of performing their responsibilities under the Contract, be exposed to or acquire information that is confidential to Authority or Authority's clients; any and all information of any form obtained by the Offeror or its employees or agents in the performance of the Contract shall be deemed to be confidential information of RIHEAA, including demographic information on any person whose information resides in the System; any reports or other documents or items (including software) which results from the use of the confidential information by the Offeror shall be treated with respect to confidentiality in the same manner as the confidential information; and unless otherwise provided by law, confidential information shall be deemed not to include information that (a) is or becomes (other than by disclosure by the Contractor) publicly known or is contained in a

publicly available document, (b) is furnished by RIHEAA or others without restrictions similar to those imposed by the Contract, or (c) is independently developed by employees or agents of the Contractor who can be shown to have had no access to the confidential information.

The Offeror shall also acknowledge and agree to hold confidential information in strict confidence, using at least the same degree of care that it uses in maintaining the confidentiality of its own confidential information, and not to copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give, or disclose confidential information to third parties or use confidential information for any purposes whatsoever other than in the performance of the Contract, and to advise each of its employees and agents of their obligations to keep confidential information confidential.

The Offeror shall also acknowledge and agree that, if selected, it shall be the custodian of RIHEAA's information, data and database that are provided to the Offeror or that arise out of the Contract and that all such information, data and database shall be the property of RIHEAA and the Offeror shall return such information and database to RIHEAA immediately upon the expiration or termination of the Contract, regardless of the basis for such termination.

4.6 Insurance

The Offeror, if selected, must acquire and maintain adequate liability insurance in the form(s) and amount(s) sufficient to protect RIHEAA, its employees, its clients, and the general public against any loss, damage and/or expense related to its performance under the Contract. The Offeror shall specify the nature and limits of all insurance coverage and provide proof of said insurance.

4.7 Patent/Copyright Indemnification

The Offeror shall acknowledge in its response to this RFP its understanding that if selected it shall report to RIHEAA promptly and in reasonable written detail, each notice or claim of patent or copyright infringement based on the performance of the Contract of which it has knowledge and that a provision shall be included in the Contract substantially as follows:

“The Contractor shall hold RIHEAA harmless against, and defend at its own expense, any claim, suit or proceeding brought against RIHEAA of infringement of any United States patent, copyright, or trademark of any product, or any part thereof, supplied by the Contractor to RIHEAA under this agreement. The Contractor agrees to pay, subject to the limitations hereinafter set forth in this paragraph, any final judgment entered against RIHEAA in any suit or proceeding based on such a claim. RIHEAA agrees that the contractor at its sole option shall be relieved of the foregoing obligations unless RIHEAA notifies the contractor promptly in writing of any such claim, suit, or proceeding, and at the contractor's expense, gives the contractor proper and full information needed to settle and/or to defend any such claim, suit, or proceeding. If the product, or any part thereof, furnished by the contractor to RIHEAA becomes, or in the opinion of the contractor may become, the subject of any claim, suit, or proceeding for infringement of any United States patent, copyright, or trademark or in the event of any adjudication that such product or part infringes any United States patent, copyright, or trademark or if the use, lease, or sale of such product or part is enjoined, the contractor may, at its option

and its expense: (1) procure for RIHEAA the right under such patent, copyright, or trademark to use, lease, or sell as appropriate such product or part, or (2) replace such product or part with other product or part suitable to RIHEAA, or (3) suitably modify such product or part, or (4) discontinue the use of such product or part and refund the aggregated payments and transportation costs paid therefore by RIHEAA, less a reasonable sum for use and damage. The contractor shall have no liability for any infringement based upon: (1) the modification of such product or part unless such modification was made by the contractor or (2) the use of such product or part in manner for which it was not designed.

The contractor shall not be liable for any cost, expense, or compromise, incurred or made by RIHEAA in conjunction with any issue of infringement without the contractor's prior written authorization. The foregoing defines the entire warranty by the contractor and the exclusive remedy of RIHEAA with respect to any alleged patent infringement by such product or part.”

4.8 Procedures for Amendments

The Offeror shall acknowledge in its response to this RFP, its understanding that if selected the Contract shall express the complete agreement of the parties and performance shall be governed solely by the specifications and requirements contained therein; that any change, whether by modification and/or supplementation, must be accomplished by a formal contract amendment signed and approved by and between the duly authorized representative of the contractor and RIHEAA; and that no other method and/or no other document, including correspondence, acts, and oral communications by or from any person, shall be used or construed as an amendment or modification.

4.9 Termination

The Offeror shall acknowledge in its response to this RFP its understanding that in the event of material breach of the contractual obligations by the contractor (“material breach”), RIHEAA may terminate the Contract, subject to such cure provisions as shall be set forth in the Contract.

The Offeror shall acknowledge in its response to this RFP its understanding that if selected and RIHEAA terminates the Contract for material breach, RIHEAA reserves the right to obtain the equipment, supplies, and/or services to be provided pursuant to the Contract from other sources and upon such terms and in such manner as RIHEAA deems appropriate and charge the contractor for any additional costs incurred thereby.

Cancellation for Convenience: The Offeror shall acknowledge in its response to this RFP that RIHEAA retains the right to cancel the contract without cause provided that the Contractor is given at least 90 days prior written notice of RIHEAA's intent to cancel. This provision should not be understood as waiving RIHEAA's right to terminate the contract for cause, but is supplementary to that provision.

4.10 Liquidated Damages

If the Offeror fails to complete services in accordance with specifications or within the times specified herein it is understood that an amount equal to one (1%) percent of the contract price per day up to the value of contract price shall be deducted from the monies due the Offeror for each calendar day that the Offeror fails to complete services in accordance therewith, not as a penalty, but as liquidated damages. However, the Offeror shall not be liable if failure to perform arises out of causes beyond its control and without the fault or negligence of the Offeror (Acts of God, the public enemy, fires, floods, freight embargoes, regulated telephone company delays, etc.).

4.11 Oral Presentations

RIHEAA, at its discretion, may elect to have Offerors provide oral presentations and product demonstrations in Warwick, Rhode Island to clarify their response or further define their offer. Oral presentations and product demonstrations, if requested, shall be at the Offeror's expense.

4.12 Period of Validity

Each Offeror's Proposal must include a statement as to the period during which the provisions of its proposal will remain valid. A minimum of 90 days from the Closing Date for Receipt of Proposals is required.

4.13 Subcontractors

Each Offeror shall be responsible to RIHEAA for the acts and omissions of all subcontractors or agents and of persons directly or indirectly employed by such subcontractors and for the acts and omissions of persons employed directly or indirectly by the Offeror.

4.14 Collusion:

Each Offeror implicitly states that the proposal is not made in connection with any competing Offeror submitting a separate response to the RFP, and is in all respects fair and without collusion or fraud. It is further implied that the Offeror had no knowledge of the specific contents of the RFP prior to its issuance, and that no employee of RIHEAA participated directly or indirectly in the vendor's proposal preparation.

Conflict of Interest: In the event there is a potential or actual conflict of interest, the Offeror shall provide full disclosure to RIHEAA. RIHEAA will determine if the conflict, whether potential or actual, is material.

4.15 Equal Employment Opportunities and Affirmative Action:

The Offeror must include an explanation of its commitment to equal opportunity and affirmative action and include a copy of its equal opportunity and affirmative action policies.

Section 5. Administrative

5.1 *Inquiries*

All inquiries or requests for clarification or questions should be sent to <http://www.riheaa.org/rfp>

All questions or requests for clarification must be submitted prior to the deadline via email, citing the particular proposal section and paragraph letter. Prospective Offerors should note that all clarifications and exceptions including those relating to the terms and conditions of the Contract are to be resolved prior to the submission of a proposal. Answers to all questions will be given to all Prospective Offerors and posted on the RIHEAA website.

With the exception of a question and answer process and other communications which might be initiated by the RIHEAA in the course of its review, please note that no member or representative of your organization may discuss the RFP or your proposal with any Board Member or employee of RIHEAA or any other Rhode Island state official, office holder, or employee (including general officers, state legislators and their staffs, etc.) or any other party who might reasonably be considered to have any influence on vendor selection until RIHEAA has announced a decision with respect to this RFP. **Offerors shall, in their proposals, represent and warrant that they have complied with the preceding sentence.**

5.2 *Submission of Proposals*

3 paper copies (and 1 electronic copy on CD ROM) of the Proposal must be received no later than 4:00 pm on April 16, 2014.

Mailing Address

Rhode Island Higher Education Assistance Authority
560 Jefferson Blvd.
Warwick, RI 02886
Attn: Default Aversion RFP

All proposals and accompanying documentation shall become the property of RIHEAA and will not be returned. The content of each Offeror's proposal will be held in strict confidence during the bid evaluation process, and no details of any proposal will be discussed outside the evaluation process. Subsequent to the awarding of the Contract, all documents pertaining to the awarding of the Contract shall be made available and open to public inspection. The successful Offeror's proposal and a copy of the specification may be made part of the contract, at the discretion of RIHEAA. Therefore, an official authorized to commit the Offeror to a contract must sign the proposal.

5.4 *RIHEAA's Rights to Proposals*

By submitting a proposal, the Offeror covenants not to make any claim for or have any right to damages because of any misinterpretation or misunderstanding of the

specification, or because of any misinformation or lack of information. RIHEAA has the following prerogatives with regard to proposals submitted:

- to cancel this request for proposals;
- to accept or reject any or all proposals;
- to correct any arithmetic errors in any or all proposals;
- to adopt any or all of a successful Offeror's proposal;
- to change the proposal's due date upon appropriate notification to all prospective Offerors;
- to negotiate with the selected Offeror prior to contract award;
- to enter into discussions with all responsible Offerors who submit proposals determined by RIHEAA to be reasonable candidates for selection.

Section 6. Proposal Format and Content

Please submit proposals in the following order:

- Cover Page
- Table of Contents
- Transmittal Letter/Executive Summary
- Experience, Expertise, & Reliability
- Proposed Method of Performance
- Pricing
- Contractual Terms and Conditions
- Attachments

A point-by-point response to all numbered sections, subsections, paragraphs, and subparagraphs as indicted above must be submitted by each Offeror in order to be considered for selection. If no exception, explanation, or clarification is required in the Offeror's response to a specific section or subsection, the Offeror shall indicate so in the point-by-point response with the following:

“(Offeror's Name), understands and will comply.”

The cost submission should be complete, accurate, well documented and in the format required. All prices must be inclusive of all costs necessary or incidental for proper performance under this contract. Additional information should be included as necessary to explain in detail the Offeror's cost.

Section 7. Proposal Evaluation Criteria

Method of Award

All proposals received shall be subject to an evaluation by RIHEAA. RIHEAA desires to select the System that will provide the most beneficial combination of qualifications based on experience, expertise, system performance features, reliability, services and cost and selection will be made accordingly.

Section 8. Non-Discrimination

RIHEAA shall consider all proposals on the basis of merit in accordance with the criteria specified herein and shall not exclude any person, firm, or other entity, from consideration on the grounds of sex, race, color, or national origin. Likewise, RIHEAA requires that all Offerors have established non-discrimination policies, including policies which prohibit discrimination in the selection of subcontractors. The Offeror shall represent and warrant in its response to this RFP that it does not discriminate on the basis of sex, race, color, or national origin, including but not limited to its selection of subcontractors.

Section 9. State Code Of Ethics

RIHEAA and its board of directors and staff are committed to maintaining the highest standard of ethics in the awarding of contracts. In accordance therewith RIHEAA requires that the chief operating officer of each Offeror certify the following:

“Neither the Offeror nor any officer, employee, agent, representative or affiliate of the Offeror has given or offered or shall give or offer to any board member, employee, or representative of RIHEAA or to any family member of the foregoing, or to any business by which any of the foregoing persons are employed, or to any official of the State of Rhode Island who is subject to the State Code of Ethics, any gift, loan, political contribution, reward, or promise of future employment based on any understanding or expectation that the vote, official action, or judgment of the person would be influenced thereby, and, that no officer, employee, agent, representative, or affiliate of the Offeror shall have any direct or indirect nonincidental contact with any member of the board of directors of RIHEAA during any period of time prior to RIHEAA’s award of the Contract, except at a public meeting of the board of directors of RIHEAA or at a meeting of a subcommittee of the board of directors “

Any violation of this Section 9 shall result in immediate disqualification of the Offeror.