

Office of the Illinois State Treasurer
Michael W. Frerichs

Request for Proposals
Illinois Student Investment Account Program Manager
370-200-21-013

Addendum 1
April 23, 2021

Below are the questions received by the Office of the Illinois State Treasurer (“Treasurer”) and the Treasurer’s responses. The questions listed herein are intended to be accurate representations of the questions received; as such, any errors in usage or spelling have not been corrected. Any capitalized terms that are not defined herein have the meaning set forth in the Request for Proposals Illinois Student Investment Account Program Manager 370-200-21-013 (“RFP”) published by the Treasurer on March 31, 2021.

1. Can you elaborate on this requirement please – “a request submission capability that business partners can utilize to submit a request to the legal team.”

This is not a requirement found in the RFP.

2. Can you elaborate on this requirement please – “Provide seamless integration with Office 365.”

This is not a requirement found in the RFP.

3. Just want to confirm that we can either submit via hard copy submission as per D1 or via email as per D2 and D3

Respondents may submit either in hard copy form or electronically. Please see Section IV.C of the RFP.

4. Does 3rd party collections mentioned within sub-section “Program Infrastructure and Technology”, part C, refer to post-default collections? (Scope of Work – Infrastructure Technology)

Yes.

5. Does Account verification services mentioned within sub-section “Program Infrastructure and Technology”, part C, refer to services like Accurint/LexisNexis? (Scope of Work – Infrastructure Technology)

Yes.

6. Under the definition of Institution of Higher Education it says the schools have to be approved by the Treasurer. Does an approved listing currently exist and can it be shared? (Definition section – Background)

The Treasurer will not be providing a listing for purposes of this RFP.

7. The hours of operation mentions 50 hours, Mon-Sat. Does the winning bidder have to be open on all those days or can the 50 hours be structured over less days? (Scope of work – Infrastructure Technology)

Please note, the RFP states that the call center shall be staffed for “at least 50 hours a week.” The schedule for call center hours will be determined in collaboration with the Treasurer and the Program Manager to ensure superior customer service.

8. Under Compliance sub-section E, the RFP mentions the need to prepare an annual audit. Is there a specific type of audit that the Treasurer would like, i.e. SOC1? (Scope of work – Compliance section)

In addition to audits like SOC1, the Treasurer will evaluate and review audits of core compliance functions such as: quality assurance / call monitoring, complaint management, and adherence to other policies and procedures. Annual audits should include core components of Respondent’s Compliance Management System. The Treasurer welcomes the Respondent to include other types of audits that it believes are necessary to perform on an annual basis.

9. Under Compliance Framework sub-section B the RFP mentions “frequently requested languages”. Is there a listing of other frequently requested languages that is suggested? (Scope of work – Compliance framework pg. 8)

The Treasurer seeks a Contractor with the ability to provide a call center to support one or more frequently spoken languages in Illinois. The Treasurer declines to further elaborate as this question is an evaluation factor, see Question 26 in RFP Section V.B.

10. Does the Treasurer intend to require double nexus to be a “borrower”, meaning that the subject must reside in Illinois AND attend a University in Illinois? Can you also clarify the nexus question for refinance student loan applicants? In the case where an Illinois resident who is working for the City of Chicago but graduated from a non-Illinois school, is this applicant able to qualify as a refi/borrower?

The Treasurer shall comply with the law. Please review the Student Investment Account Act (110 ILCS 991 et seq.)

11. Will the Treasurer consider the use of a Special Purpose Credit Program, created and implemented pursuant to Section 202.8 of Regulation B under the Equal Credit Opportunity Act, 15 U.S.C. §§ 1691-1691f. 12 C.F.R. Part 202? Products issued under a Special Purpose Credit Program will prove useful in providing responsible and affordable education loans to minority Borrowers who may otherwise struggle to access credit in the private market.

This question is outside the scope of the published RFP.

12. Does the Treasurer have a preferred plan for the Lender of Record in portfolio transactions? Will Illinois be the Lender of Record? Given that the Program Manager may partner with more than one loan originator for reasons of specialization (Refinance, thin-file, standard student loan, low income/no guarantor, etc.), it may be simpler to have one Lender of Record for all transactions.
 - a. Does the Treasurer intend for the program manager to provide a bank or licensed entity to be the lender of Record? How does the treasurer intend to finance the portfolio? E.g., Does it intend to have one SPV account to finance the entirety of the portfolio or does it intend to use alternative mechanisms to finance new or existing products?

Please review Sections II.A and III for the discussion of loan origination. The questions on the portfolio management are outside the scope of the published RFP.

- b. Does the state intend to establish their own trustee or custodial accounts. Or is the PM expected to maintain these accounts? One account, multiple accounts?

This question is outside the scope of the published RFP.

- c. What is the expected timing of funding deployment? Please provide # of loan applications and disbursed loan volume projected by product (student and refinance) annually for 4 years. What is the State's targeted return on the program?

This question is outside the scope of the published RFP.

13. Are there other languages besides English/Spanish that need to be supported for the website, call center, documents and disclosures?

Please see answer to Question 9 of this Addendum 1.

14. Is the requirement that the loan application be mobile optimized or is the State looking for a native mobile application? If the requirement is for a native mobile application, what components of the program are intended to be in the mobile app and are they intended to all be integrated?

- i. Servicing
- ii. Origination
- iii. Program information
- iv. Wrap-around support: job search, resume help, academic advice, etc.

The Treasurer declines to answer this question as this is an evaluation factor. See Questions 10 & 21 in RFP Section V.B.