

Texas Higher Education Coordinating Board

Request for Offer (RFO)

Student Loan Management and Origination System

781-1-24494

Questions and Answers #2

July 30, 2021

Question 5:

The Introduction section 1.0 indicates the portfolio consists of 653,825 loans totaling \$1.6 billion. Is this the total of active loans or does this include paid in full loans? Would it be possible to get a breakdown of the active and legacy portfolios (number of loans) by status and loan type (CAL, TASSP, FFELP, etc.) as follows?

- In-School
- Grace
- Repayment (includes loans in deferment, forbearance)
- In Collections (OAG or collection agencies), litigation, etc.)
- Paid in Full

Note: As our current state higher education clients understand, providing this information will enable us to be as competitive as possible with our pricing.

The reference to 653,825 loans totaling \$1.6 billion includes both active and paid-in-full loans. Approximately 34% of the referenced loans are in an active status, with 64% in a paid-in-full status. Approximately 99% of the referenced loans are state loans (predominately College Access Loans) with the remaining 1% comprised of various federal loan types (predominately FFEL program loans).

As of July 2021 month end, approximately 22% of active loans are in an in-school/grace status, 8% in a postponement status (deferment/forbearance), 57% in a repayment status (current and delinquent), 11% in active litigation status, and 2% in an uncollectible status.

Question 6

Can the THECB clarify if you are seeking a full service solution where the servicer would manage many borrower activities such as inbound/outbound calling, processing of borrower paperwork (deferments, forbearances, etc.), processing payments, etc., or are you looking to purchase a system that would allow the THECB to manage those activities?

Proposed solution would allow THECB to manage all servicing related activities.

Question 7

Is loan exit counseling required via the loan servicer? Similarly, is entrance counseling a required part of the loan origination process?

Entrance and Exit counseling are not a requirement as part of the loan origination process.

Question 8

It appears that the THECB utilizes the Office of the Attorney General (OAG) in collection efforts. Does the THECB also partner with any third party collection agencies that the loan servicer would need to interact with? If so, can the agencies be listed?

THECB only utilizes the Office of the Attorney General in its post-default collection efforts.

Question 9

If the servicer is unable to perform certain components of the RFO, can they utilize partners to accomplish those requirements.

The servicer may utilize subcontractors subject to the terms and conditions set forth in the RFO.