Texas Higher Education Coordinating Board

Request for Offer (RFO)
Student Loan Management and Origination System
781-1-24494

Questions and Answers #6

August 2, 2021

Question 74:
Are you looking to convert all historical transactions so the new solution will have the entire loan history, or will you use HELMS for all account activity prior to the migration?

Yes, as found at Section 2.0 of the RFO, the proposed solution should convert all historical transactions.

Question 75:
Your RFO states that the portfolio is about 654K of loans. Are these all active loans? Are there any additional inactive, paid, or charged off loans that will need to be migrated?

The reference to 653,825 loans totaling approximately $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 76:
What technology is HELMS based on? What type of database will the data be extracted from?

Due to confidential nature of this information, we are unable to disclose this type of information. Current database is SQL.

Question 77:
Is the expectation that the solution provider will monitor changes to any Federal law and make changes without input from THECB?

No, THECB would provide input to solution provider regarding changes to federal law.

Question 78:
What are the validation processes for esign and wet signatures?

Validation of an individual would be handled through driver's license or state identification process. Acceptable forms of electronic signature must comply with state law.

Question 79:
Do you have specific guidelines to determine if loan acceptance and disclosures are easily understandable to the borrowers?

Disclosures must comply with applicable state and federal law.

Question 80:
Are you looking for the solution to allow a drivers license to be scanned in order to validate an echeck? Are there requirements for borrowers who send paper checks?

THECB is looking for an extendable/modernizable system to allow for advancements and functionality in the future such as driver's license scanning.

For borrowers and cosigners who make payments via paper checks, they are instructed to send those payments to a specific address for lockbox processing.

Question 81:
Are schools allowed to certify loans using CommonLine files through a platform like Great Lakes/ELM and not have to certify through the portal? Do you have a data set of schools that certify through Common Line vs those who will certify and make edits through the portal? Is there a need for an Institution to use both the portal and Common Line for certifications, edits, updates, changes?

THECB's current process allows for Institutions to use CommonLine files and/or our current platform. THECB currently has a data set of Institutions that certify loans using CommonLine, and by default, a list of those Institutions who use our current platform. While there is not a need for Institutions to use both, they may if they wanted to.

Question 82:
Is this duplicate address check only for the addresses of the two references or do the addresses need to be different between the borrower and the two references?

Duplicate address check is for references only and reference addresses are not checked against the borrower. See Question 23.

Question 83:
If the institution is submitting the application, is the assumption that there will be steps the borrower will be required to completed (approving/signing documents, providing additional information, etc.) as part of the application process.

Yes.

Question 84:
Are there limits on what data THECB staff can update and when? What are some examples of the types of updates that will be required?

THECB staff should be able to update, throughout the life cycle of the loan, various data points, such as name, demographic information, date of birth, social security number, etc. See Question 26.

Question 85:
Is there an expectation that those same reference ids would be used on additional loans to the same borrower and/or cosigner?

Yes. As set forth in 11.05 of Attachment E to the RFO, THECB must have the capability to look up all loans and cosigners associated with an individual either by having a Reference ID tied to the individual or a lookup capability to pull all loan activity for an individual (unique identifier that is not Personally Identifiable Information (PII) or translatable to Personally Identifiable Information).

Question 86:
What specific channels need to be supported?

Phone, text, traditional mail, e-mail, text messaging and other avenues that may be developed.

Question 87:
What type of questions need to be supported? Rating scale, Yes/No, Multi-Select (choose 1 or more).

Proposed solution should allow for flexibility in the types of survey questions presented.

Question 88:
Does this mean that before anyone can complete the application process they would need to setup a login for the portal?

Yes. A login for the portal is required to complete the application process.

Question 89:
Are you saying that the cosigners are applying for loans themselves or that they would need to create a login as a cosigner in order to be able to complete their part of the application as a cosigner for a borrower?

Cosigners create a login as a cosigner in order to complete their part of the application.

Question 90:
What is the interface for the State of Texas transaction processing engine? REST APIs?

THECB uses a combination of APIs and SFTP for processing transactions to the State of Texas.

Question 91:
Do they need to be able to perform any actions on behalf of the borrower/cosigner?

Yes, THECB staff must be able to perform actions on behalf of the borrower/cosigner.

Question 92:
What filters/parameters should be offered to query the loans for an institution?

As set forth in section 12.06 of Attachment E of the RFO, an institution should be able to query any application and/or loan for an individual student or subset of students that attend their institution. The filters/parameters should include but not be limited to grouping by Program Year, Allocation Amounts, Application/Loan Status, and/or Loan Type. An institution must not have access to applications/loans for other institutions.

Question 93:
Same filters as 12.06 with the addition of a filter on institution?

THECB staff should be able to query any application and/or loan.

Question 94:
Are these surveys for institution users? What do you want to do with the results of the surveys (export, view online)?

Yes, surveys are for institution users. Survey results should be exportable and viewable online.

Question 95:
Will the first login for an institution be setup by THECB staff and then that first user can setup additional users or are you requesting that they be able to self register? What information/process would be used to verify the user is associated with the institution if you are allowing self registration?

THECB staff will create the first login for an institution designee, usually the Financial Aid Director. The institution designee would be responsible for granting additional staff members' access/removal. The institution designee is responsible for validating all other users from the institution.

Question 96:
Is it correct to assume that the migration of data from HELMS to the new solution is a one time activity and not on-going?

Multiple iterations may be needed as THECB clears out the pipeline of loan requests and regression testing to launch the new loan management system. Once the new loan management system is live and all data is migrated, no further data migration will be needed.

Question 97:
For clarity, is the requirement that the system be able to export reports/files from the solution for importing into a different system and to be able to import files from other systems into the solution? If not, can you please clarify the requirement.

Yes.

Question 98:
Which website are you referring to and what type of changes are you referring to?

See Question 68.

Question 99:
What is THECB's service level agreement?

THECB negotiates service level agreement per contract.

Question 100:
Some large software publishers do not make their source available to third parties.   If source cannot be provided as part of the solution does that remove the bidder from consideration?

See Question 38.

Question 101:
General How many loan applications are processed per year?

College Access Loan (CAL) volume for the past two fiscal years is as follows:

	# Loans Disbursed	$ Loans Disbursed
FY20 (9/1/19-8/31/20)	18,647	$156,242,305
FY21 (9/1/20-8/31/21)	15,821	$140,856,925

Question 102:
General Do student create a separate application for each type of loan, or can one application be used to apply for multiple types of loans?

Students create a separate loan application each time they apply for a loan.