

ATTACHMENT E - STAFF RECOMMENDED FEATURES

Requirements

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No.	REQUIREMENTS
1.0	General Functionality
1.01	System/Solution shall receive the migration of THECB’s existing loan management system and serve as the system of record for all functions related to the student loan management of originations and loan servicing.
1.02	System/Solution shall allow for legislative changes and ease in adding future new loan programs instituted by THECB.
1.03	System/Solution shall make system changes according to changes in federal law (e.g., Family Educational Rights and Private Act, Fair Debt Collection Practices Act, Telephone Consumer Protection Act).
1.04	System/Solution shall store records according to a records retention schedule determined by THECB.
1.05	System/Solution shall identify and detect potential fraud activities throughout the life of the loan.
2.0	Loan Origination
2.01	System/Solution shall originate both credit and non-credit based loans.
2.02	System/Solution shall allow for credit checks, interfacing with third-party decisioning entity.
2.03	System/Solution shall accept a cosigner for credit-based loans.
2.04	System/Solution shall accept an electronically signed and wet signed signatures through a validation process.
2.05	System/Solution shall comply with all laws related to loan acceptance and disclosure in a manner that is easily understandable to the borrower.
2.06	System/Solution shall allow for check authentication with Texas driver’s license through State of Texas designated agency.
2.07	System/Solution shall use/accept any student loan industry standard

	CommonLine file for edits, file formats, and change transactions, with the ability to notify Institutions of Higher Education (“Institutions”)that file has successfully been received.
2.08	System/Solution shall have the ability to apply, change, and modify origination fees.
2.09	System/Solution shall conduct an edit check on applications for duplicate addresses as applicants are required to provide two references with “separate addresses”. System should be intuitive and detect similar data.
2.10	System/Solution shall capture all activity during the application process, including loan documentation retrieval.
2.11	System/Solution shall prevent borrowers and cosigners with current delinquent loans from being able to apply for additional loans.
2.12	System/Solution shall originate correspondence, both automated and ad-hoc, to be sent via regular mail, email, and for online access.
2.13	System/Solution shall initiate both borrower vs institution-initiated application flows dependent on loan type.
2.14	System/Solution shall have the ability to allocate and track use of funds by fiscal year, by institution, and by loan type.
2.15	System/Solution shall have the ability to track all current and future loans by the Bond Series/Program Cost Account (PCA)/loan type that owns the loan.
2.16	System/Solution shall have the ability to change the PCA/ownership of a loan.
2.17	System/Solution shall have the ability to allow for the transfer of loans between loan groups or adjustment of loans for principal and/or interest and create the associated accounting entries.
2.18	System/Solution shall have the ability for Institutions to initiate pre and post disbursement full or partial cancellations.
2.19	System/Solution shall have the ability for Institutions to initiate pre disbursement edits.
2.20	System/Solution shall have the ability for borrowers to initiate pre disbursement full or partial cancellations.
2.21	System/Solution shall have the ability for THECB Staff to perform updates to data as needed via a user interface.
2.22	System/Solution shall allow for the capture of an alternate interest rate for scholarships that may become a loan if scholarship requirements are not met. Alternate interest rate should be used in the generation of disclosure statements.
2.23	System/Solution shall have the ability to create unique borrower and cosigner reference numbers at the time of loan origination and be used throughout the life of the loan.
2.24	System/Solution shall have the ability to automate the return of loan funds from Institutions, including notification to Institutions upon processing.
3.0	Loan Account Servicing
3.01	System/Solution shall perform all aspects of servicing THECB’s existing and new student loans, including loans in an uncollectible status.
3.02	System/Solution shall service existing federal and state (alternative) loan programs according to federal and state requirements.

3.03	System/Solution shall have the ability to calculate varying types of repayment schedules (i.e., standard, graduated, income-based repayment (IBR)), and allow for varying repayment periods.
3.04	System/Solution shall have the ability to set repayment terms based on loan type and balance.
3.05	System/Solution shall have the ability to generate repayment schedules and disclosure statements to both borrower and cosigner, if applicable.
3.06	System/Solution shall have the ability to have repayment schedules cancelled, modified, or postponed.
3.07	System/Solution shall have the ability to modify the repayment terms based on remaining payment period.
3.08	System/Solution shall have the ability to calculate past due repayment schedules based on payment due dates and payments posted.
3.09	System/Solution shall have the ability to generate monthly billing statements to borrowers and cosigners based on the established repayment schedules for mailing, emailing, and for online access.
3.10	System/Solution shall allow for multiple loans to be combined into a single billing statement.
3.11	System/Solution shall produce replacement billing statements or updated statements if partial payments are made.
3.12	System/Solution shall generate correspondence, both automated and ad-hoc, to be sent by regular mail, email, or for online access.
3.13	System/Solution shall allow for either capitalization of interest or no capitalization of interest.
3.14	System/Solution shall allow for zero percent interest rate.
3.15	System/Solution shall have the ability to calculate and change loan interest rates (e.g., fixed and variable).
3.16	System/Solution shall have the ability to systematically modify interest rates based on business needs (e.g., pandemic).
3.17	System/Solution shall have the ability to maintain historical loan interest rates during the term of the loan without retroactive calculation.
3.18	System/Solution shall allow for postponement (deferment/forbearance types) for all loan types.
3.19	System/Solution shall have the ability to offer Low Payment Forbearance option to be defined by THECB.
3.20	System/Solution shall allow for automated forbearance processing based on THECB parameters.
3.21	System/Solution shall have the ability to cancel or modify a postponement as needed.
3.22	System/Solution shall have the ability to allow for loan forgiveness processing.
3.23	System/Solution shall perform due diligence through post-default collections.
3.24	System/Solution shall allow for tracking the loan responsibilities of both the individual borrower and the cosigner(s).
3.25	System/Solution shall provide for collections through automated generation of billing documents and subsequent collection letters.
3.26	System/Solution shall provide THECB with predefined, regularly scheduled

	reports in addition to providing functionality for THECB Staff to generate ad-hoc reports.
3.27	System/Solution shall calculate and provide 1098-E/1099-C tax reporting to borrowers and the Internal Revenue Service (IRS) per current IRS regulations.
3.28	System/Solution shall maintain a transaction history for the life of the loan.
3.29	System/Solution shall have the ability to choose any day of the month as a due date.
3.30	System/Solution shall allow for the proper handling of partial payments.
3.31	System/Solution shall allow for the assessment or removal of various fee types (e.g., late fees, non-sufficient funds (NSF) fees, post-default litigation fees, miscellaneous fees).
3.32	System/Solution shall allow for the suspension of servicing for various reasons (e.g., bankruptcy, death, disability), to include appropriate notifications.
3.33	System/Solution shall have the ability to automatically update enrollment and demographic information from the National Student Clearinghouse as appropriate.
3.34	System/Solution shall have the ability to capture and display when the type and date of delinquency is reported to the credit bureaus.
3.35	System/Solution shall have the ability to flag an address as temporarily away and restart at a future date.
3.36	System/Solution shall allow for all functionality regardless of the status of the account or phase of collection.
3.37	System/Solution shall allow for the option of applying borrower benefits (e.g., interest rate reduction).
3.38	System/Solution shall allow parameters to be set to calculate and apply the correct grace period based on the loan type.
3.39	System/Solution shall allow for borrower/cosigner status to be displayed and viewable on system (e.g., in-school, grace, deferment, repayment, delinquent, paid-in-full).
3.40	System/Solution shall allow for borrower and/or cosigner reporting to credit bureaus based on Fair Credit Reporting Act for all accounts, including accounts in judgment status.
3.41	System/Solution shall allow for the tracking of third-party authorization, with the ability for THECB Staff to easily validate third-party, as necessary.
4.0	Payment Processing
4.01	System/Solution shall have the ability to accept automatic debits that are equal to or greater than the scheduled payment amount.
4.02	System/Solution shall allow for the posting of payments by various methods such as manual update, file upload, payments made by phone from bank accounts, cash, credit cards, phone, e-check, EFT, payment made online, lock box, etc.
4.03	System/Solution shall allow for the scheduling of recurring payments that can be automatically drafted from borrower or cosigner accounts on set dates for defined amounts and to remain in effect unless terminated by the borrower or cosigner.
4.04	System/Solution shall automatically suspend an automatic debit when a

	postponement is granted.
4.05	System/Solution shall provide for payment processing through the THECB cash receipts system as well as through receipt and reporting of various forms of electronic transactions.
4.06	System/Solution shall have the ability to apply payments globally to multiple loan types based on individual loan amount or to specific loans.
4.07	System/Solution shall have the ability for borrowers to make payments via mail, phone, Interactive Voice Response (IVR), and internet, and apply per borrower's instructions.
4.08	System/Solution shall have the ability for cosigners to make payments via mail, phone, IVR, and internet, and apply per cosigner's instructions.
4.09	System/Solution shall apply payments regardless of loan status (e.g., deferment/forbearance, current, paid ahead).
4.10	System/Solution shall allow for the advancement of payment due dates based on posted payments.
4.11	System/Solution shall include borrower benefit functionality (e.g., interest rate reduction for signing up for ACH) for ACH.
4.12	System/Solution shall allow for processing of refunds as necessary within the loan management system.
4.13	System/Solution shall allow for method of payment application to be determined by THECB.
4.14	System/Solution shall be able to track special payment instructions for the life of the loan, unless otherwise instructed.
5.0	Reporting
5.01	System/Solution shall have the ability of generating reports, exception reports, and ad-hoc reports, with the ability to set up automatic delivery of reports to THECB Staff as needed.
5.02	System/Solution shall have access to all fields in the database to run ad-hoc queries, with data exportable to various file formats (e.g., Excel). Ability to save and store previously created queries and the ability to set up automatic delivery of queries to THECB Staff as needed.
5.03	System/Solution shall have the ability to have logical naming convention for reports or allow for manual assignment of report names by THECB.
5.04	System/Solution shall have the ability to produce an aging of loan payment due report (monthly or quarterly).
5.05	System/Solution shall have the ability to report loan data as of a particular point in time.
5.6	System/Solution shall have the ability to identify payment types (e.g., mail, online, IVR, phone).
6.0	Accounting
6.01	System/Solution shall serve as the THECB's subsidiary ledger.
6.02	System/Solution shall generate daily accounting entries from the loan management system that interface with THECB's internal and external accounting system. Ability for the daily loan management system borrower- and summary-level accounting transactions to be exported and stored in a Structured Query Language (SQL) database for account reconciliations by

	THECB Finance Staff.
6.03	System/Solution shall have the ability to produce accounting entries for all loan management system activities, including but not limited to payments, payment reversals, interest accruals, receivable movements between cost centers, account adjustments, borrower and cosigner refunds, full/partial write-off of loan receivables, etc.
6.04	System/Solution shall have the ability to apply borrower repayments into the loan management system from deposits housed in THECB's cash receipts system. The cash receipts systems' unique deposit identifier field would also need to be recorded with each borrower repayment applied in the loan management system.
6.05	System/Solution shall have the ability to generate real-time, pre-defined and ad-hoc financial accounting reports within the loan management system with the ability to export to different formats (e.g., Microsoft Excel, Microsoft Access, etc.). The reports should be able to be run for any time period (e.g., daily, monthly, quarterly and annually) and have the ability to filter by cost center, loan type, account balance (e.g., principal, interest and fees receivables) and other loan accounting code elements stored with the loan management system.
6.06	System/Solution shall have the ability to generate and store accounting document numbers in the loan management system (at the loan record level) for all activity having an accounting impact. The document number stored in the loan management system should match the document number that was passed into the internal and external accounting system when the loan transaction first took place. The document number will serve as a common identifier for reconciling loan management system transactions to account records in the internal and external accounting system.
6.07	System/Solution shall have the ability for THECB to manually update tables in the front end of the loan management system for various account elements such as general ledger (GL), fund, and other account type codes.
6.08	System/Solution shall use a mapping document created by loan management system team to crosswalk all loan management system loan activities (e.g., payments, disbursements, payment reversals, etc.) into accounting translated coding elements for THECB's internal and external accounting systems.
6.09	System/Solution shall have the ability to produce a daily reconciliation report of cash and non-cash loan transactions within the loan management system and generate an exception report when cash/non-cash mismatches are identified.
6.10	System/Solution shall have the ability to run audit trail reports of accounting transactions in the loan management system by user ID.
6.11	System/Solution shall have the ability for the loan management system to prevent a loan processor from reapplying more than they reversed on a loan. This edit check within the loan management system would ensure the amount reapplied and reversed net to zero and the associated accounting entries are correct.
6.12	System/Solution shall have the ability for the loan management system to generate accounting entries for the quarterly federal interest subsidy on federal loans.
6.13	System/Solution shall have the ability for loans deemed uncollectible in the

	loan management system to generate monthly accounting entries to true-up balances in the THECB's internal accounting system.
6.14	System/Solution shall have the flexibility to adapt to THECB's new accounting system, anticipated to be rolled out as of September 2023.
7.0	Document Generation/Management
7.01	System/Solution shall allow for correspondence to be generated and sent to borrowers/cosigners for any account status, via regular mail or a customer portal based on user defined fields.
7.02	System/Solution shall provide for fillable, on-demand letters.
7.03	System/Solution shall have the ability to update system-generated letters and ability to add new letters as needed.
7.04	System/Solution shall have the ability for borrowers and cosigners to request letters on-demand.
7.05	System/Solution shall allow for importing of images of electronically signed documents to the document management system.
7.06	System/Solution shall allow for automated quality control of imported documents, credit reports, e-signed documents, etc.
7.07	System/Solution shall have the ability to capture all documentation generated (e.g., letters, promissory notes, credit reports) from system of record and move to document management system.
8.0	Debtor Identification and Location
8.01	System/Solution shall have the ability to contain skip tracing queues with accounts having invalid addresses for borrower and cosigners based on due diligence parameters, including accounts in litigation.
8.02	System/Solution shall have the ability to contain skip tracing queues with accounts having invalid phone numbers for borrowers and cosigners based on due diligence parameters, including accounts in litigation.
8.03	System/Solution shall have the ability to contain skip tracing queues with accounts having invalid addresses and phone numbers for borrowers and cosigners based on due diligence parameters, including accounts in litigation.
8.04	System/Solution shall have the ability for THECB Staff to access, select, work and document accounts using a main menu skip tracing queue and sub-menu queues.
8.05	System/Solution shall have the ability for Menu displays reflecting two dates, the last day an account with an invalid address flag was worked, and the last day an account with an invalid phone flag was worked, so that we can meet the requirements of skip tracing an account within a certain number of days from the date of last activity.
8.06	System/Solution shall have the ability for a control measure to list accounts in a certain order in the skip tracing queue by top priority, number of days past due, etc.
8.07	System/Solution shall allow THECB Staff to generate automated skip tracing correspondence, including accounts needing litigation-related address verification.
8.08	System/Solution shall prevent automatically generated correspondence from being generated for accounts that contain an invalid address flag.

8.09	System/Solution shall generate daily summary reports for accounts that exist in each skip tracing queue.
8.10	System/Solution shall integrate with external databases (e.g., Accurint/LexisNexis, credit bureaus) for the identification and location of debtors.
8.11	System/Solution shall have the ability to manage parties to the loan that have invalid demographic information (e.g. address, phone number, email address), including the ability to send and receive information from other vendors.
8.12	System/Solution shall have the ability to provide a system-to-system interface for THECB Staff to request a credit profile from the current credit bureau vendor for servicing and collection activities, where the response is presented and stored electronically.
8.13	System/Solution shall have the ability for THECB Staff to update accounts with a code pertaining to an invalid address and/or phone number so that the accounts are automatically routed to the skip tracing queue.
8.14	System/Solution shall allow for ease of use in finding information concerning certain data (list of addresses that have been used before, number of returned mail from said addresses, list of any reference/relatives that can be contacted, list of previous phone number called).
9.0	Collections
9.01	System/Solution shall have the ability to integrate with the Interactive Voice Response (IVR) system to provide loan account information to borrowers and cosigners.
9.02	System/Solution shall have the ability to update and change personal identification number (PIN) through the IVR.
9.03	System/Solution shall have parameters for performing the collection activities to be flexible and rule based as delinquent individuals need to be contacted for payment of a past due amount, through phone calls, letters, emails, text messaging and other avenues that may be developed.
9.04	System/Solution shall record all collection activities in the servicing notes in a manner easily viewed by THECB Staff.
9.05	System/Solution shall have the ability for collection notes to be filtered (e.g. filter collection letters sent to a cosigner).
9.06	Promises to pay by the customer need to be tracked so appropriate action can be taken when payments are not made. System/Solution shall provide tracking to include amount, frequency, and duration of promised payments, whether the promise is made online or through an IVR system.
9.07	System/Solution shall have the ability to monitor and track accounts that have been placed with OAG or other outside counsel for collection from the time of placement until satisfaction of the debt. System/Solution shall provide the functionality for integrating information from external sources.
9.08	System/Solution shall have the ability to interface with IVR system to create outbound collection calling activities.
9.09	System/Solution shall have the ability for due diligence queues to automatically display accounts to work during the applicable due diligence intervals and remove the accounts once due diligence has been met for that interval.

9.10	System/Solution shall have the ability for a control measure to list accounts in a certain order in the due diligence queue by top priority, number of days past due, etc.
10.0	Litigation Tracking and Post Default Collections
10.01	System/Solution shall allow users to search for borrower and cosigner by name.
10.02	System/Solution shall allow for Deceased, Disabled, Paid-in-Full and Bankruptcy status indicators.
10.03	System/Solution shall allow for storing and accessing Alternative address information on borrowers and cosigners (e.g. attorney addresses and other contact information).
10.04	System/Solution shall be able to address correspondence to the alternate address. However, the presence of bankruptcy, deceased, disabled or litigation flags should prevent due diligence correspondence from being mailed.
10.05	System/Solution shall allow for automated correspondence to be generated based on litigation status. Such correspondence should be able to be sent by mail or email.
10.06	After a judgment is entered, System/Solution shall allow for the capitalization of principal, interest, and unpaid late fees. These amounts will become the new judgment principal balance and accrue interest from the judgment date at the judgment interest rate.
10.07	System/Solution shall allow for the separate calculation of cosigner balances after litigation is started. Cosigner account balances should not post to the receivables except for fee amounts. It would be a separate tracking of cosigner principal, interest accrued, fees, and payments made to the affected notes. The cosigner balance should be a “calculation” of the amount due based on either the original loan amount, interest, fees, and payments applied, or the judgment amount updated after litigation, post-judgment interest, fees, and payments have been applied.
10.08	System/Solution shall allow for separate repayment schedules for borrowers and/or cosigners based on their balances. Each schedule should be readily displayed in the LMS.
10.09	System/Solution shall allow for storing and tracking data elements and processes related to litigation against borrowers and cosigners, including but not limited to: suit filed date, Office of the Attorney General (OAG) case number, cause number, court, court and county fee amounts, court and county addresses, citation served/unserved, and to store and allow for more status information on borrowers and cosigners.
10.10	System/Solution shall allow for the creation of a new litigation “file” for each lawsuit. Only one should be allowed to be open on the debtor and debt at a time (i.e., Borrower suit on notes 01 and 02, Cosigner A suit on note 01, Cosigner B suit on note 02).
10.11	System/Solution shall allow the user to search by litigation OAG case number and court cause number.
10.12	System/Solution shall allow for loans to be combined into a lawsuit based on options chosen by the user.
10.13	System/Solution shall allow for litigation “files” to be closed, reopened or new

	“files” to be created.
10.14	System/Solution shall allow for enhanced tracking of fees, court costs and attorney fees and list them separately by type and responsible party (e.g., borrower or cosigner).
10.15	System/Solution shall allow for tracking of certain activity on litigation files.
10.16	System/Solution shall have functionality and reporting associated with data elements in the litigation file.
10.17	System/Solution shall allow users to set follow-up dates for certain activities and generate reports or alerts based on tracking or activity dates.
10.18	System/Solution shall allow for flexibility in creating and modifying repayment plans during litigation and post-judgment collections, including graduated and extended repayment plans. Users need to be able to negotiate varying payment plans and update those plans into the system to be tracked. System/Solution shall also allow for the scheduling of recurring payments that can be automatically drafted from borrower or cosigner bank accounts based on repayment terms.
10.19	System/Solution shall send billing statements according to established repayment plans. These billing statements would be different from the ones sent on an account that is not in default.
10.20	System/Solution shall send specialized correspondence to debtor in response to repayment plans, payments received, or payments missed.
10.21	System/Solution shall allow litigation correspondence to be generated under OAG letterhead with approval from OAG.
10.22	System/Solution shall generate data elements needed in a manner that can be exported to populate legal document templates where requested by OAG or THECB.
10.23	System/Solution shall allow for categorizing accounts for collections action.
10.24	System/Solution shall provide a solution for reporting on various collection activity.
10.25	System/Solution shall be able to interact with other state agency software in the creation, transfer, or modification of litigation files.
11.0	Customer Portal for Borrowers, Cosigners and Internal THECB Staff
11.01	System/Solution shall allow borrowers and cosigners to sign in to their account through the customer portal with unique user credentials.
11.02	Customer Portal shall be viewable on various devices (e.g., tablet, cell phone).
11.03	System/Solution shall have the ability for the borrower and cosigner to select how they would like to be contacted (opt in/out capability) via the customer portal.
11.04	System/Solution shall have the ability to make THECB forms available to borrowers and cosigners, with the ability to complete and submit forms through the customer portal. In addition, System/Solution shall provide the ability for borrowers and cosigners to upload necessary documents as needed to the customer portal.
11.05	System/Solution shall allow all uploaded forms and documents to integrate with document management system, searchable based on various datapoints

	(e.g., SSN, name, reference number).
11.06	System/Solution shall provide easy access to borrower correspondence through the customer portal.
11.07	System/Solution shall allow two-way email communications with the ability to track activity within the loan management system.
11.08	System/Solution shall have the ability for borrowers to request certain standard letters via customer portal (e.g., paid-in-full letters, mortgage verification letters, payment histories).
11.09	System/Solution shall have the ability to calculate various repayment scenarios (e.g., payment amounts based on various repayment plans, repayment amount based on amount borrowed, repayment based on forbearance) via the customer portal.
11.10	System/Solution shall have the ability to resolve certain log-in issues within the customer portal (e.g., reset password, change/update security questions) through the customer portal.
11.11	System/Solution shall have the ability to generate automated status letters (e.g., deferment granted, deferment expiration, change of address/phone number, billing statements, etc.) through the customer portal.
11.12	System/Solution shall allow for generated correspondence to be reprinted on demand (e.g., monthly billing statements, repayment schedules, past due notices) through the customer portal.
11.13	System/Solution shall allow for multi-channel communications.
11.14	Upon request, System/Solution shall produce an amortization schedule at any time over the life of the loan through the customer portal.
11.15	System/Solution shall have the ability to send and collect customer surveys through the customer portal.
11.16	System/Solution shall display and calculate the maturity date of loans through the customer portal.
11.17	System/Solution shall have the ability to calculate payment, terms, and amounts for Borrowers and internal THECB Staff through the customer portal.
11.18	System/Solution shall project and calculate “pay off” and per diem balance based on varying terms entered through the customer portal.
11.19	System/Solution shall display account information, including due date, amount past due, and balance history (both at the loan and account level, when appropriate) through the customer portal.
11.20	System/Solution shall have the ability to calculate daily interest.
11.21	System/Solution shall allow borrowers and cosigners to view application status, statements, payment schedules, IRS tax statements, payment history, interest paid, balances, and demographic information through the customer portal.
11.22	System/Solution shall allow borrowers and cosigners to change demographic information (address, phone number, email address, cell phone, references), user ID, and password through the customer portal.
11.23	System/Solution shall allow for borrowers/students to apply for loans via the customer portal using a unique ID and password.
11.24	System/Solution shall allow for cosigners to apply for loans via the customer portal using a unique ID and password.

11.25	System/Solution shall allow for borrowers/students to change cosigners and/or references online (only within application status) through the customer portal.
11.26	System/Solution shall Log and capture all activity performed through the customer portal by internal and external users.
11.27	System/Solution shall have the ability for mobile device viewing and conducting transactions (e.g., via tablet, smart phone) through the customer portal.
11.28	System/Solution shall allow borrowers and cosigners to make payments online by bank account or credit card information (using third party State of Texas transaction processing engine) via the customer portal.
11.29	System/Solution shall have the ability to initiate an email from the email address stored in the system of record and store in imaging system upon sending.
11.30	THECB Staff shall have the ability to view/shadow borrowers and cosigners to assist customers as needed through the customer portal.
11.31	System/Solution shall have the ability for borrowers and cosigners to select a future date when submitting a payment online via the customer portal.
11.32	System/Solution shall provide screen tips (small window displaying descriptive text when resting pointer/cursor over a shape).
11.33	System/Solution shall meet State of Texas and Federal accessibility rules.
12.0	Customer Portal for Institutions and Internal THECB Staff
12.01	System/Solution shall allow Institutions to sign in to their account with unique user credentials.
12.02	System/Solution shall allow Institutions to certify, edit, and view/query student loans, eligibility, and status messages through the customer portal.
12.03	System/Solution shall allow Institutions to submit changes (e.g., previously submitted certifications, disbursement dates) through the customer portal.
12.04	System/Solution shall allow Institutions to view their own disbursements (i.e., the funds disbursed to them) through the customer portal.
12.05	System/Solution shall allow Institutions to have the ability to select their academic year when certifying loans through the customer portal.
12.06	System/Solution shall allow Institutions access to query real-time data of College Access Loan (CAL) and Texas Armed Services Scholarship Program (TASSP) loans for their institution through the customer portal.
12.07	THECB Staff should be able to access data described in 12.06 for an individual institution, a subset of institutions, or all institutions through the customer portal.
12.08	Institutions and THECB Staff shall have access to program summaries as well as borrower-specific details from application to final disbursement through the customer portal. Current reports should include at a minimum: <ul style="list-style-type: none"> • Summary • Pending Institution Certification • Certified – No Allocated Funds Available • Certified Applications in Process • Pending Disbursement – Need Documents • Pending Future Disbursements Disbursed

12.09	Through the customer portal, queries should be run by varying factors such as Program Type, Program Year, and Report Name.
12.10	Through the customer portal, query results should have search and sorting options.
12.11	Through the customer portal, query results should be exportable by .CSV/Excel file, PDF, and print.
12.12	System/Solution shall have the ability to resolve certain log-in issues within the customer portal (e.g., reset password, change/update security questions).
12.13	System/Solution shall allow Institution administrators to manage their Institution's respective online users (e.g., add user, delete user, produce access reports, grant access, deny access, password reminders) through the customer portal.
12.14	System/Solution shall have the ability to send and collect customer surveys through the customer portal.
12.15	THECB Staff should have the ability to view/shadow Institutions to assist Institution as needed through the customer portal.
12.16	System/Solution shall meet State of Texas and Federal accessibility rules.
13.0	Interface and Import/Export Requirements
13.01	System/Solution shall have the ability to migrate data from current loan management system to migrate loans and information.
13.02	System/Solution shall have the ability to create files for ad-hoc import/export functionality.
13.03	System/Solution shall have the ability to interface with file transfer software/server (e.g., SFTP using Move It) for file imports and exports.
13.04	Vendors bidding on a solution together or separately shall document and describe how integration/connection points between different solutions are established and maintained.
13.05	Vendor shall describe how they maintain and secure data integrity in their system as well as with any interfaces required.
13.06	System/Solution shall have the ability to export/import data with internal accounting system.
13.07	System/Solution shall have the ability to handle cash receipts and/or import/export data with internal cash receipts system.
13.08	System/Solution shall have the ability to interface with third party State of Texas transaction processing engine to process online credit card payments.
13.09	System/Solution shall have the ability to interface with the IVR to accept payments, account servicing information (payment due, balance, etc.).
13.10	System/Solution shall have the ability to interface with Data Center Services (DCS) for print services.
13.11	System/Solution shall have the ability to interface with the National Student Clearinghouse (NSC) for enrollment reporting updates.
13.12	System/Solution shall have the ability to interface with Office of the Attorney General (OAG) system/solution for updates.
13.13	System/Solution shall have the ability to interface with credit decisioning vendor for sending and receiving credit decisions and profiles in real-time.
13.14	System/Solution shall have the ability to import/export with the National

	Student Loan Data System (NSLDS) to import and export information.
13.15	System/Solution shall have the ability to import/export with the Lender Account Reconciliation System (LaRS) to report federal loan portfolio to the U.S. Department of Education.
13.16	System/Solution shall have the ability to import/export information with any credit bureau(s) for credit reporting using current standard format for reporting credit (Metro2).
13.17	System/Solution shall have the ability to import/export E-Oscar information (national credit dispute system).
13.18	System/Solution shall have the ability to create an annual file of interest paid and forgiveness granted for IRS reporting.
13.19	System/Solution shall have the ability to create a monthly file of delinquent/defaulted borrowers and cosigners accounts for the purpose of holding state issued warrants (checks) at the Comptroller's Office of Public Accounts.
13.20	THECB has scholarships that reside on various platforms within THECB. These scholarships can become loans during their lifetime. System/Solution will need a way to transfer these scholarships to the loan management system and back to the scholarship platform as needed.
14.0	Federal Loan Servicing
14.01	System/Solution shall have the ability to calculate the special allowance rates for existing Federal Family Education Loan Program (FFELP) portfolio, as well as maintain a table of historical rates.
14.02	System/Solution shall have Income Based Repayment (IBR) functionality (e.g., repayment schedules, interest accruals, automated letters, capitalization, term limits, forgiveness tickler files).
14.03	System/Solution shall have the ability to file quarterly Lender's Interest and Special Allowance Request and Report with the U.S. Department of Education. System/Solution shall have the ability to track activities at the detail and summary level for research purposes as needed.
14.04	System/Solution shall have the ability to file guaranteed loan insurance claims with guarantor.
14.05	System/Solution shall meet guidelines as specified by Federal Single Audit (previously known as A-133 audit).
14.06	System/Solution shall maintain compliance with all student loan federal regulations.
15.0	Other Functionality
15.01	System/Solution shall allow the ability for servicing notations and comments on all accounts and capture the user, date, and time of notation.
15.02	System/Solution shall allow for multiple users to view an account at the same time and show a message that the account was updated when viewing or editing at the same time.
15.03	System/Solution shall log and capture all activity performed on an account via online, system and internal user.
15.04	System/Solution shall have the ability to control changes at the administrator level. For example, for Institutions, loan types, guarantor, and funding source,

	etc.
15.05	System/Solution shall have the ability for administrative level of setting user permissions/access.
15.06	System/Solution shall have the ability to add, delete, and lock/unlock user defined fields.
15.07	System/Solution shall have the ability to search on various fields for borrower and cosigner (e.g., name, SSN, address, phone number).
15.08	System/Solution shall associate each borrower to their appropriate cosigner(s) and vice versa.
15.09	System/Solution shall have the ability to create mailing labels on demand.
15.10	System/Solution shall have the ability to create accounting entries for transactions made to loans loaded from prior system with effective dates prior to conversion to new system.
15.11	System/Solution shall have the ability for THECB to manually update tables that assign general ledgers for specific types of transactions or transaction codes.
15.12	Vendor shall provide written and online User and Administrator manuals and maintain current updates when system changes accordingly.
15.13	System/Solution shall have the ability for THECB Staff to make changes to online website as needed without IT/vendor support for updates.
16.0	Technology Requirements
16.01	System/Solution shall reduce/eliminate use of SSN as account number/visibility on the screens. SSN handling must encrypt all but last four digits after initial, SSN cannot be shown on screen or used as account number.
16.02	System/Solution shall provide Real Time Solution without Batch processing; if Real Time Solution cannot be supported, batch processing must provide monitoring of batch jobs (or reduce/eliminate the complexity of Batch processing). <ul style="list-style-type: none"> • Leverage ATOS supported automation package (versus JAMS) • Pay additional service contract for loan management system provider evaluating Batch processing (paying added contract) • Identify level of support required for Batch runs
16.03	System/Solution shall provide a customer portal.
16.04	SaaS Systems <ul style="list-style-type: none"> • Prefer SaaS solution • Hosted environment would be through State's public cloud • Defined required test images (4 Test images, 1 Projection)
16.05	System/Solution shall operate behind a Web Application Firewall.
16.06	Regular Pen testing (with each upgrade) (Open Web Application Security Profile OWAS) Standard <ul style="list-style-type: none"> • Commitment to remediate any findings for each release/upgrade: <ul style="list-style-type: none"> ○ Critical and High findings must be remediated within THECB Service Level Agreement ○ Medium and Low findings must happen within THECB Service Level Agreement

	<ul style="list-style-type: none"> • THECB will be responsible for running Pen Testing with support and remediation from vendor.
16.07	<p>Identity and Access Management support:</p> <ul style="list-style-type: none"> • Management authorization and roles • Streamline account creation process, granting rights for internal/test accounts (IAM Account) • MFA for internal/external Users <ul style="list-style-type: none"> ○ Internal leverage THECB Microsoft 365, ○ External THECB B2C tenant, ○ Passwords must meet THECB complexity requirements, ○ Our users and class of users – how roles are managed, need to understand Vendor’s available function for managing roles or integrate into THECB IAM System.
16.08	Reporting service to avoid direct access of live data (support ad-hoc reporting, EZ query, SQL, avoid multiple copies of data).
16.09	Payment processing must go through Texas.GOV, which achieves PCIDSS compliance.
16.10	Database storage must be encrypted at the DB (entirety).
16.11	HTTPS must be throughout the loan management system.
16.12	Email messages must meet DMARC authentication standard.
16.13	Secure SDLC best practices.
16.14	THECB must have access to code repository (default).
16.15	Track payment and payment status of borrower accounts (pending receipts) – applied and unapplied (trust and suspense funds goes to cash, once it is cashed, it is applied). Legacy LMS puts on a hardcopy report, but not recorded within Legacy LMS.
16.16	<p>Data Migrating from existing data model structure, and impact to downstream processes.</p> <ul style="list-style-type: none"> • Does vendor provide API for migrating data to downstream systems, • Integration with existing Texas.GOV portal.
16.17	<p>Provide training to system administrators on System processes.</p> <ul style="list-style-type: none"> • Reporting service • Automation
16.18	All output files integrate with downstream processes utilizing .tiff extension as appropriate.
16.19	Loan Origination extract to a THECB system (Laserfiche).
16.20	Test Input/Automation
16.21	Scenario testing to manipulate dates to produce future/past loan status.
16.22	Vendor shall assist with audits as needed.
16.23	System/Solution shall have the ability to check connection with Decision Lender for credit checks for both borrowers and cosigners.
16.24	System/Solution shall have the ability to check authentication with Texas driver’s license through State of Texas designed agency for E-signature.
16.25	Test automation – tool must support automation of loan management system screens.
16.26	Assist with Test management and Defect tracking as needed using Azure

	DevOps.
16.27	<p>System Updates:</p> <ul style="list-style-type: none"> • Require documented updates and minimize unavailability to our internal and external users. • With hosted schedule, expect documented at last 90 days in advance with THECB approval. • With a dedicated hosted solution, expect THECB involvement with approving and managing all changes.
16.28	Admin access should require VPN Access (if we are the hosting organization). If hosted by third party, Admin access should not require VPN and be accessible through the internet.
16.29	System/Solution shall integrate with the State Agency Financial Management systems (MIP/USAS, going to CAPPS FIN).
16.30	<p>Vendor should describe the technical system requirements necessary for the implementation of firms proposed solution, to include at a minimum:</p> <ul style="list-style-type: none"> • Server(s) • Operating System(s) • Estimated Disk Storage Requirements • Database Platform • Other Software Required • Network Capacity Requirements • Workstation Requirements • Test Environment <ul style="list-style-type: none"> ○ Proposed Test Environment ○ Suggested Management of Test Environment ○ Test Environment Update Procedures/Frequency • Other (please list)