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ADOPTED – BOARD OF TRUSTEES
COMMUNITY COLLEGE DISTRICT NO. 508
SEPTEMBER 3, 2015

BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT NO. 508
COUNTY OF COOK AND STATE OF ILLINOIS

STUDENT PAYMENT PROCESSING SERVICES
NELNET BUSINESS SOLUTIONS, INC.
OFFICE OF FINANCE
DISTRICT WIDE
(RATIFICATION)

THE CHANCELLOR RECOMMENDS:

that the Board of Trustees authorizes the Chair to execute an agreement with Nelnet Business Solutions, Inc. to provide student payment processing services for the period commencing no sooner than August 5, 2015 through August 4, 2020, at a total cost not to exceed \$971,193.

VENDOR: Nelnet Business Solutions, Inc.
121 South 13th Street, Suite 201
Lincoln, Nebraska 68508

USER: District Wide

TERM:

The term of the agreement commenced on or about August 5, 2015 and will end on or about August 4, 2020, with an option to renew for an additional two (2) one (1) year periods.

SCOPE OF SERVICES:

Nelnet Business Solutions will provide the following services:

1. Student Services:
 - a) Allow students to sign-up for the payment plan electronically;
 - b) Allow students to pay the full amount due via CCC's student portal; provide services with no interest or low interest, no pre-qualifying, and no credit check;
 - c) Allow students to participate in a payment plan or to pay in full using a wide range of payment options; (i.e. checking account and/or credit card and /or debit card; Visa, MasterCard, American Express etc.);
 - d) Allow students to set-up authorized users who have permission to view and make payments on their account;
 - e) Handle chargebacks and return items;

- f) Give CCC the option to include the credit card processing fee as part of the transaction
 - g) Allow students to submit payment via mobile device
2. Customer service support for students 24 hours a day, 7 days a week, either on-line or via telephone. Customer services includes, but is not limited to the following:
- a) Easy online support service;
 - b) Customer services via telephone;
 - c) Online reference guide that can provide step-by-step guidance
3. City Colleges of Chicago support and customer services including:
- a) Provide CCC with marketing materials and supplies;
 - b) Allow CCC to establish the payment date options (i.e., weekly, bi-weekly, monthly, etc. and a cutoff date);
 - c) Integrating the payment plan with PeopleSoft Campus Solution 9.0 system and provide an easy transition from the current provider;
 - d) Provide CCC with monthly reconciliation reports;
 - e) Allow CCC to view and make changes on existing agreements;
 - f) Provide online reporting tools of “real-time” data to CCC staff;
 - g) Online access to view agreements and monitor accounts 24/7 availability.
4. Additional services and benefits:
- a) Collect payments from student and deposit into CCC’s bank account for ACH and/or settlement account (for credit and debit card);
 - b) Accept, at a minimum; Visa, MasterCard, and American Express;
 - c) Provide a secure data storage environment;
 - d) Provide services at no cost to CCC;
 - e) Provide CCC with secure access to web payment portal;
 - f) Adhere to all rules and regulations that govern electronic payment processing, including: Red Flag Rule, PCI Compliance; FDIC; and SAS 70.

BENEFIT TO CITY COLLEGES OF CHICAGO:

Effective student payment processing services will assist City Colleges of Chicago in improving student and family services, improve affordability and retention, reduce receivables, streamline our business office processes; and ease the workload in managing the payment plan. Such services can reduce bad debt expense and maximize revenue.

VENDOR SELECTION CRITERIA:

Specifications were prepared by District Procurement staff and a Request for Proposal (RFP) #MWJ1502 was publically advertised on February 23, 2015. Twenty-five (25) companies were contacted and a pre-proposal conference was held on March 2, 2015. Four (4) companies responded to the RFP on March 24, 2015: 1) Official Payments (a subsidiary of ACI Worldwide); 2) Higher One, Inc.; 3) Nelnet Business Solutions, Inc.; and 4) Touchnet Information Systems, Inc. Bank of America Merrill Lynch, PNC Financial Services Group and USA Funds declined to respond. Higher One, Inc. was deemed as non-responsive for not submitting in accordance with the submittal requirements.

All proposals were reviewed, evaluated, and ranked by staff which included the Office of Finance, Malcolm X College, Olive-Harvey College, Wright College, the Offices of Information Technology, Administrative and Procurement Services and MBE/WBE Contract Compliance.

The evaluation criteria outlined in RFP #MWJ1502 included:

- 1) Qualifications of firm
- 2) Proposer’s implementation plan for the execution of the requested services
- 3) Past experience with higher educational institutions or comparable organizations
- 4) Fees in relation to the scope of services
- 5) M/WBE Compliance

Based on the highest rankings in responsiveness, qualifications, experience and cost, staff recommends the acceptance of the proposal from Nelnet Business Solutions, Inc. to provide the student payment processing services.

MBE/WBE COMPLIANCE:

The Office of MBE/WBE Contract Compliance has reviewed the proposed agreement and recommends a waiver of the Board Approved Participation Plan due to the nature of the services ("electronic payment card ") and the absence of subcontracting opportunities.

GENERAL CONDITIONS:

Inspector General – It shall be the duty of each party to the agreement to cooperate with the Inspector General for City Colleges of Chicago in any investigation conducted pursuant to the Inspector General’s authority under Article 2, Section 2.7.4(b) of the Board Bylaws.

Ethics – It shall be the duty of each party to the agreement to comply with the applicable provisions of the Board’s Ethics Policy adopted January 7, 1993, and as amended by the Board.

Contingent Liability – Pursuant to Section 7-14 of the Illinois Public Community College Act, all agreements authorized herein shall contain a clause that any expenditure beyond the current fiscal year is subject to appropriation in the subsequent fiscal year.

FINANCIAL:

Total: \$971,193 (\$157,700 in FY16)

Charge To: Office of Finance

Source of Funds: Education Fund

FY16: 530000-00003-XX70100-80000

Respectfully submitted,

**Cheryl L. Hyman
Chancellor**

September 3, 2015 - Office of Finance