

**RETURN BIDS TO:
RETOURNER LES SOUMISSIONS À:**

Bid Receiving - PWGSC / Réception des
soumissions - TPSGC
11 Laurier St. / 11, rue Laurier
Place du Portage, Phase III
Core 0A1 / Noyau 0A1
Gatineau
Quebec
K1A 0S5
Bid Fax: (819) 997-9776

**LETTER OF INTEREST
LETTRE D'INTÉRÊT**

Comments - Commentaires

Vendor/Firm Name and Address
Raison sociale et adresse du
fournisseur/de l'entrepreneur

Issuing Office - Bureau de distribution
Information Management/Information Technology -
IM/IT/Gestion de l'Information - Technologie de
l'Information-GI/TI
11 Laurier St. / 11, rue Laurier
12C1, Place du Portage III
Gatineau
Quebec
K1A 0S5

Title - Sujet Financial Services	
Solicitation No. - N° de l'invitation G7514-120001/A	Date 2012-06-29
Client Reference No. - N° de référence du client G7514-120001	GETS Ref. No. - N° de réf. de SEAG PW-\$\$XQ-006-24609
File No. - N° de dossier 006xq.G7514-120001	CCC No./N° CCC - FMS No./N° VME
Solicitation Closes - L'invitation prend fin at - à 02:00 PM on - le 2012-07-31	
Time Zone Fuseau horaire Eastern Daylight Saving Time EDT	
F.O.B. - F.A.B. Specified Herein - Précisé dans les présentes Plant-Usine: <input type="checkbox"/> Destination: <input type="checkbox"/> Other-Autre: <input checked="" type="checkbox"/>	
Address Enquiries to: - Adresser toutes questions à: Crober, Robert	Buyer Id - Id de l'acheteur 006xq
Telephone No. - N° de téléphone (819) 956-1206 ()	FAX No. - N° de FAX (819) 956-1206
Destination - of Goods, Services, and Construction: Destination - des biens, services et construction: HUMAN RESOURCES AND SKILLS DEVELOPMENT CANADA TWR II FL.LVL 200 MONTCALM GATINEAU Quebec K1A0J9 Canada	

Instructions: See Herein

Instructions: Voir aux présentes

Delivery Required - Livraison exigée See Herein	Delivery Offered - Livraison proposée
Vendor/Firm Name and Address Raison sociale et adresse du fournisseur/de l'entrepreneur	
Telephone No. - N° de téléphone Facsimile No. - N° de télécopieur	
Name and title of person authorized to sign on behalf of Vendor/Firm (type or print) Nom et titre de la personne autorisée à signer au nom du fournisseur/ de l'entrepreneur (taper ou écrire en caractères d'imprimerie)	
Signature	Date

Solicitation No. - N° de l'invitation

G7514-120001/A

Amd. No. - N° de la modif.

Buyer ID - Id de l'acheteur

006xq

Client Ref. No. - N° de réf. du client

G7514-120001

File No. - N° du dossier

006xqG7514-120001

CCC No./N° CCC - FMS No/ N° VME

Please see the attached documents

Overview of the Canada Student Loans Program

Purpose:

This document is intended to provide a summary of Canada Student Loans Program (CSLP) and includes:

- a brief Program history;
- a general description of the current processes used to deliver the CSLP; and
- process maps providing a visual outline of the Program.

Program History:

The CSLP was introduced in 1964, when student financial assistance was provided through financial institutions and the federal government guaranteed the loans by reimbursing financial institutions for defaulted loans.

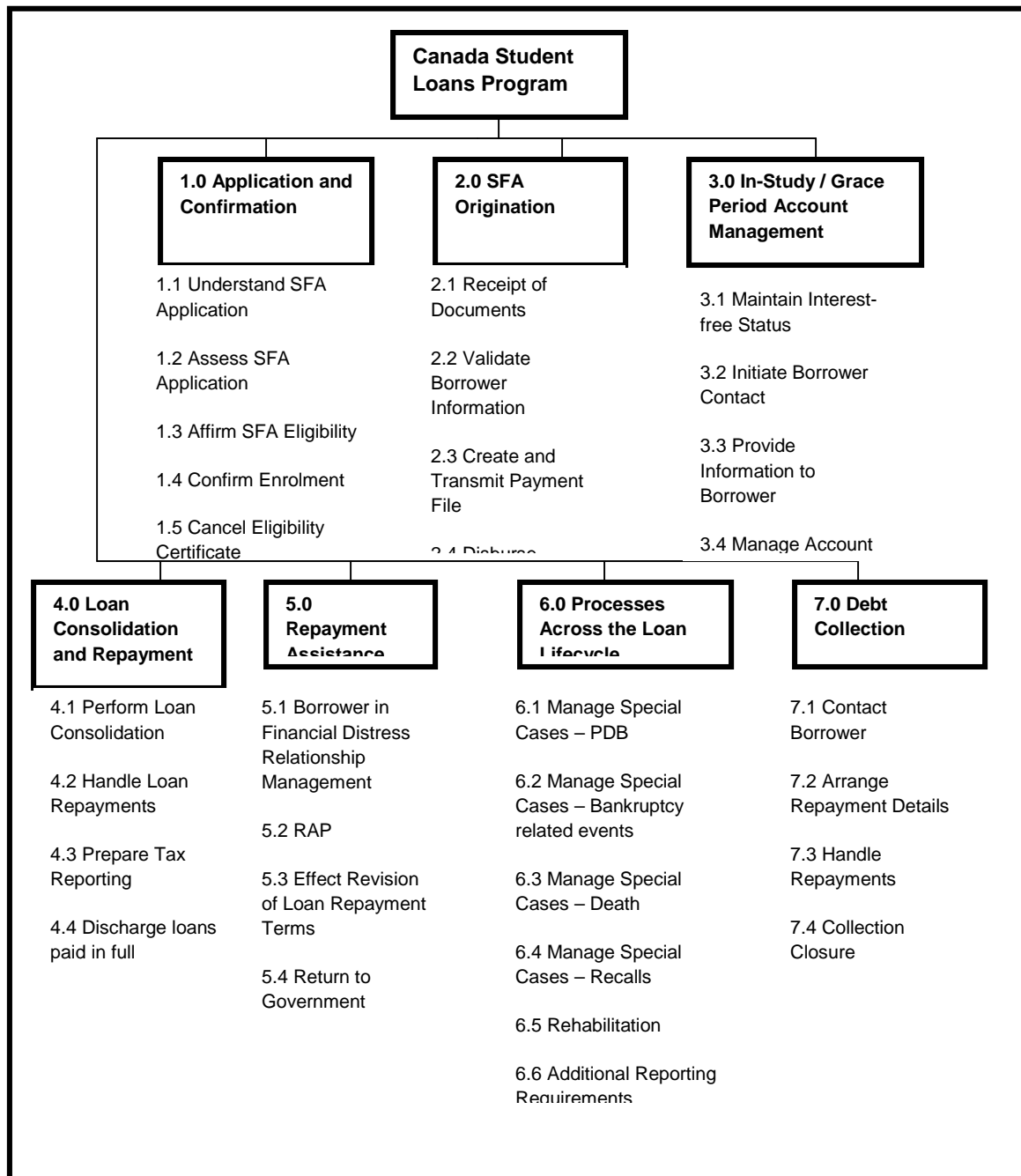
In 1995, Canada implemented the *Canada Student Financial Assistance Act* along with a risk-shared model where the government and financial institutions shared the financial risk for defaulted loans.

Then, in 2000 the federal government initiated a direct-lend model through two service providers: one servicing loans for private educational institutions and one for public institutions.

Finally, in 2004 a mandated operational review identified areas to improve efficiencies in the administration of client accounts. As a result, CSLP moved forward with a single service provider contract model in 2008.

Description of the Current Administration of the CSLP:

Over time the CSLP, the service provider, and delivery partners have developed a complex administrative cycle to manage student financial assistance accounts in collaboration with a number of delivery partners. Some of the complexity stems from the use of older technology systems from a number of delivery partners that were modified in an iterative manner over the past 15 years to accommodate new business requirements. The administrative loan life cycle can be summarized in the following diagram:



Functions and Delivery Partners within the Loan Life cycle:

The following table further illustrates the current roles and responsibilities of the Program delivery partners throughout the life of student financial assistance accounts.

ACTIVITY	DESCRIPTION	KEY GROUPS
Assessing eligibility for funding	Borrowers apply for funding through their home Province or Territory, who collect relevant supporting information and keep track of historical eligibilities and assessments, and work through appeal processes with applicants if funding eligibility does not meet their circumstances	Participating provincial and territorial governments
Generating loan documents	Once eligibility is determined, Provinces and Territory generate loan documents that substantiate terms and conditions of the agreement, including repayment, or contain actual payment amounts that must be signed off prior to funding being released	Province or Territory
Confirming enrolment with schools	Students bring some loan documents to their Educational Institutions to sign off on, and other students have their enrolment electronically confirmed through electronic files between schools and provinces. The current service provider identifies exceptions with confirmed study periods and works them out with government programs and educational institutions.	Educational Institutions, Provinces and Territory, current service provider
Sending completed student financial assistance documents to the service provider	Some documents are sent through mail by schools with copies of ID, some documents are delivered through Canada Post where ID is validated, some documents are delivered through the current service provider's on-campus kiosk where ID is validated, and others are mailed directly to the current service provider from remote areas with required copies of ID	Borrowers, Schools, Service Provider, Canada Post
Processing disbursement	Provinces confirm disbursement amounts electronically by sending files to the current service provider, who then matches the entitlement records to physical documents. The current service provider sends requests for provinces to deposit disbursement funds into a Trust account, and then disburses the funds via automatic deposit or cheque to borrowers. On the Federal side, the current service provider sends daily disbursement files through the CSLP system to PWGSC who processes automatic deposits and cheques to	Provinces, current Service Provider, PWGSC, educational institutions and financial institutions holding Trust accounts

ACTIVITY	DESCRIPTION	KEY GROUPS
	borrowers through a standard payment system. Payments are tracked through this system to confirm deposit to borrower accounts. In many cases, funds are also disbursed directly to Educational Institutions to offset tuition.	
Managing in-study periods	Borrowers use a variety of forms that are signed off with educational institutions, or web portals in some provinces, to confirm that they are still studying and eligible for interest-free status on their loans. Enrolment confirmations are typically done between schools, borrowers and provinces, who then notify the current service provider electronically. Sometimes, manual confirmation of enrolment documents will go directly to the current service provider. During the in-study period the current service provider maintains a relationship with borrowers through mail correspondence, web sites, online accounts and call centres.	Educational Institutions, Provinces, current Service Provider
Consolidation of loans	The current Service Provider is responsible for sending consolidation reminders and agreements to borrowers before they enter repayment. If borrowers do not return signed agreements, they are passively consolidated with standard repayment terms.	Current Service Provider
Collecting payments and debt counselling	The current service provider maintains and changes repayment terms with borrowers and processes payments through electronic channels and other forms of payment like cheques and cash. The current service provider also manages missed or late payments, and performs thorough contact management to get in touch with borrowers who fail to make payments.	Current Service Provider
Adjudicating for and managing repayment assistance	For borrowers who are not able to meet their financial obligations, the service provider uses a collection of repayment assistance tools to reduce payment amounts, provide payment free periods, or reduce portions of borrower loans based on CSLP policy. For some repayment assistance tools, the Federal program is also directly involved in adjudicating (i.e. repayment assistance for borrowers with permanent disabilities). From time to time in exceptional cases Provinces will also become involved to provide exception directives to the service provider in providing repayment assistance or writing off student loans.	Current Service Provider, Federal, Provinces, Canada Revenue Agency (CRA), Provincial collection agencies

ACTIVITY	DESCRIPTION	KEY GROUPS
	Borrowers who fail to make payments on their loans and do not enter in repayment assistance arrangements may be transferred to CRA for collections, or provincial collection agencies. CRA manages loans under collection until they are rehabilitated, at which point they are returned to the service provider for ongoing account management.	
Processing paid in full accounts	The current service provider closes out paid in full accounts and notifies borrowers when an account is paid in full. This may also involve issuing refunds for overpaid amounts.	Current service provider
Developing program enhancements	Federal and Provincial programs respond to Budget announcements and identify operational efficiencies to be incorporated into the loan servicing system. CSLP works with provincial partners and other stakeholders as required to develop business requirements with the service provider, who designs and implements the required system and process changes.	CSLP, Provinces, current Service Provider

To further depict a CSLP client account life cycle, Annex A is included with detailed process maps describing the interactions throughout the management of client accounts.

Key Administrative Points:

There are a significant number of inter-governmental and external stakeholders who are important in effectively managing student financial assistance accounts.

There are a large number of IT systems that communicate on a regular basis to transfer necessary information regarding client accounts.

Over time new systems functions have been added to address requirements. A review of the technological environment today, incorporating a clearer understanding of business requirements, may identify new opportunities for greater efficiencies and facilitate communication between delivery partners.

Annex A: CSLP Process Maps

Diagram 1 – Application and Receipt of Loan Documents

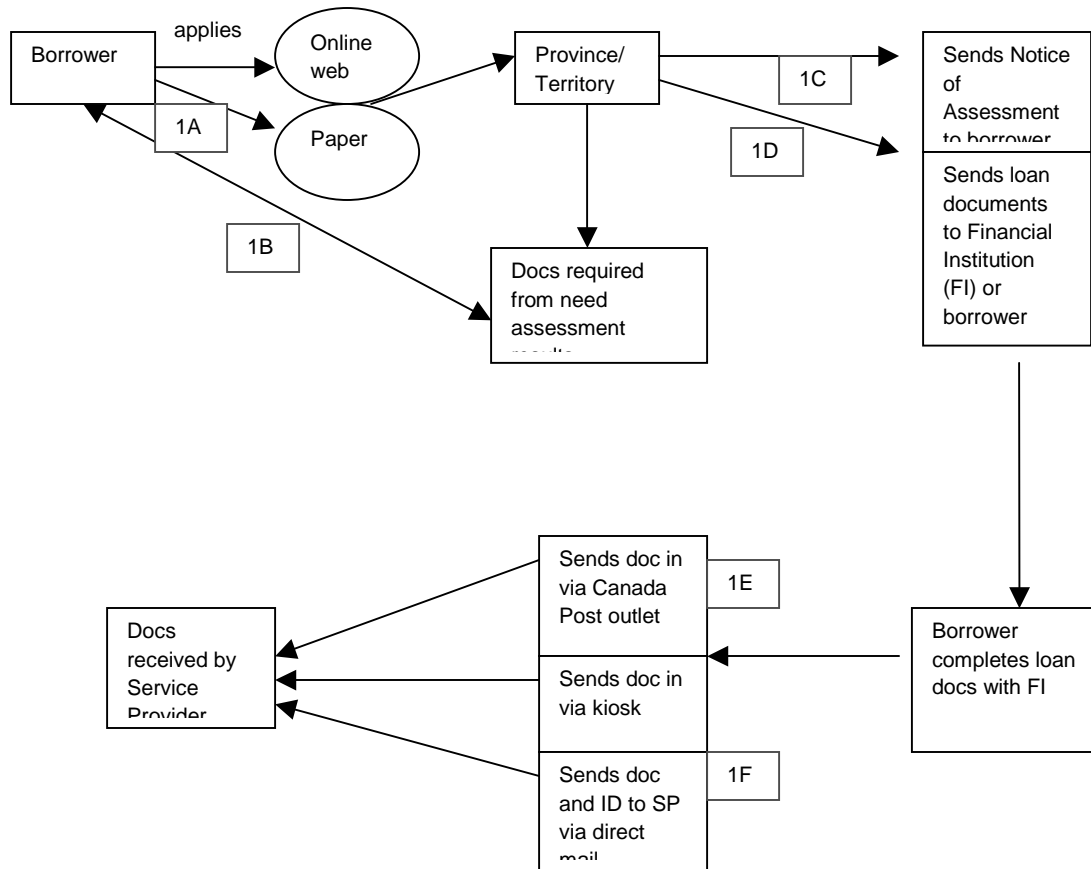


Diagram 2 – Receipt of Documents, Exception Resolutions, Payment Generation

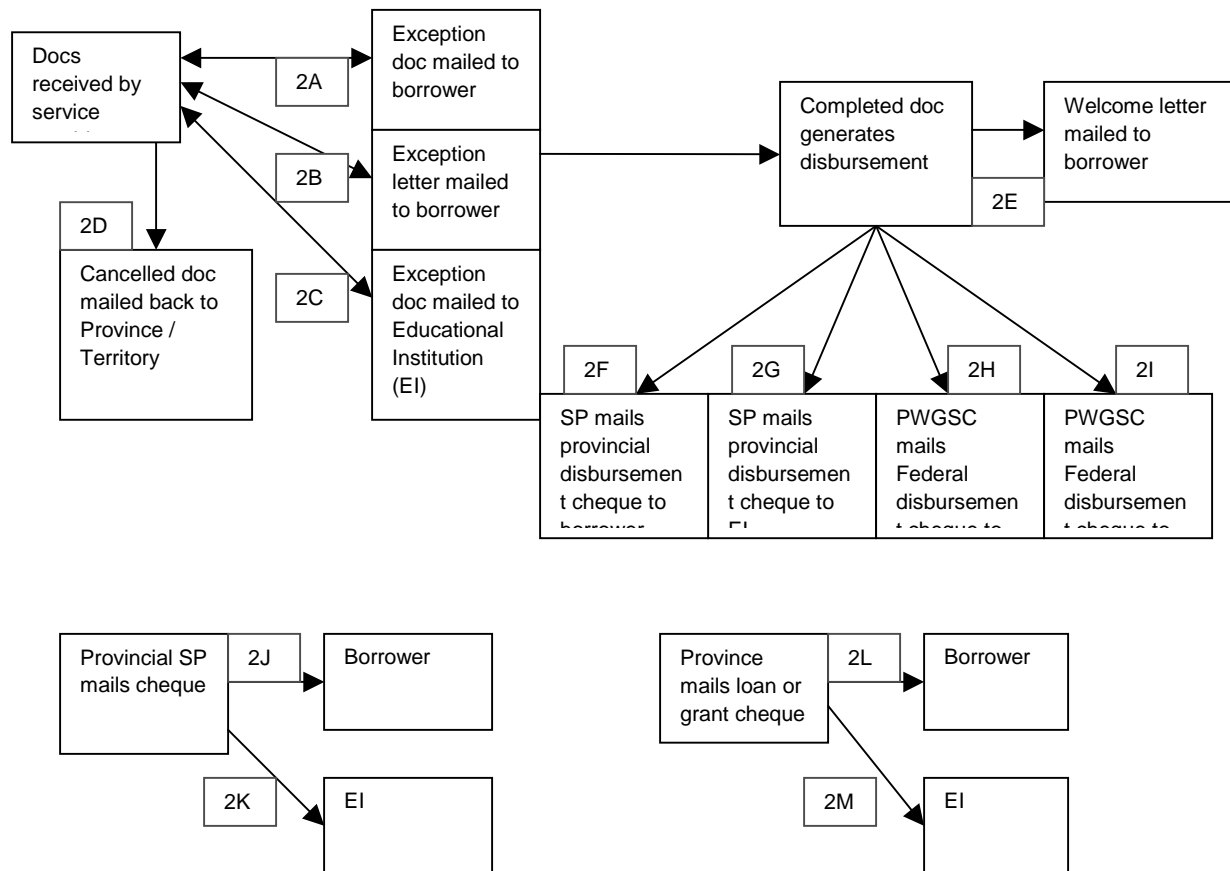


Diagram 3 – In-study Account Management Activities including Consolidation

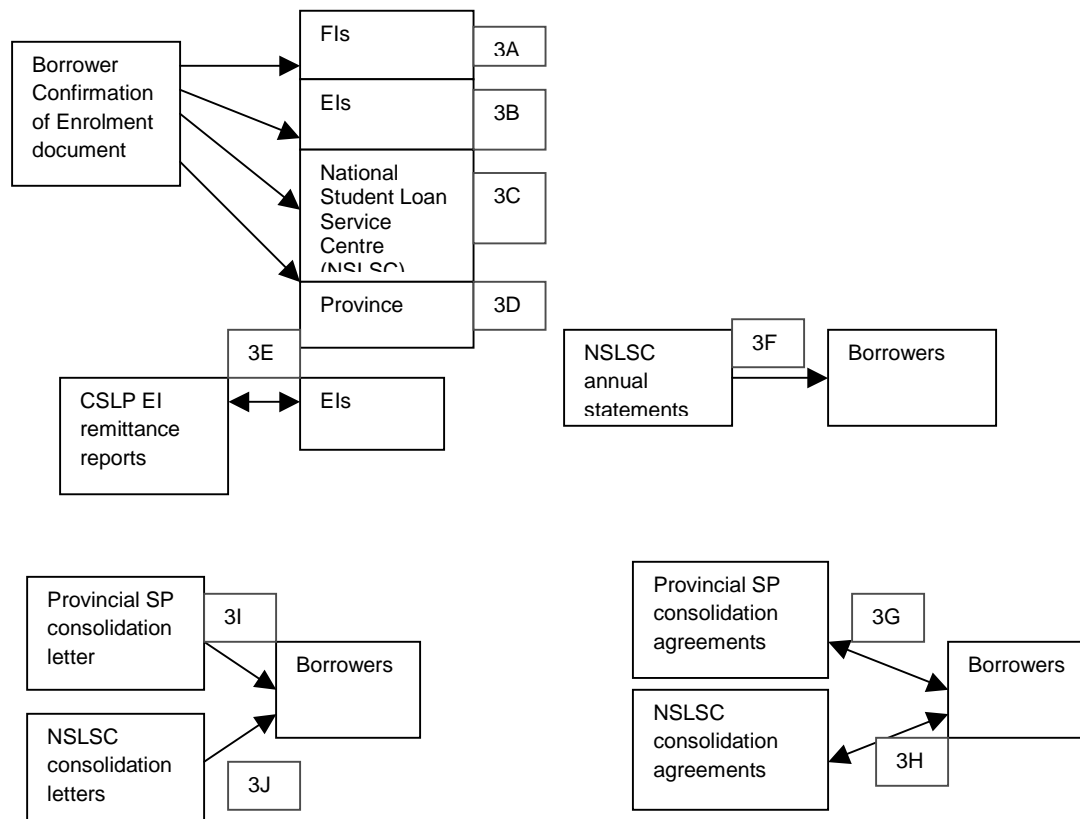
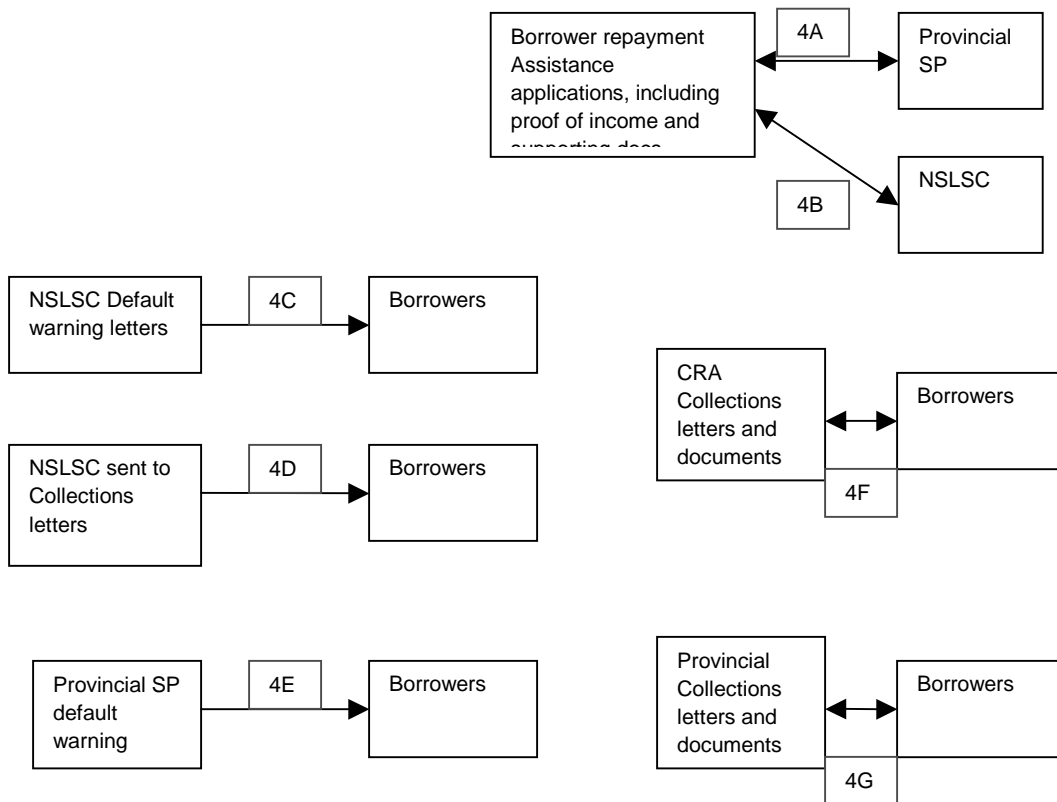


Diagram 4 – Loan Repayment and Repayment Assistance including Collections



Canada Student Loans Program (CSLP) Processing Volumes

As an accompaniment to the *CSLP Overview*, this document summarizes CSLP processing volumes. Numbers are based on historical activity and do not reflect current changes due to new service delivery enhancements, and may not be reflective of processing volumes with any new delivery models. Rather, they are intended to provide a general understanding of the volume and scope of processing activities. Financial information about the portfolio can be found in the *Statistical Review* at www.hrsdc.gc.ca/eng/learning/canada_student_loan/Publications/annual_report/2009-2010/tables/index.shtml

The CSLP is a complex program based on a standard set of account processing rules, with an anticipated sequence of events as a borrower proceeds through the life cycle of a student financial assistance account. However, given the extended lifetime of a client account and the ability of a borrower to move in and out of study status, in and out of repayment assistance measures, modify repayment terms and conditions, and yearly changes to criteria for the products they hold, there is a significant amount of interaction with the borrower and delivery partners to update and add account information.

Processing Volumes by Calendar Month

Though any of the student financial assistance account status changes can occur throughout the year, as well as any client inquiry, there are some noticeable trends in activity that can be observed. These trends include:

- September is a peak disbursement month, since this is when the majority of clients first access their funding. January is a secondary disbursement peak, not typically as high as the September peak. During these periods there is a high volume of loan documents being generated which require review to ensure clients have followed the appropriate steps to validate their documents. Call and FAX volumes are especially high in these time periods. Exception processes to correct signatures and dates on loan documents, acquire supporting documentation like copies of ID, are also notably high in these periods.
- November is a peak period for repayment assistance activity. Typically, borrowers will apply by phone for pre-approval and by mailing or FAXing in application forms from the Internet. There is a high volume of phone traffic and mailing and FAXing documents back and forth, as well as exception processes to correct the entries on applications and acquire supporting documentation such as proof of income.
- There is customer relationship management in off-peak months as well, including the summer months. Some students continue to study throughout the year, even though a typical school year may run between September and April (exception: Private and trade schools).

The table below shows processing volumes in the main and secondary peak disbursement months, the peak period for repayment assistance activity, a regular during-school-year month and regular outside-of -school-year month. Numbers are rounded to the nearest 1,000 where possible. The table has been divided between key operational processing stages outlined in the loan life cycle:

Activity	September Disbursement Peak	November Repayment Assistance Peak	January Disbursement Peak	Average Month During Standard School Year (Feb)	Average Month Outside Standard School Year (Jul)
Student Loan Documents					
Student Financial Assistance (SFA) documents received	190,000	40,000	215,000	60,000	12,000
Loans Returned to Government including: default, death or disability					
Total	6,000	3,000	3,000	3,000	3,000
Section 3: Mail Correspondence to Borrowers including tax statements, repayment assistance, arrears and periods of study					
Total	338,000	249,000	518,000	984,000 ¹	184,000
Repayment Assistance activities including: applications received, processed (modified), approved, refused, cancelled and exceptioned					
Total	80,000	146,000	111,000	139,000	88,000
Call centre activities including: Inbound calls, outbound calls and language distribution on inbound calls					
Received on toll-free line	267,000	291,000	309,000	326,000	227,000
French queue	6,000	5,000	6,000	4,000	4,000
English queue	230,000	259,000	254,000	284,000	197,000
Disbursements including: number and dollar value					
TOTAL disbursements authorized including Loans & Grants	390,000	67,250	280,000	82,000	15,500
TOTAL Disbursement dollars including Loans & Grants	1,145,000,000	183,000,000	390,000,000	148,500,000	38,500,000

¹ February correspondence numbers do not reflect the average due to the annual tax statement mail-out