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09-019

APPROVE EXEMPTION FROM FORMAL
SOLICITATION PROCESS AND CONTINUE TO
CONTRACT WITH NELNET BUSINESS SOLUTIONS
FOR PROVIDING AND MAINTAINING THE STUDENT
ELECTRONIC BILLING PRESENTMENT AND
PAYMENT SYSTEM

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FINANCIAL
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REPORT: In December 2004, the Financial Services Department issued an informal solicitation process, Request for Quotation (RFQ), for Electronic Billing Presentment and Payment system (EBPP). The RFQ process was selected because the estimated cost was under the \$100,000 threshold. The College received a total of eight (8) responses; committee members evaluated all quotes and recommended award of the contract to Infinet Business Solutions (now known as NelNet Business Solutions). With this eCommerce solution, students have the convenience of viewing their bill and making the online payment by check or credit card twenty-four (24) hours a day, seven (7) days a week. The service provider, which is level 1 PCI compliant (a federal requirement) hosts all confidential credit card data within their secure server accessed via PCC's secure website. In addition to minimizing the risk of non-compliance with federal PCI Data Security Standards, use of the EBPP has also resulted in a significant reduction in the number of billing statements mailed to students annually. In the past the College mailed about 220,000 billing statements annually at a cost of \$.60 each to process and mail using the US Postal Service. With the EBPP the College is

saving approximately \$.32 per piece when processing and mailing the billing statements.

It is the Department's desire to extend the contract with NelNet Business Solutions through March 2010. A 13% reduction in payment processing fees has been negotiated. Due to higher than anticipated usage by the student population and deployment of additional services to provide secure online payment processing for College programs the total amount for the term of the contract exceeds the \$100,000 threshold as in Board Policy B505 and requires Board approval. The system is in place and working well for students. At this time, it is in the best interest of the College to continue with the same service provider until the end of the five (5) year term that goes through March 2010.

RECOMMENDATION: That the Board of Directors approve the exemption from competitive process and authorize the department to continue to contract with NelNET Business Solutions for providing electronic billing presentment and payment system. The contract will be valid through March 2010 with an estimated expenditure of \$250,000 (for the entire term of the contract). Funding will be from the General Fund.