

Request for Proposals for Designation as Secondary Market Operation
February 24, 2010

1. Overview

Section 3351.07 of the Ohio Revised Code authorizes the Governor of Ohio to designate one nonprofit corporation secondary market operation to be the single nonprofit private agency designated by the state under section 435(d)(1)(D) of the Higher Education Act of 1965 (“HEA”), 101 Stat. 347, 20 U.S.C.A. 1085(d)(1)(D), as amended (the “Designation”). The Governor’s designation authorizes the selected nonprofit corporation to qualify as an eligible lender of federal student loans made under the HEA and to make federal student loans to Ohio students. In the interest of promoting access to and affordability of higher education in the State of Ohio, the Chancellor of the Ohio Board of Regents (“Chancellor”) is issuing this Request for Proposal seeking a qualified entity to be designated by the Governor under Revised Code Section 3351.07.

No compensation will be paid by the State of Ohio as a result of any designation made through this selection process.

2. Designation Period

Subject to receipt of proposals from qualified nonprofit corporations, the Chancellor intends to recommend one nonprofit corporation for designation by the Governor pursuant to Revised Code Section 3351.07. Any designation made by the Governor will be for the period January 1, 2010 through December 31, 2010. The Chancellor reserves the right, for himself and acting for the Governor, to request additional information from proposers that he believes necessary or useful to complete the review process, to reject any or all proposals responding to this RFP, to waive non-substantive infractions, to adjust dates, and to re-issue the RFP and accept new proposals if he determines that doing so is in the best interests of the State. Issuing this RFP does not bind the Governor to make a designation under Revised Code Section 3351.07. The designation decisions of the Governor are final. All proposers will be notified of the outcome of their proposal(s) at the conclusion of the review process.

3. Schedule

- Deadline for Questions: Tuesday, March 2, 2010, 12:00 p.m. ET
- Proposals Due: Wednesday, March 3, 2010, 4:00 p.m. ET

4. Proposal Requirements

Proposals should address each of the following requirements:

Proposals must provide identifying information about the proposer, its affiliates, officers and directors. For each individual or entity, include name, title (if an individual), jurisdiction of

organization (if an entity), and relationship of the individual or entity to the proposer. For the proposer, indicate its jurisdiction of organization, principal place of business, address, and individual representative who will serve as contact regarding the proposal.

Proposers must demonstrate that they are qualified to act as an eligible lender and secondary market operation in accordance with the HEA and other applicable federal and state law. Proposers must provide evidence of their status as a nonprofit corporation and other eligibility requirements for designation set forth in the HEA section 435(d)(1)(D) and qualification to be an eligible holder under HEA section 435(p).

Proposers must also demonstrate they satisfy the requirements for designation under Revised Code section 3351.07.

Proposers must be prepared to act as eligible lender, including origination of loans, and as the secondary market operation during the period of the designation, subject to any changes in applicable federal law. (Notwithstanding legislations pending in Congress to terminate origination of new federal student loans by lenders under HEA section 435(d)(1) as of July 1, 2010, the selected designee must be willing to accept the designation and actively conduct its operations as an eligible lender and secondary market operation through the actual effective date of any such change.)

In addition to basic qualifications for designation as required by applicable law, proposals will be evaluated based on the experience of the proposer in making and holding federal student loans and in providing financial aid guidance to student borrowers. Therefore, the proposal should provide information about the history of the proposer, its experience in the federal student loan market, its services to student borrowers, and any related qualifications that would distinguish the proposer from its competitors for designation. The proposals will also be evaluated based on the proposers commitment to Ohio higher education, specifically, enumerated benefits accruing to Ohio students from programs sponsored by the proposer, i.e. scholarships, financial counseling etc. regardless of whether a student seeks a loans through the proposer. If the proposer currently does not have any such programs of general benefit to Ohio students, please provide information regarding planned implementation of such programs if chosen. The proposer may choose to work with the Chancellor in developing any such programs.

The proposal should demonstrate the financial wherewithal of the proposer to undertake the activities of an eligible lender and secondary market operation. At a minimum, the proposal must include an audited financial statements for the most recently ended fiscal year of the proposer (or for the immediately prior fiscal year if the proposers fiscal year ended within 120 days prior to the date of this RFP).

The proposal must include a certification signed by the chief executive officer or other officer authorized to sign tax returns/filings for the proposer confirming that the information provided in the proposal is true, correct and complete.

5. Communication and Inquiries

A copy of this RFP and any subsequent amendments will be made available on the Chancellor's website at <http://regents.ohio.gov>. To receive a printed copy of this RFP, send an email to Dora Dean at ddean@regents.state.oh.us.

Any request for interpretation of a requirement of this RFP must be submitted in writing via U.S. Mail, e-mail or fax (see below); e-mail is preferred. E-mail questions to ddean@regents.state.oh.us. Use "Secondary Market Operation" in the subject line of the e-mail. Fax questions to 614-728-4643. (The Chancellor accepts no responsibility for faxes or e-mails that are not delivered).

Responses will not be made directly to the requester. Questions and responses will be posted on the Chancellor's website at www.regents.ohio.gov. The Chancellor reserves the right to clarify or shorten questions when deemed appropriate and helpful. Prior to the RFP submission deadline, verbal communication regarding the RFP between the State and prospective proposers is prohibited. **The deadline for submitting questions is March 2, 2010 at 12:00 p.m. ET.**

6. Response Format and Term

The proposer must submit one (1) paper original, plus one (1) paper copies and one (1) electronic copy (in Word or pdf format) of its response. Each proposal will be date- and time-stamped upon receipt. No faxed or e-mailed responses will be accepted.

The response narrative must be on 8-1/2" by 11" sized paper, and single-spaced with Times New Roman font of not less than 12 pt. The response should not exceed 20 pages.

All responses to the Request for Proposals must be received (not postmarked) not later than 4:00 p.m. ET on Wednesday, March 3, 2010. Because applicants will be reviewed on a competitive basis, no extension of time for submission of a proposal will be granted.

Submit proposals to:

Eric Fingerhut, Chancellor
Ohio Board of Regents
30 E. Broad St. 36th Floor
Columbus, OH 43214
Attention: Dora Dean

7. Confidentiality and Trade Secrets

PROPOSERS ARE STRONGLY DISCOURAGED FROM INCLUDING IN THEIR PROPOSALS ANY INFORMATION THEY BELIEVE IS CONFIDENTIAL OR QUALIFIES AS A TRADE SECRET.

With respect to any trade secret information included in the proposal, the proposer must:

- Identify each and every occurrence of the information within the proposal with an asterisk before and after each line containing trade secret information and underline the Trade Secret Information itself; and
- Include in the proposal a page that lists each page where trade secret information appears.

To determine what qualifies as trade secret information, please refer to the definition in Ohio Revised Code Section 1333.61(D), which provides:

(D) “Trade secret” means information, including the whole or any portion or phase of any scientific or technical information, design, process, procedure, formula, pattern, compilation, program, device, method, technique, or improvement, or any business information or plans, financial information, or listing of names, addresses, or telephone numbers, that satisfies both of the following:

(1) It derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use.

(2) It is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.