



REQUEST FOR PROPOSALS

Financial Services for Next Generation Hoosier Educators Scholarship November 14, 2016

A. Purpose

To service student debt and to provide financial communications, information, and related services to students and recent graduates.

B. Background

The Indiana Commission for Higher Education (CHE) is a 14-member public body created in 1971 to define the missions of Indiana's colleges and universities, plan and coordinate the state's postsecondary education system, and ensure that Indiana's higher education system is aligned to meet the needs of students and the state.

In 2016, the Indiana General Assembly passed House Enrolled Act (HEA) 1002 creating the Next Generation Hoosier Educators Scholarship (NGHES) (legislation appended to this document). Starting fall 2017, the scholarship will provide up to \$7,500 annually for four years to up to 200 high-achieving students who agree to teach in Indiana for at least five consecutive years after graduation with a baccalaureate degree. For each year less than five that recipients do not teach in Indiana, recipients must pay back twenty percent (20%) of the total amount of funds they received as part of this program.

High-achieving students are defined by HEA 1002-2016 as "someone who graduated from an Indiana non-accredited nonpublic or accredited high school and either:

- (A) Graduated in the highest twenty percent (20%) of students in the applicant's high school graduating class; or
- (B) Received a score in the top twentieth percentile on the SAT or ACT examination"

C. Services Sought

The Commission seeks a loan servicer or similar entity to manage recoupment of NGHES funds from recipients who fail to complete the teaching requirements, as well as to provide certain financial communications, information, and related services to recipients.

The services are expected to include the following items or related items:

1. Provide information to students related to NGHES obligations and debt management.
2. Initiate, within specific guidelines, the recoupment process for NGHES recipients who fail to meet all obligations, including:
 - a. Develop a recoupment process;
 - b. Monitor NGHES recipients to ensure they meet all obligations;
 - c. Implement recoupment for NGHES recipients who do not meet obligations;
 - d. When and if necessary, collect recoupment payments.
3. Provide information to CHE related to NGHES recipients.

D. Response Requirements

Responses are limited to no more than 15 pages, excluding appendices, and must include description of the entity interested in providing the services, including:

- History of company, services, experience and personnel qualifications
- Explanation of similar work performed
- Description of work to be performed for components one and two outlined above
- Itemized price estimate/budget for services
- References

E. Terms

Funding for this project will come from state funds. Vendors must be able to agree to the terms and conditions of the Commission's standard Professional Services Agreement (sample appended to this document). Vendors must be registered with the Indiana Secretary of State's Office (vendors may do so at <http://www.in.gov/sos/business/3648.htm>). All payments will be 35 days in arrears and via ACH/electronic deposit from the Indiana Auditor of State's Office. Invoices must detail expenses and charges in accordance with any purchase orders issued; total payment shall not exceed the accepted bid amount. Any and all travel reimbursed via this contract will be subject to the reimbursement rates of Financial Management Circular 20014-1 (vendors should review at http://www.in.gov/sba/files/FMC_2014-1.pdf).

F. Scoring Criteria

Responses will be reviewed by Commission staff for completeness and compliance with each of the requirements outlined in **Section D. Response Requirements**. Any questions about omissions from a proposal will be referred to the applicant. If, in the judgment of the Commission, a proposal is late, incomplete or does not adhere to or address the guidelines set forth, the response will be omitted from the review process. The Commission may request revisions to the proposal and the budget prior to approval, award or release of funding. The decision of the Commission is final, and the applicant will be notified in writing.

The following weights will be used to score each section **except** the last bullet noted in Section D. Therefore, the scoring will apply to the following areas:

- History of company, services, experience and personnel qualifications; (15 points)
- Explanation of similar work performed; (25 points)
- Description of work to be performed; (30 points)
- Itemized price estimate for services, including travel fees; (30 points)
- References.

G. Communication with the Commission for Higher Education

All communication, including responses, questions concerning the services being sought, or the response requirements, should be directed to:

Sean Tierney
Associate Commissioner for Strategic Planning and Policy
Indiana Commission for Higher Education
stierney@che.in.gov
317-232-1070

H. Timeline for Proposal Review and Vendor Selection

- To be considered, responses must be received by the Indiana Commission for Higher Education **via email to stierney@che.in.gov no later than 5:00 PM EDT on Friday December 2, 2016**. Confirmation of receipt will be sent via email.
- Determinations of proposals will be issued no later than **Friday December 9, 2016**.
- On-going communication between the vendor and Commission staff is expected throughout to discuss the resources and ask any clarifying questions.

-- End of Request for Proposal --

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2015 Regular Session of the General Assembly.

HOUSE ENROLLED ACT No. 1002

AN ACT to amend the Indiana Code concerning education and to make an appropriation.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 21-12-16 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]:

Chapter 16. Next Generation Hoosier Educators Scholarship Program and Fund

Sec. 1. As used in this chapter, "program" means the next generation Hoosier educators scholarship program established by section 2 of this chapter.

Sec. 2. (a) The next generation Hoosier educators scholarship program is established.

(b) The commission shall receive and consider applications for a next generation Hoosier educators scholarship under this chapter.

(c) Beginning in an academic year beginning after June 30, 2017, the commission may award a next generation Hoosier educators scholarship to an eligible applicant under this chapter.

Sec. 3. (a) The next generation Hoosier educators scholarship fund is established for the purpose of providing scholarships to attract and retain eligible applicants to the teaching profession.

(b) The fund consists of the following:



- (1) Appropriations made by the general assembly.
- (2) Gifts, grants, devises, or bequests made to the commission to achieve the purposes of the fund.
- (c) The commission shall administer the fund.
- (d) The expenses of administering the fund shall be paid from money in the fund.
- (e) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the fund.
- (f) Money in the fund at the end of a state fiscal year does not revert to the state general fund but remains available to be used for the purposes of this chapter.

Sec. 4. The commission shall do all the following:

- (1) Develop a promotional program to inform and attract students to participate in the next generation Hoosier educators scholarship program.
- (2) Establish protocols and procedures concerning the application process for the program.
- (3) Develop protocols, in consultation with accredited postsecondary educational institutions approved by the commission under section 10 of this chapter, to ensure successful completion of the program and assist graduates in completing the requirements of the program.
- (4) Establish, in coordination with the governor's office, a guide for the management of the program by commission personnel.
- (5) Designate personnel to manage the program.

Sec. 5. (a) An applicant who is enrolled in an accredited postsecondary educational institution after June 30, 2017, may qualify for a scholarship under this chapter. To qualify for a scholarship, an applicant must:

- (1) apply for a scholarship on a form supplied by the commission;
- (2) except as provided in subsection (b), have graduated from an Indiana nonaccredited nonpublic or accredited high school and either:
 - (A) graduated in the highest twenty percent (20%) of students in the applicant's high school graduating class; or
 - (B) received a score in the top twentieth percentile on the SAT or ACT examination;
- (3) have participated in school activities and community



service activities during high school;

(4) have applied to and been accepted for enrollment in an accredited postsecondary educational institution approved by the commission under section 10 of this chapter;

(5) agree in writing to:

(A) obtain a license to teach under IC 20-28-5; and

(B) teach for at least five (5) consecutive years in a public school or an eligible school (as defined in IC 20-51-1-4.7) in Indiana after graduating with a baccalaureate degree from the accredited postsecondary educational institution described in subdivision (4); and

(6) meet any other criteria established by the commission.

(b) A student who graduates from a nonaccredited nonpublic school must meet the requirement described in subsection (a)(2)(B) in order to meet the eligibility requirement described in subsection (a)(2).

Sec. 6. The commission shall consider each application and determine the eligibility of the applicant for the scholarship. The commission shall give priority to recent high school graduates when selecting applicants.

Sec. 7. Before receiving a scholarship under this chapter, the applicant must enter into a contract with the commission agreeing to:

(1) the terms and conditions described in section 5(a)(5) of this chapter; and

(2) any other terms and conditions established by the commission.

Sec. 8. (a) Subject to subsections (b) and (c), if an applicant meets the requirements under this chapter, the commission may award, for not more than four (4) academic years, a scholarship to the applicant in an amount of seven thousand five hundred dollars (\$7,500) for each academic year that the applicant attends the accredited postsecondary educational institution approved by the commission under section 10 of this chapter.

(b) The commission may not do the following:

(1) Award a scholarship under this chapter in an amount of more than a total of thirty thousand dollars (\$30,000) to an individual applicant.

(2) Award scholarships under this chapter to more than two hundred (200) new applicants each academic year.

(c) If the total amount to be distributed from the fund in a state fiscal year exceeds the amount available for distribution, the



amount to be distributed to each eligible applicant shall be proportionately reduced so that the total reductions equal the amount of the excess.

Sec. 9. (a) Except as provided in subsection (b), the commission shall establish standards that a student must meet to remain eligible to receive a scholarship under this chapter. The standards must include the following:

- (1) Maintaining a cumulative minimum grade point average of at least 3.0 on a 4.0 scale.
- (2) Enrolling in and completing at least fifteen (15) credit hours each semester or its equivalent.
- (3) Any other requirements the commission considers necessary.

(b) The commission may allow a student who fails to meet the standards described in subsection (a) and is ineligible for an award during the next academic year to maintain eligibility if the student submits a petition to the commission in a manner prescribed by the commission so that the commission may make a determination that extenuating circumstances, as determined by the commission, prevented the student from meeting the standards described in subsection (a).

(c) If the commission grants a waiver under subsection (b), the commission may:

- (1) place the student on probationary status; and
- (2) establish additional requirements for the student.

Sec. 10. (a) The commission may not award a scholarship under this chapter to an applicant unless the applicant has applied to and been accepted for enrollment in an accredited postsecondary educational institution approved by the commission under this section.

(b) The commission shall establish standards for teacher education that an accredited postsecondary educational institution must meet to receive approval by the commission under this section, including the:

- (1) information an accredited postsecondary educational institution is required to submit to the commission regarding the institution's teacher education program; and
- (2) criteria and standards for approval.

Sec. 11. An individual who:

- (1) received a scholarship under this chapter;
- (2) is no longer enrolled in an accredited postsecondary educational institution approved by the commission under



section 10 of this chapter; and

(3) did not receive a baccalaureate degree from an accredited postsecondary educational institution approved by the commission under section 10 of this chapter;

shall repay the amount of the scholarship awarded to the individual under this chapter in a timely fashion, as determined by the commission.

Sec. 12. (a) Except as provided in subsections (b) and (c), if an individual:

(1) receives a scholarship under this chapter; and

(2) fails to teach in a public school or an eligible school (as defined in IC 20-51-1-4.7) in Indiana for at least five (5) consecutive years as described in section 5(a)(5) of this chapter;

the individual shall repay the total amount of the scholarship awarded to the individual under this chapter in a timely fashion. The total amount that an individual is required to repay shall be reduced by twenty percent (20%), as determined by the commission, for each consecutive year the individual teaches at a public school or eligible school (as defined in IC 20-51-1-4.7).

(b) The commission may extend the length of time in which an individual must complete the requirements of an agreement described in section 5(a)(5) of this chapter if the individual submits a petition to the commission in a manner prescribed by the commission and the commission makes a determination that extenuating circumstances, as determined by the commission, prevented the individual from timely meeting the requirements described in section 5(a)(5) of this chapter.

(c) The commission may waive repayment under subsection (a) if the individual has been declared to be totally and permanently disabled under 34 CFR 685.213.

(d) The commission may enter into an agreement with the department of state revenue established by IC 6-8.1-2-1 or another third party vendor to assist in the enforcement of subsection (a) and section 11 of this chapter.

Sec. 13. An individual who receives a scholarship under this chapter is not required to teach at the same public school or eligible school (as defined in IC 20-51-1-4.7) in Indiana for five (5) consecutive years.

Sec. 14. The commission shall administer the scholarship awarded under this chapter as a financial aid award.

Sec. 15. (a) Subject to subsection (c), the amount of a



scholarship awarded under this chapter may not be reduced because the student receives other scholarships or forms of financial aid.

(b) Except as otherwise provided under law and subject to subsection (c), the amount of any other state financial aid received by a student may not be reduced because the student receives a scholarship under this chapter.

(c) The total amount of scholarships or other financial aid a student receives may not exceed the total amount of expenses to attend the accredited postsecondary educational institution, including tuition, room, board, and other fees.

Sec. 16. An applicant is eligible to receive a scholarship under this chapter only if an appropriation has been made to carry out the specific purposes of this chapter.

Sec. 17. (a) The commission shall maintain complete and accurate records in implementing the next generation Hoosier educators scholarship fund established by section 3 of this chapter, including records of the following:

- (1) The receipt, disbursement, and uses of money from the fund.
- (2) The number of applications for the next generation Hoosier educators scholarship.
- (3) The number and amount of next generation Hoosier educators scholarships that have been provided by the commission.
- (4) Any other information collected concerning the fund or next generation Hoosier educators scholarships awarded under this chapter.

(b) Not later than November 1, 2017, and each November 1 thereafter, the commission shall submit a report to the governor and, in an electronic format under IC 5-14-6, to the general assembly summarizing the records described in subsection (a).

Sec. 18. The commission may adopt rules under IC 4-22-2 necessary to carry out this chapter.

SECTION 2. [EFFECTIVE UPON PASSAGE] (a) There is appropriated to the commission for higher education five hundred thousand dollars (\$500,000) from the state general fund for the purpose of establishing the next generation Hoosier educators scholarship program under IC 21-12-16, as added by this act, for the state fiscal year beginning July 1, 2016, and ending June 30, 2017.

(b) This SECTION expires June 30, 2017.



SECTION 3. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "commission" refers to the commission for higher education established by IC 21-18-2-1.

(b) The commission shall, subject to the availability of data, do the following before December 1, 2016:

(1) Research and identify programs offered in other states that provide state scholarships or loan forgiveness to high achieving students who intend to enter the teaching profession in that state upon graduation (if any). If the commission identifies programs offered in other states under this subdivision, the commission shall document at least the following data for each state program:

(A) The structure of the program, including whether the program provides a scholarship or is in the form of loan forgiveness.

(B) The qualifications and requirements for a recipient under the program.

(C) The administration of the program.

(2) Develop and outline potential administrative procedures that would allow the commission to effectively and efficiently recover scholarship money from a recipient of a next generation Hoosier educators scholarship awarded under IC 21-12-16 who fails to enter the teaching profession in Indiana upon graduation or otherwise fails to fulfill the obligations of the program.

(3) Identify other program options for providing incentives to Indiana's high achieving students to enter the teaching profession in Indiana upon graduation, in addition to the next generation Hoosier educators scholarship program established under IC 21-12-16.

(4) Prepare a comprehensive report that includes each item required under subdivisions (1) through (3) and provide a copy of the report to the budget agency and legislative council not later than December 1, 2016. The report to the legislative council under this subdivision must be in an electronic format under IC 5-14-6.

(c) This SECTION expires July 1, 2017.

SECTION 4. An emergency is declared for this act.



Speaker of the House of Representatives

President of the Senate

President Pro Tempore

Governor of the State of Indiana

Date: _____ Time: _____

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