



STATE OF CONNECTICUT

BOARD OF TRUSTEES FOR THE STATE COLLEGES

P. O. Box 2008 NEW BRITAIN, CONNECTICUT 06050
TEL. NEW BRITAIN: 203-229-1607 TEL. HARTFORD: 203-566-7373

RESOLUTION

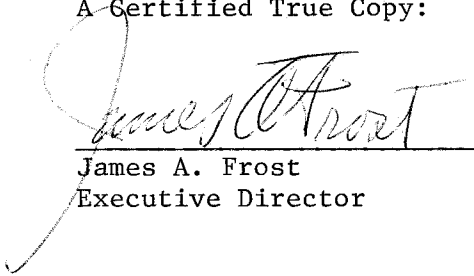
concerning

A CONTRACT TO PROVIDE BILLING SERVICES
for the
CENTER FOR THE COLLECTION OF STUDENT LOANS

March 10, 1978

- WHEREAS, State College Resolution #78-4, dated February 3, 1978, authorized the Executive Director for the Connecticut State Colleges to negotiate a contract with the American National Educational Corporation, based on said corporation's "Modified Program," for a period of three years, for billing and accounting services applicable to accounts presently serviced by the Center for the Collection of Student Loans, such contract subject to the approval of the Board of Trustees prior to signing by the Executive Director in behalf of the Board, and
- WHEREAS, Negotiations for said contract have been completed with terms found mutually agreeable to both the Board of Trustees for State Colleges and the American National Educational Corporation, be it
- RESOLVED, That a contract negotiated with the American National Educational Corporation in accordance with the provisions of State College Resolution #78-4, a copy of which is made an addendum of this resolution, subject to review and approval by the Secretary of the Office of Policy and Management and by the Attorney General, is approved by the Board of Trustees for State Colleges, and be it further
- RESOLVED, That the Executive Director of the Connecticut State Colleges be authorized to sign said contract in behalf of the said Board of Trustees.

A Certified True Copy:



James A. Frost
Executive Director

American National Educational Corporation

33 NORTH LA SALLE STREET, CHICAGO 60690. PHONE: 312/661-5700

CHARLES W. TRAUTNER
EXECUTIVE VICE PRESIDENT
661-5700

February 8, 1978

Mr. Fredric W. Rossomando
Executive Officer for Finance
The Connecticut State Colleges
P.O. Box 2008
New Britain, Connecticut 06050

RECEIVED

FEB 14 1978

BOARD OF TRUSTEES
FOR THE STATE COLLEGES

Dear Mr. Rossomando:

Here are five copies of ANEC's working agreement per your request. There are several features included that relate specifically to the requests you made during our last conversation. In outline form they are:

- 1) The conversion charge will be a flat \$500 for all four (4) colleges instead of the \$1,000. Chargeable after July 1, 1978.
- 2) A six month termination clause has been incorporated instead of the 90 days. This is at your request.
- 3) The agreement will be for three (3) years, per your request, which will stabilize prices.

Note: One exception should be kept in mind, if there is a postage increase, the cost of that increase will be passed on to the customer on a usage basis. What I am saying is, we cannot predict what the U. S. Post Office has up its sleeve.

All conversion details will be worked out with Mr. Canfield and John Poropat of our office. A complete write-up of that specific plan of action will be forthcoming. John needs to discuss this further with Bob Canfield before it can be finalized.

We are enthusiastic about the possibilities of working with your four state colleges through a central location at your facility. The Regional Community Colleges can be separated at the time of the conversion. That of course, will be taken up with Mr. James Long.

If I can assist you in any other way, please call on me or Bruce Rademacher at 312/661-5700.

Sincerely,


Charles W. Trautner

CWT/bg
Encl.

cc: John Poropat

A WHOLLY-OWNED SUBSIDIARY OF THE AMERICAN NATIONAL BANK & TRUST COMPANY OF CHICAGO

American National Educational Corporation

AND

THE BOARD OF TRUSTEES FOR THE
CONNECTICUT STATE COLLEGES

SOUTHERN-WESTERN-EASTERN-CENTRAL

STUDENT LOAN SERVICE AGREEMENT

MODIFIED SERVICE

A WHOLLY-OWNED SUBSIDIARY OF



American National Bank
and Trust Company of Chicago

7. c. Listing of A.N.E.C.'S Modified Reports:

- Report 4700 In-School Loan Ledger
- Report 4701 Active Student Loan Ledger
- Report 4702 Transaction Journal
- Report 4708 File Maintenance Report
- Report 4710 Address Change Report
- Report 4712 Posting Exception Report
- Report 4716 Prospective Separation Report
- Report 4718 Small/Credit Balance and Paid Loans Report
- Report 4722 College Alpha Report/Numerical Loan List
- Report 4726 Repayment Schedule
- Report 4745 Remedial Action Report
- Report 4749 Delinquency Status Report
- Report 4750 Recommend for Collection Report
- Report 4751 Address Unknown Report
- Report 4753 College Collection Agency Report
- Report 4754 Uncollectible Loans Report
- Report 4790 Fiscal Operations Summary (Includes
Defaulted Loans Report)

8. Maintain the Service in a manner acceptable to the United States Office of Education, continue to review changes in the Program as related to the Service, and endeavor to adapt the Service to such changes as may be necessary.

SECTION II

DUTIES OF CUSTOMER

CUSTOMER AGREES TO:

1. Transfer each Account to A.N.E.C. and be responsible for the accuracy of the information submitted to A.N.E.C.
2. Use forms provided by A.N.E.C. to advise A.N.E.C. of each loan awarded and borrower enrolled under the Program at the time of such award and enrollment, and keep A.N.E.C. advised on a timely basis of the progress of such loan and borrower.
3. Take all actions required by government regulation to insure that each student upon ceasing to be at least a half-time student, is informed as to the amount of his loan and the repayment agreement.
4. Conduct an exit interview and inform borrower of student loan obligation.
5. Verify all borrower deferments, postponements and cancellations under the Program and advise A.N.E.C. promptly of each such activity. The A.N.E.C. system will perform the actual dollar calculations resulting from such activity and make application to borrower accounts.
6. Respond to all borrower inquiries and advise A.N.E.C. promptly of each such inquiry and response thereto.
7. Advise A.N.E.C. within 10 days of each borrower change of name and/or address.
8. Examine all reports submitted by A.N.E.C. upon receipt and promptly notify A.N.E.C. of any errors.

SECTION III GENERAL PROVISIONS

SCHEDULE OF FEES

Fees for the Service will be billed and payable monthly and will be computed as follows:

A. Conversion/Initial Transfer of Accounts to ANEC System:

The conversion fee will be \$500.00. This is a one-time charge to include the four State Colleges of Connecticut.

NOTE: Fees will begin to accrue 30 days after the conversion has begun on-site.

B. Subsequent Fees:

<u>Loan Installment Frequency</u>	<u>Monthly Service Fee</u>
Monthly	\$.4167
Bi-Monthly	\$.3956
Quarterly	\$.3750
Semi-Annual	\$.3542
Annual	\$.3333

NOTE: The minimum monthly service fee is \$100.00

This Agreement will continue indefinitely commencing on _____, 19 _____. Either party may, upon six months written notice, terminate this Agreement.

Any notice required under this Agreement shall be in writing and transmitted by registered or certified mail, return receipt requested, postage prepaid, addressed as follows: if to A.N.E.C., at 33 North La Salle Street, Chicago Illinois 60690; or if to Customer, at _____

Each party may specify a different address by sending to the other written notice of such different address.

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their successors and assigns.

AMERICAN NATIONAL EDUCATIONAL CORPORATION

The Board of Trustees for
the Connecticut State Colleges
(CUSTOMER)

By: *Charles W. Trautner*
Title: Charles W. Trautner
Executive Vice President
Date: _____

By: _____
Title: _____
Date: _____