



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 40

Agenda Date: March 7, 2024

In Control: City Council A Session

DEPARTMENT: Department of Human Resources

DEPARTMENT HEAD: Renee Frieda

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Student Loan Repayment Administrative Services

SUMMARY:

This ordinance approves a contract with Tuition.io, to administer its Student Loan Repayment Assistance Program for Civilian employees and City of San Antonio Council Aides Corporation staff. The term of this contract is for a period of three (3) years beginning April 1, 2024 with the option to renew for two (2) one (1) year extensions for a total contract value of \$231,000.00. Funding in the amount of \$22,500 is available from the Employee Benefits Insurance Fund FY 2024 Adopted Budget. Funding for subsequent fiscal years is contingent upon City Council approval of the annual budget and funds

BACKGROUND INFORMATION:

In 2019, as a way to attract and retain employees, the City added a Student Loan Repayment Assistance Program to its comprehensive benefits package. The program provides a \$50 monthly employer contribution to assist with paying off eligible employee student loans. Payments are sent

directly to the loan servicer and applied to the loan principal. The City currently contracts with Tuition.io to administer the payment transactions with the varying loan servicers. Additionally, Tuition.io hosts a member portal for employees that allows them to model repayment scenarios, track loan balances and receive payment notifications. There are currently 900 participants in the program with 8,500 employees eligible for participation.

The current contract with Tuition.io expires on March 31, 2024. A Request for Proposal (RFP) seeking administrative services for the program was released on October 16, 2023. The RFP was advertised in HartBeat News, TVSA channel, the City's Bidding and Contracting Opportunities website, the San Antonio e-Procurement System (SAEPS) and an email notification was released to a list of potential respondents. A pre-submittal conference was held on October 24, 2023. The City received four (4) responses on November 16, 2023. A selection committee comprised of representatives from the Human Resources and Finance Departments evaluated and scored the respondents. The evaluation criteria consisted of Experience, Background and Qualifications, Proposed Plan and Price. Both the Local Preference Program and the Veteran-Owned Small Business Preference Program were applied to the evaluation of responses received for this contract. However, the highest ranked firm is not a local or veteran-owned small business.

The selection committee recommended awarding the contract to the highest ranked firm, Tuition.io.

ISSUE:

This ordinance authorizes a contract to administer the City's Student Loan Repayment Assistance Program for Civilian employees and employees of the City of San Antonio Council Aides Corporation for three (3) year period beginning April 1, 2024 with the option to renew for two (2) one (1) year extensions for a total contract value of \$231,000.00.

ALTERNATIVES:

Should this contract not be approved, the City would have to discontinue offering the Student Loan Repayment Assistance Program as we would not have the systems necessary to make direct payments to the loan service providers.

FISCAL IMPACT:

This ordinance approves a contract with Tuition.io, to administer its Student Loan Repayment Assistance Program for Civilian employees and City of San Antonio Council Aides Corporation staff. The term of this contract is for a period of three (3) years beginning April 1, 2024 with the

option to renew for two (2) one (1) year extensions for a total contract value of \$231,000.00. Funding in the amount of \$22,500 is available from the Employee Benefits Insurance Fund FY 2024 Adopted Budget. Funding for subsequent fiscal years is contingent upon City Council approval of the annual budget and funds.

RECOMMENDATION:

Human Resources staff recommends approval of this ordinance to execute a contract with Tuition.io Inc. to provide Student Loan Repayment Administrative Services for civilian employees and eligible council aide staff, for a period of 3 years with two (2) one (1) year extension options. The total estimated cost of contract is \$231,000.