

Q: How long will the implementation take?

A: Implementation is expected to take 3 years.

Q: Is there a reason for 3 years interest only payments? What is the need not to make any principal payments?

A: The reason for interest only for 3 years is NWACC will be incurring costs on our present system for 3 years as well as costs on the one being implemented.

Q: Can you provide a historical view of the Student Fee revenue and what other debt it covers?

A: Technology fees as collateral (Not specifically pledged to any other obligation).

FY19 YTD 6/30YE \$1,836,856

FY20 Full Year \$1,658,348

Q: There is no mention of Technology Fees in the financial audits or 2019 budget. Is this a recent fee?

A: The Technology fee is included in financial statements as part of tuition and fees as reported on the Statement of Revenues and Expenses. This is not a new fee and has been used for a number of years to help offset the NWACC technology cost in support of students. This is a fee charged to students on a per credit hour basis.

Q: What is the loan for and why only Technology Fees as a repayment source?

A: The loan is to help fund the cost of subscription rights and implementation of a new ERP system. Only technology fees are the collateralized payment source because these funds are adequate and relate specifically to the purpose of the loan requested.

Q: Please provide the last 5 years of historical Student Technology Fee revenue. Are technology fees currently pledged to any other NWACC debt?

A: FY15 \$1,574,636

FY16 \$1,698,817

FY17 \$1,698,467

FY18 \$1,658,348

FY19 YTD \$1,839,168 The technology fee is not pledged on any other obligation.

Q: Does the college anticipate taking 3 annual draws in equal amounts on October 1st in 2019, 2020 and 2021? Could you provide the proposed draw schedule?

A: October 1, 2019 \$1,600,000

October 1, 2020 \$1,400,000

October 1, 2021 \$1,400,000

Q: Could you provide a schedule of planned vendor payments?

A: Vendor payments are yet to be scheduled and will be based on the implementation schedule to be worked out.

Q: Is October 1st, 2019 the anticipated close date?

A: Yes.

Q: Will RFP Responses require forward pricing and/or rate lock?

A: NWACC would prefer a locked in rate for the term of this loan. This loan should be a bank qualified loan as NWACC municipal borrowings will not exceed \$10,000,000 for 2019.