



Digital Credentialing Solutions (e.g., e-Transcripts)

Request for Proposal (RFP)

MHEC-RFP-10052020

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PURPOSE OF RFP: The Midwestern Higher Education Compact (MHEC) is seeking to establish a contract or contracts to facilitate the transfer of student information between various institutions in the MHEC region. This includes information exchange between high schools (public and private) and colleges and universities (public and private non-profit), between participating postsecondary institutions, and, perhaps in the future, information exchanges beyond the educational environment to include employers, professional associations, and more.

DISCLAIMER NOTICE: MHEC reserves the right to change the evaluation criteria or any other provision in this RFP by posting notice of the changes on MHEC's public website at <http://www.mhec.org/news>. For this RFP, posting on the captioned website above constitutes written notification to each offeror. Offerors should check the site daily and are expected to review information on the site carefully before submitting a final proposal.

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OVERVIEW

The Midwestern Higher Education Compact (MHEC) is seeking innovative and cost-effective digital credentialing solutions to establish a contract or contracts to facilitate the transfer of student information between various institutions in the MHEC region. Such solutions include the same information as a traditional transcript but also include information about non-classroom learning experiences and credentials earned via industrial training, field work, military service, volunteer experiences, and more. This information is exchanged between high schools (public and private) and colleges and universities (public and private non-profit), between participating postsecondary institutions, state agencies, and, perhaps in the future, beyond the educational environment to include employers, professional associations, and more. Some schools and organizations already offer such comprehensive learner records (CLR), and the American Association of Collegiate Registrars and Admissions Officers ([AACRAO](#)) recognizes CLRs as the future of student record keeping. As more states and schools adopt the use of such records, students whose schools do not engage in such practices will be increasingly at a disadvantage as they seek to use their postsecondary credentials to improve their opportunities in the economy.

MHEC has an expiring contract for an e-Transcript Initiative (ETI) with Parchment (MHEC-01272014). The ETI services contract offers a mechanism to facilitate the transfer of student information in a consistent national standard format of data exchange between MHEC member states' public and private high schools to MHEC member states' public and private non-profit colleges and universities. The ETI contract facilitates the transfer of student information as print or data files among all participating MHEC postsecondary institutions. The ETI contract (MHEC-01272014) fulfills the public sector acquisition requirements of a competitive sourcing event following the model procurement code for state and local governments. As part of the contract lifecycle ending in January 2021, MHEC is issuing an RFP for digital credentialing solutions in an open market competitive solicitation.

The intent of this solicitation is to enter a master agreement with a framework to allow the contract holder(s) to (a) provide Digital Credentialing Solutions (e.g. e-Transcripts) to states, institutions, and students and (b) allow contract holder(s) to write orders which allow institutions to acquire products and services through a defined fulfillment channel, a negotiated enterprise license agreement, and a starting point for price.

THE MIDWESTERN HIGHER EDUCATION COMPACT

The Midwestern Higher Education Compact (MHEC) is one of four regional education interstate compacts in the United States, with each having its own niche for addressing issues and advocating for postsecondary education. A compact is a statutorily created contract amongst the states to work collaboratively together on issues of common concern and interest. The MHEC legislation that was passed in each state makes the governing body of the Compact (Commission) an instrumentality of state government in each member state. Similarly, the other regional education Compacts have been statutorily created and include the New England Board of Higher Education (NEBHE), the Southern Regional Education Board (SREB), and the Western Interstate Commission for Higher Education (WICHE). There are three states not covered by any of the Compacts: New Jersey, New York, and

Pennsylvania. MHEC was established in 1991, the last of the four Compacts to be formed. Collectively MHEC works with member states to create solutions that build higher education's capacity to better serve individuals, institutions, and states by leveraging the region's resources, expertise, ideas, and experiences through multi-state: convening, research, programs, and contracts. Twelve Midwestern states have enacted legislation to become members of MHEC: Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.

Utilizing the expertise of representative groups of stakeholders from the higher education community, MHEC conducts competitive sourcing processes that leverage the potential purchasing power of the 12 MHEC member states. One of the Compact's top priorities is to establish public-private relationships that allows more flexibility while still maintaining compliance with applicable procurement statutes. MHEC has adopted a policy that requires MHEC contracts to be awarded based on competitive-bid requirements that are consistent with statutory procurement rules of the Compact member states. The primary constituents served by MHEC are the approximately 1,000 public and private not-for-profit higher education institutions in the member states whose combined enrollments total over four million students. In addition, where appropriate, MHEC solutions can be extended nationally throughout all Compact regions including state, local and education entities. MHEC technology contract sales have exceeded \$3.8 billion dollars with over \$380 million dollars realized in savings nationally since 2010.

MHEC is governed by a 60-member commission of legislators, higher education leaders and governors' representatives. Two commissioners are appointed by each state's legislature and each state's governor appoints three. Member state appropriations, foundation grants and program fees finance MHEC's activities. The commission maintains a headquarters office and staff in Minneapolis, Minnesota. MHEC's website <http://www.mhec.org> provides a complete overview of the organization's goals, philosophies, and financials.

MHEC GOALS

MHEC's goals with this RFP are primarily to:

- Establish a contract that will maintain and/or enhance the level of e-Transcripts services currently available via MHEC's contracts.
- Establish a contract with the capacity to support digital credentials (which includes but is not limited to e-Transcripts) and to evolve to support comprehensive learner records (CLR).
- Support states (e.g., departments of education and workforce development offices), institutions, and students to have more efficient, reliable, and accurate learner records in a way that recognizes the increasing importance of and need for tracking increasingly complex and diverse credentials.
- Encourage the digital transformation of learner and credential records in anticipation of the eventual use of interoperable data to support comprehensive learner records (CLR).

MHEC is seeking a solution proposal that will not only provide the solutions requested in this RFP, but that will also:

- Provide support and guidance to MHEC for policy activities related to comprehensive learner records.
- Provide assistance to increase access, promote affordability, and improve outcomes for all the region's learners, including the historically underserved.

- Provide assistance to help states and institutions achieve their goals in the areas of equity, efficiency, completion, transfer, and workforce development.
- Foster a culture of continuous learning through increasingly aligned educational and workforce systems.

PROVIDER BENEFITS

Providers for this work will not only enjoy the basic benefits of holding a MHEC contract, they will also have access to the MHEC community through a variety of channels and have opportunities to participate in regional discussions around digital credentialing and CLR with a variety of institutional stakeholders. Ideally, the provider would work collaboratively with MHEC as future possibilities unfold.

SECTION A – PROPOSAL REQUIREMENTS

A.1 THE REQUEST FOR PROPOSAL (RFP)

The purpose of this Digital Credentialing Solutions (e.g., e-Transcripts) RFP is to establish a contract or contracts to facilitate the documentation, exchange, and verification of learner information between various institutions in the MHEC region. This contract or contracts includes information exchange between high schools (public and private) and colleges and universities (public and private non-profit), between participating postsecondary institutions, and, perhaps in the future, information exchanges beyond the educational environment to include employers, professional associations, and more. MHEC is seeking to award competitive solicitations that integrate with the institutions' procurement process resulting in a negotiated Master Agreement that includes terms, conditions, licensing, and pricing. Additionally, it allows an institution to focus most of its energy on finding the technology solution that best fits its needs instead of the contract itself. The end result is a Master Agreement that facilitates a direct relationship between the technology provider(s) and institutions which contains discount pricing as well as terms and conditions that are better than most higher education institutions can negotiate individually, with additional discounts often available for special or large order purchases. Responses must be keyed to the section and paragraph numbers provided in this RFP.

A.2 CONTACTING MHEC

For further information about the Midwestern Higher Education Compact and its solutions you are referred to the Compact website at: <http://www.mhec.org> or contact:

Mr. Nathan Sorensen
 Director of Government Contracts
 Midwestern Higher Education Compact
 105 Fifth Avenue South, Suite 450,
 Minneapolis, MN 55401
 Phone: (612) 677-2767
 E-mail: nathans@mhec.org

A.3 PUBLIC NOTICE

The RFP and any related amendment and notices will be posted on the MHEC website at <http://www.mhec.org/news>. Offerors are responsible for checking this website to obtain all information

and documents related to the RFP. In the event MHEC finds it necessary to change any of the dates or events related to this solicitation, it will do so by issuing a written statement or an amendment to the RFP and publicly post the notice at <http://mhec.org/news>.

A.4 CONFIDENTIALITY

After an award is made and the Master Agreement(s) are executed, all proposals and documents pertaining to the proposals will be open to the public. If the prospective Offeror submits information in response to the RFP it believes to be trade secret materials as defined by the laws of MHEC member states, the prospective Offeror must:

- Clearly mark all trade secret materials in its response at the time the response is submitted;
- Include a statement with its response justifying with specificity the trade secret designation for each item; and
- Defend any action seeking release of the materials it believes to be a trade secret, and indemnify and hold harmless MHEC, its Commissioners, agents and employees, from any judgements awarded against MHEC in favor of the party requesting the materials, and any and all costs connected with the defense. This indemnification survives MHEC's award of a contract. In submitting a response to this RFP, the prospective Offeror agrees that this indemnification survives as long as the trade secret materials are in possession of MHEC.

In the event a request is made for information which the prospective Offeror has identified as trade secret, MHEC agrees to notify Offeror of said request and provide its determination as to whether disclosure is legally required, in addition to anticipated dates, if any, and to allow the Offeror an opportunity, in its discretion and at its sole expense, to seek a protective order or otherwise protect the confidentiality of the information.

A.5 CONFLICT OF INTEREST

If any such actual or potential conflict of interest arises during this solicitation, the offeror shall immediately disclose and notify MHEC. In submitting a response to the RFP, the Offeror represents and certifies that no relationship exists between the Offeror and MHEC or the members of its committees that interferes with fair competition or is a conflict of interest, and that no relationship exists between the Offeror and other persons or firms that constitutes a conflict of interest that is adverse to MHEC

A.6 COLLUSION

Offerors must prepare proposals independently, without collusion. By submitting a proposal, the Offeror represents and certifies that unless otherwise required by law, the offer proposed by Offeror has not been and will not be knowingly disclosed by the Offeror prior to opening directly or indirectly to any other vendor, and no attempt has been made or will be made by the Offeror to induce another person or firm to submit a proposal for the purpose of restricting competition.

A.7 PROPOSAL TIMELINE

The following section describes the proposal timeline of events related to this multi-stage Request for Proposal (RFP). Due dates are as indicated unless otherwise changed by MHEC. In the event MHEC finds it necessary to change any of the dates or events listed in this table, it will do so by issuing a written statement or an amendment to the RFP and publicly post the notice at <http://www.mhec.org/news>.

| Event | Date |
|---|--|
| Formal Issuance of RFP | Monday, October 5, 2020 |
| Pre-Proposal Questions Due | Friday, October 9, 2020, 10:00 A.M. CDT |
| Publish Answers to Pre-Proposal Questions | Friday, October 16, 2020 |
| Proposals Due | Tuesday, October 27, 10:00 A.M. CDT |
| Notification of Finalist | Wednesday, November 18, 2020 |
| Respondent's Conference (Virtual Zoom presentations) | Wednesday, December 2, 2020; Thursday, December 3, 2020; or Friday, December 4, 2020 |
| Best and Final Offer (BAFO) | December 2020 |
| Contract Award | December 2020 |
| Execution of Agreement | January 2021 |

A.8 PRE-PROPOSAL QUESTIONS

Questions and requests for clarification regarding the RFP will be conducted by e-mail. If the Offeror discovers a significant ambiguity, error, conflict, discrepancy, omission, or other deficiency in the RFP, the Offeror should immediately notify Mr. Nathan Sorensen nathans@mhec.org of such error and request modification or clarification of the RFP document. Only information supplied by MHEC in writing through Mr. Nathan Sorensen or this RFP or amended RFP should be used as a basis for the preparation of Offerors response. Pre-proposal questions are to be submitted by email to nathans@mhec.org no later than Friday, October 9, 2020, 10:00 A.M. CDT. Answers will be provided to all respondents who submitted questions via email and will be posted online at <http://www.mhec.org/news> on Friday, October 16, 2020. All notification of changes will be posted at <http://www.mhec.org/news>.

A.9 OFFEROR RESPONSIBLE FOR COST

Offeror is responsible for all costs associated with the preparation, submittal, presentation, and evaluation of any proposal. MHEC will incur no obligation of liability whatsoever to anyone resulting from issuance of, or activities pertaining to this RFP.

A.10 SUBMISSION REQUIREMENTS AND PROPOSAL DEADLINE

The deadline for submission of proposals and related information is Tuesday, October 27, 2020, 10:00 A.M. CDT. Three (3) sealed bound original and one (1) identical electronic copy (acceptable media CD, DVD, flash drive) of the response and an electronic copy to nathans@mhec.org. Allowable formats are PDF and Microsoft Word. Spreadsheet data such as product and service price lists may be submitted in

Microsoft Excel format. Proposals delivered late will be rejected. Mail the three (3) sealed bound original and one (1) identical electronic copy to the following address:

Digital Credentialing Solutions (e.g. e-Transcripts) MHEC-RFP-10052020
c/o Mr. Nathan Sorensen
Midwestern Higher Education Compact
105 Fifth Avenue South, Suite 450,
Minneapolis, MN 55401

A.11 PROPOSAL FORMAT

Proposals must be clear and concise. Proposals that are difficult to follow or that do not conform to the RFP format or binding specifications may be deemed non-responsive and will not be further considered. Each proposal must be complete and contain a description of the Offerors qualifications in accordance with this RFP's requirements. Include a cover letter on company letterhead containing a brief introduction of the provider, corporate structure, major business lines, a primary contact and submission date. The letter shall be concise and need not repeat any of the detailed information set forth in the proposal; however, any requirements, terms or conditions of this RFP to which the Offeror objects and/or does not accept shall be clearly stated in either: the cover letter along with any alternatives or further explanation; inserted at the appropriate place in the proposal; or be attached at the end of the proposal and designated as additional material.

A.12 EVALUATION CRITERIA

The selection committee will analyze and evaluate all responses to this RFP. The analysis will be based upon the criteria set forth in this RFP. The following criteria and their identified weight will be used to evaluate the responses:

| Factor | Weight |
|--------------------------|-----------|
| 1. Proposal Requirements | Pass/Fail |
| 2. Solution Proposal | 35% |
| 3. MHEC Requirements | 30% |
| 4. Pricing | 20% |
| 5. Innovation | 15% |

A.13 REQUESTS FOR CLARIFICATION

After the initial evaluation of proposals and determination of Offeror's qualification, capabilities and proposed solution, the selection committee may request clarification of an Offeror's response.

A.14 RESPONDENTS (FINALISTS) CONFERENCE

The selection committee will select and notify the finalists on or about November 18, 2020. Only finalists will be invited to participate in the subsequent steps of the solicitation. Prospective finalists will be asked to make a presentation to the selection committee during the period of approximately December

2, 3, and 4, 2020. The Offeror will be responsible for all costs, including any travel and per diem expenses.

A.15 BEST AND FINAL OFFER (BAFO)

Cost or price analysis will be conducted as part of the initial evaluation of the proposals. The selection committee may request best and final offers (BAFO) and may restrict the number of Offerors invited to submit a BAFO or may offer the option to all Offeror's. The selection committee may request that Offeror(s) readdress the cost or price, or important aspects of the proposal, or clarification from statements made at the Respondents Conference.

A.16 CONTRACT AWARD

Award(s) may be granted to the highest scoring responsive and responsible Offeror(s). Upon completion of the evaluation process, the selection committee will recommend one or more prospective Offeror(s) to MHEC's Commission, and the Compact will enter discussions to establish a Master Agreement with the recommended provider(s). Once a Master Agreement(s) is successfully consummated, the Compact will so notify all Offerors who responded to the RFP. The selection committee reserves the right to not recommend any prospective providers, and the Compact reserves the right not to enter into an agreement with a recommended provider at its own discretion.

A.17 EXECUTION OF AGREEMENT

MHEC may enter into negotiations with one or more Offeror(s) whose proposals received the highest scores and meets all of the requirements for an award. During negotiations, the MHEC and Offeror(s) may agree to alter or otherwise change the terms and conditions and price of the proposed contract. Negotiation, if held, will be within the scope of the RFP and limited to those items that would not have an effect on the ranking of proposals. MHEC may terminate negotiations, reject a proposal as nonresponsive, and continue or commence negotiations with other Offerors for award, if the Offeror fails to provide necessary information for negotiation in a timely manner, fails to negotiate in good faith, or is unable to successfully negotiate contract terms that are acceptable to MHEC member states. Contract negotiations will be conducted primarily by e-mail, conference calls, or internet-based conference. Any on-site negotiation, if needed, will be held at MHEC headquarters in Minneapolis, MN. The Offeror will be responsible for all costs, including any travel and per diem expenses.

A.18 SIGNATORY AUTHORITY

The proposal must be signed by an authorized signatory of the Offeror's firm responsible for the decision to offer the proposal; or if not the person in the Offeror's firm responsible for the decision to offer, a person that has been authorized in writing to act as agent to quote for the persons responsible for such decisions.

SECTION B: SOLUTION PROPOSAL

B.1 SCOPE OF SOLICITATION

The Midwestern Higher Education Compact (MHEC) is seeking innovative and cost-effective digital credentialing solutions to establish a contract or contracts to facilitate the documentation, exchange, and verification of learner information between various institutions in the MHEC region. It is MHEC's intent for the solution to meet the current needs of students, institutions and states while also addressing the landscape described below. As more learners and stakeholders seek to understand the value of all educational and training opportunities state agencies, educational institutions, and employers need to leverage digital mediums to provide a comprehensive, holistic, descriptive, and secure records of learning and skill acquisition. MHEC has an expiring contract for e-transcripts (January 2021) that needs to be competitively solicited and refreshed in a way that pays attention to the fast-paced changes in the world of learner records and credentialing.

Responses must be keyed to the section and paragraph numbers provided.

B.2 DIGITAL CREDENTIALING LANDSCAPE

In conjunction with this solicitation, MHEC has a standing [Comprehensive Learner Records Advisory Group](#) that meets on an ongoing basis. As a deliverable of this solicitation, the Offeror must prepare a two (2) page narrative description on the current landscape description outlined below and the how the Offeror's proposed solution is moving from where we are today to where digital credentialing landscape is going in the future. This digital credentialing landscape document will not be considered confidential and will be shared with the Comprehensive Learner Records Advisory Group. Please attach the digital credentialing landscape document as an appendix to this proposal labeled Digital Credentialing Landscape.

- B.2.1. Current Landscape in Higher Education: Some MHEC states have embraced and have implemented e-transcripts statewide at the secondary and/or postsecondary level. Others have yet to do so and will face challenges as student and employer expectations for digital transcripts and credentialing increase. In the year 2020 and looking forward, the need is for a "learner record" which not only includes the same information as a traditional transcript, but also includes information about non-classroom learning experiences and credentials earned via industrial trainings, field work, military service, volunteer experiences, and more.
- B.2.2. Shift from e-transcripts to Digital Credentialing: While the focus and practice of recording student learning is still in many cases on the institutionally managed transcript or e-transcript, a shift is occurring. Transcripts can now include badges, portfolios, testimonials, or microcredentials. These are digital credentials, which include the traditional transcript as well as learning that does not fit within a customary course framework. Proposals are expected to include information that addresses such transitions as they might eventually be contemplated within the scope of any potential resultant contract.
- B.2.3. Future Possibilities for Higher Education: Comprehensive learner records will likely be co-managed by individuals and institutions, as new technologies allow for verification of credentials through services and independent third parties. This type of record will be useful to an increasingly broader audience throughout an individual's life-long learning journey as

badges, portfolios, testimonials, and more are added. Ultimately, the aspiration is to have a learner's lifelong record be recorded and available at the 'click of a button', with the 'learner' as and manager of the record, and with the contents of the record validated by the issuer of the credential.

- B.2.4. For additional information, see Exhibit A: MHEC Digital Credentialing Brief. The brief provides background and a starting place for understanding the unfolding shift from traditional transcripts to comprehensive learner records.

B.3 PROPOSED SOLUTION

The Midwestern Higher Education Compact (MHEC) is seeking proposals for a Digital Credentialing Solutions (e.g., e-Transcripts) that is flexible enough to meet varying needs amongst different types of eligible organizations where differences in requirements exist. The solution should allow adaptation to the specific needs and circumstances of each eligible organization as well as streamline and simplify the procurement and distribution process for all. The proposed solution should:

- B.3.1. Describe the administrative interface, functionality, and workflow of the solution; including necessary preconditions, configuration requirements, and reports on the number of credentials issued, claimed, printed, shared, verified, revised, and revoked. Solutions should also describe how issued credential/record information connects to the solution's particular architecture and any barriers to exporting this information to another solution provider.
- B.3.2. Describe and illustrate the typical experience for users interacting with your solution, especially with regard to a credential issuer, recipient, and/or verifier. Special focus should be given to designed experiences that promote transparency, user agency, and trust.
- B.3.3. Describe the interoperability and data standards supported by the solution, including any vocabularies, ontologies, frameworks, and linked open data schema (such as, Common Education Data Standards (CEDS), Credential Transparency Description Language (CTDL), schema.org, etc.), data exchange standards and certifications (such as, A4L's Schools Interoperability Framework (SIF), BlockCerts, IMS Global's Comprehensive Learner Record (CLR), PESC's Electronic Data Interchange (EDI), PESC's XML Schema, W3C's Verifiable Credentials, etc.), and identity management (Decentralized Identity Foundation (DIF), W3C's Decentralized Identifiers (DIDs), etc.). The value of these supports for stakeholders, including providers, employers and third-party recipients, state agencies, regulatory agencies, and quality assurance organizations, should be explicitly described.
- B.3.4. Describe the approach to providing a solution for all types of learner records and types of credentials including: assessments, apprenticeships, awards, certificate, certifications, competencies, courses, degrees, digital badges, industry recognized certificates, internships, licenses, memberships, micro-credentials, non-degrees credentials, positions, portfolios, professional licenses, stackable credentials and other alternatives. Proposals should clearly differentiate supplemental information from recipients, such as letters of recommendations, writing samples, images, video recordings, and other artifacts from information verified by the issuer.
- B.3.5. Describe the account support, including technical support (recognizing the unique needs of different constituent groups), design, technology, training, and security used for digital credentialing solution diploma and certification, such as alternative design to paper based

credentials, ability to utilize certified PDF or alternative technology, portability to share securely on social media platforms, and the ability to integrate with third party vendors to verify the validity of the credential.

B.3.6. Describe any print requirements for designing, issuing, and securely printing within the continental United States, the number of days to deliver the diploma, tracking visibility, international shipping, and packaging options.

B.3.7. In addition to the response to B.2 Digital Credentialing Landscape. Describe the vision for the future of digital credentialing, your product roadmap, and how the solution will achieve a richer value throughout the potential life of a contract resulting from this RFP.

B.4 GENERAL CRITERIA

MHEC is seeking proposals from Offerors who are willing to work with MHEC to provide eligible organizations creative solutions that will be effective within the confines of the purchasing regulations to which eligible organizations are bound. General criteria upon which Section B: Solution Proposal will be evaluated include, but are not limited to:

- Be designed as a renewable multiple year offering with the capability of serving the entire MHEC region and optional NEBHE, SREB, and WICHE regions;
- Offer eligible organizations a streamlined and simplified procurement process for a solution that provides a Digital Credentialing Solution;
- Make available a comprehensive Digital Credentialing Solution that is flexible enough to adapt to the specific needs and circumstances of each eligible organization;
- Help avoid repeat RFPs from eligible organizations, since the solutions offered are expected to clearly provide the best value in the region;
- Assist eligible organizations in the conversion, installation, training, and support of the respondents' products as necessary; and
- Be structured to enable institutions, consortia of institutions, and systems in Compact member states to participate as they deem appropriate and in their own best interests.

Depending upon the responses received and the solutions presented, the selection committee may select more than one technology solutions provider to work with in developing and implementing a Digital Credentialing Solutions (e.g. e-Transcripts) offering.

B.5 ELIGIBLE ORGANIZATIONS

At a minimum, the Offeror's proposed solution shall be available for all public and private non-profit colleges, universities, community colleges, technical colleges, and higher education agencies in the twelve (12) Midwestern state region of MHEC.

Optionally, solution offerings may be proposed to any or all of the following public entities:

- K-12 schools and districts, including public libraries;
- cities, counties, and local subdivisions;
- state agencies; and
- faculty, staff, and students for any or all of the above entities.

Contract benefits may differ for each of these optional public entities.

MHEC may also entertain proposals to expand proposed offering to states within the other three regional education Compacts in the country: the New England Board of Higher Education (NEBHE), the

Southern Regional Education Board (SREB), and the Western Interstate Commission for Higher Education (WICHE), subject to each respective Compacts' approval.

- **MHEC** member states are Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.
- **NEBHE** member states are Connecticut, New Hampshire, Maine, Massachusetts, Rhode Island, and Vermont.
- **SREB** member states are Alabama, Arkansas, Delaware, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia.
- **WICHE** member states are Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, Wyoming, U.S. Pacific Territories, and Freely Associated States.

B.6 ACCESSIBILITY

Offeror agrees to comply with all applicable requirements of the Rehabilitation Act of 1973, as amended, 29 USC 794, including Sections 504 and 508, which prohibits discrimination on the basis of disabilities, and with the Americans with Disabilities Act of 1990 ("ADA"), as amended, 42 USC 12101 et seq., which requires the provision of accessible facilities and services. Goods and services provided by provider shall be accessible to individuals with disabilities to the greatest extent practical, but in no event less than the standards set forth by the state in which the Eligible Organization resides and federal accessibility laws. For web-based environments, services and content must conform to the Web Content Accessibility Guidelines ("WCAG") 2.0 AA (available at <http://www.w3.org/WAI/intro/wcag.php>). Provide documentation that describes the level of compliance with Section 508 Standards and for web-based technology with Web Content Accessibility Guidelines ("WCAG") 2.0 AA.

B.7 PRODUCT AND SERVICES OFFERING

Offeror shall propose a catalog of products, services, training, or other related services as needed to provide the Digital Credentialing Solution. The proposal must include items such as: implementation costs, consulting fees, maintenance, technical support, security, and training to the extent necessary to allow the Eligible Organization(s) to fully utilize the procured solution. All products, services, training, or other related services needed to guarantee a fully functional solution must be included. It shall be the Offeror's responsibility to demonstrate that any solution proposed will work as specified in the Eligible Organization's environment by describing:

- Pre-sales support services available for architecting and engineering solutions for Eligible Organizations;
- Any fee-based pre-sales support services for large or complex implementations where additional support may be required.
- Post-sales support services available for project implementations and/or ongoing support that are included as a part of the service offering;
- Any fee-based post-sales support services where additional support may be required.
- Training and certification pathways available to Eligible Organizations and associated costs.
- Go-to-market strategies designed to promote the solution if awarded.

B.8 LICENSING

Any software End User License Agreement (EULA) or Enterprise License Agreement (ELA) where Eligible Organization is the end user will be construed in accordance with its performance governed by the laws of the state in which the Eligible Organization resides. Venue for all legal proceedings arising out of the EULA or ELA, or breach thereof, shall be in a state or federal court with competent jurisdiction located in the state in which the Eligible Organization resides. Offeror shall provide applicable software licensing terms and conditions for each licensed product. Offeror must agree to amend or modify software licensing agreement to meet statutory requirements. The software license will be a binding legal document to the Master Agreement.

B.9 PRICING

Offeror must thoroughly explain the pricing structure in their response. Price quoted shall be ceiling price or discount percentage from manufacturer education and/or commercial list price by category. It must include a Microsoft Excel document with the most current product catalog with the manufacturer education and/or commercial list price. Include any products, services, training, or other related services. Any proposed solution needs to have as options: implementation costs, consulting fees, maintenance, technical support, security, and training to the extent necessary to allow the eligible organization(s) to fully utilize the purchased solution. The ceiling price or percentage discount for the items shall remain firm for the duration of the contract period. MHEC reserves the right to negotiate this and other pertinent terms with the selected finalist(s).

B.10 VOLUME TIER DISCOUNTS

A volume tier discount structure should be included for larger orders presenting an opportunity for improved pricing. Volume discounts should be tiered and maximized by dollar amount or unit. Volume discounts must be clearly identified in the proposal.

B.11 INCENTIVE AND REBATES

To support Eligible Organizations and to encourage use of the MHEC contract, Offeror's are encouraged to propose Eligible Organizations rebates or offer additional programs or incentives that will benefit Eligible Organizations. These rebates or incentives programs are in addition to the Contract Administration Fee (CAF) see section C.25. Any and all rebates and incentive programs shall have no effect on the reporting and payment to MHEC of the Contract Administration Fee. Please describe your Eligible Organization rebate incentive and/or customer loyalty programs, if applicable.

B.12 ORDER

Offeror must thoroughly explain their quote process and fulfillment process in their response. The Offeror shall supply quotes upon request. Each quote shall include the list price, discount percentage, discounted unit price and extended price per item. Quote must clearly indicate the method of delivery, whether via media, download, or some other means. Orders may be placed either by fax, email, or Internet (if available and not to the exclusion of other methods). All Orders must reference the assigned MHEC contract number and the Eligible Organizations purchase order must be referenced on the invoice. Invoices shall have detailed information sufficient to process for a payment.

B.13 DOCUMENTATION

Offeror shall provide user manuals and related materials and/or give access to on-line documentation sufficient to allow full utilization of the products, services, and licensed software in accordance with the specifications. Documentation will include (but is not limited to) overview descriptions of all major functions and detailed step-by-step operating procedures for use of product, services, and licensed software. The documentation to be provided by Offeror is in addition to any on-line help which is part of the products, services, or licensed software user interface.

B.14 INSURANCE

Offeror shall maintain appropriate levels of insurance as required by the Eligible Organization and certificates of insurances shall be delivered to Eligible Organizations prior to commencement of the work. The insurance company shall be licensed in the applicable state in which work is being conducted. The awarded Offeror shall give the participating entity a minimum of thirty (30) days' notice prior to any modifications or cancellation of policies. The awarded Offeror shall require all subcontractors performing any work to maintain coverage as specified.

B.15 SUBCONTRACTORS

Offeror may offer the use of subcontractors in their response to the RFP. However, MHEC will consider the Offeror to be the sole point of contact regarding contractual matters. Any use of subcontractors will not release the successful Offeror from its obligations under the Master Agreement, and the successful Offeror will be required to indemnify, save and hold harmless MHEC and the Eligible Organization from any and all acts or omissions of said Subcontractors while performing services pursuant to any agreement resulting from this RFP.

B.16 SMALL BUSINESS MINORITIES, WOMEN AND ECONOMIC DISADVANTAGE

Many Compact member states have business development plans for small/disadvantaged businesses and spending goals to include businesses owned and controlled by minorities, women, and economic disadvantaged. If Subcontractors are utilized for fulfillment of an order, MHEC encourages the consideration of minorities, women, and economic disadvantaged small businesses. Offerors or Subcontractors that qualify as small/disadvantaged businesses may be required to provide all certifications and/or reports of such upon request by Eligible Organization.

B.17 GREEN INITIATIVES

MHEC wants to make sure to minimize our impact on the earth's climate. Where possible, we would like to implement innovative and responsible environmental practices throughout the Compact to reduce our carbon footprint, reduce waste, energy conservation, ensure efficient computing and much more. To that effort we ask respondents to provide their companies environmental policy and/or green initiative.

B.18 REFERENCES

Offeror shall provide a list of three (3) current accounts, two of which are higher education and one either K-12 or state agency. Information must include entities name, primary contact name, title, address, telephone number, email address, full-time equivalent student count, annual spend, and the original start date of the agreement for each reference. List other related references if higher education

references are not available. The Offeror shall indicate how long the Offeror has had a contractual relationship with the client and the types of products and services provided to the client. Incorrect information provided will be evaluated negatively. MHEC reserves the right to contact references.

SECTION C: MHEC REQUIREMENTS

C.1 MASTER AGREEMENT TERMS

The purpose of this Digital Credentialing Solutions (e.g., e-Transcripts) RFP is to minimize the burden on the administrative resources of Eligible Organizations, saving both time and money, while expediting technology acquisitions. Successful responses to Section B: Solution Proposal will address product and service offerings, licensing, pricing, incentives, and fulfillment to Eligible Organizations. A successful Offeror will enter contract negotiations with MHEC, with the resulting master agreement between MHEC and the Offeror creating a means for Eligible Organizations to enter into a direct relationship with the Offeror for the acquisition of the proposed technology solution. Section C: MHEC Requirements helps establish this direct relationship between the technology solution provider and the Eligible Organizations by meeting public sector acquisition requirements of a competitive sourcing event following the model procurement code for state and local governments. The end result is a competitively sourced and negotiated Master Agreement between MHEC and technology solution provider with terms and conditions, licensing, and pricing suitable for Eligible Organizations' to use through simple placement of an order or through the making of a limited number of amendments.

The inability of an Offeror to accept these mandatory requirements of Section C does not automatically remove that Offeror from consideration; however, failure to accept any of the requirements may affect the overall rating of the Offerors proposal. For those terms Offeror fails to accept, please state with clarity the reasons for objection. MHEC and Offeror may agree to alter or otherwise change the terms and conditions in the resulting master agreement. MHEC reserves the right to terminate negotiations or reject a proposal as nonresponsive. Responses must be keyed to the section and paragraph numbers provided.

C.2 CONTRACT TERM

The MHEC Master Agreement shall be effective on the date that the parties to the Master Agreement sign the Agreement. It shall remain in effect for an initial three (3) year term from the effective date and renewed for four (4) additional years, unless one party terminates in writing ninety (90) days prior to the anniversary of the effective date. Eligible Organizations may procure products and services from the technology solution provider under the terms of the MHEC Master Agreement at any time during the duration of the Agreement.

C.3 TERMINATION

Any resultant Master Agreement may be canceled by either the selected Offeror or MHEC at any time without cause during its term upon ninety (90) days written notice to the other party. The inability of the Offeror to provide sufficient products or services at the expected service level and/or to perform services on a timely basis may serve as grounds for contract termination. Poor performance as demonstrated by slow response time, failure to adhere to safety practices and regulations, failure to

pursue the work with diligence, poor productivity, inefficient work, and poor workmanship may, without limitation, constitute grounds for immediate termination of an order under the Master Agreement by Eligible Organization or of the Master Agreement by MHEC. MHEC also reserves the right to remove from participation in services associated with this Master Agreement any awarded Offeror's employee and/or subcontractor whose conduct is deemed unsatisfactory by MHEC. Termination of the Master Agreement shall in no way limit the parties' remedies at law and equity.

C.4 SUPPLEMENTAL AGREEMENTS (ORDER OF PRECEDENT)

Where the terms and conditions of the Master Agreement are in conflict with an Eligible Organization's state and/or institutional laws or regulations, the Eligible Organization and provider may enter into an addendum to amend the terms and conditions of the Master Agreement to conform to the Eligible Organization's state and/or institutional laws and regulations. Similarly, the Eligible Organization participating in this contract and technology solution provider may enter into a separate supplemental agreement to further define the level of service requirements over and above the minimum defined in this contract (i.e., invoice requirements, ordering requirements, specialized delivery, etc.). Any addendum or supplemental agreement is exclusively between the participating Eligible Organization and provider.

C.5 CANCELLATION FOR LACK OF FUNDING (NON APPROPREATIONS)

This provision applies only to publicly funded Eligible Organizations. Any resultant order (agreement) is contingent upon sufficient appropriations being made by the legislature or other appropriate governing entity. Eligible Organization may terminate its obligations if sufficient appropriations are not made by the governing entity to pay amounts due. In the event of non-appropriations, the Offeror shall be notified in writing of such non-appropriation at the earliest opportunity.

C.6 RECORDS AND AUDIT

Successful Offeror(s) shall retain and maintain all records and documents relating to the Master Agreement for six (6) years after final payment under an order made by the Eligible Organization, or any applicable statute of limitations, whichever is longer, and shall make them available for inspection and audit by authorized representatives of MHEC, Eligible Organization, (including the procurement officer or designee), and appropriate governmental authorities with Eligible Organization's state at all reasonable times.

C.7 MHEC NOT LIABLE FOR ELIGIBLE ORGANIZATION

MHEC is not liable to Offeror for the failure of any Eligible Organization to make any payment or to perform otherwise fully pursuant to the terms and conditions of an Order and/or the Master Agreement. Offeror, in its sole discretion, may discontinue selling products or services to any Eligible Organization who fails to make payments or otherwise fully performs pursuant to the terms and conditions of the Master Agreement. MHEC does not guarantee that any Eligible Organization will utilize or make any purchase under the Master Agreement.

C.8 INDEMNITY, GENERAL AND PATENT

The successful Offeror shall indemnify, defend and save harmless MHEC and its respective officers, agents and employees from and against any and all liabilities and losses whatsoever, including without

limitation, costs and expenses in connection therewith, on account of, or by reason of, injury to or death of, any person whosoever, or loss of or damage to any property whatsoever, suffered or sustained in the case of, or in connection with, the performance of the contract, except for that liability and loss arising from the acts or omissions of MHEC.

The successful Offeror shall indemnify, defend and save harmless Eligible Organization and its respective officers, agents and employees from and against any and all liabilities and losses whatsoever, including without limitation, costs and expenses in connection therewith, on account of, or by reason of, injury to or death of, any person whosoever, or loss of or damage to any property whatsoever, suffered or sustained in the case of, or in connection with, the performance of the contract, except for that liability and loss arising from the acts or omissions of Eligible Organization.

With respect to anything provided to MHEC or procuring Eligible Organization by the Offeror pursuant to this RFP and/or any resulting agreement, the Offeror shall indemnify and defend MHEC and Eligible Organization and their respective officers, agents and employees against liability, including costs and attorney's fees for infringement of any United States patent, copyright, trade infringement or other intellectual property right arising out of the manufacture, delivery and authorized use of such by procuring Eligible Organization.

C.9 CONFIDENTIALITY

As an instrumentality of state government, MHEC is subject to Public Record laws. As such, any provision that requires the terms of the contract, or specific information obtained during the term of the contract, to be kept confidential must be removed or modified to include "to the extent permitted by the law of relevant state." At a minimum, similar modifications may be required for public Eligible Organizations.

C.10 APPLICABLE LAW

As between MHEC and Offeror, the Master Agreement shall be construed in accordance and its performance governed by the laws of the state of Minnesota. Venue for all legal proceedings arising out of the Master Agreement, or breach thereof, shall be in a state or federal court with competent jurisdiction located in the state of Minnesota. As between Eligible Organization and Offeror, orders pursuant any Master Agreement shall be construed in accordance with and its performance governed by the laws of the state in which the Eligible Organization resides. Venue for all legal proceedings arising out of an order pursuant to any Master Agreement, or breach thereof, shall be in a state or federal court with competent jurisdiction located in the state in which the Eligible Organization resides.

C.11 COMPLIANCE WITH APPLICABLE LAWS

(a) Offeror warrants that both in submission of its proposal and performance of any resultant contract that Offeror shall comply with federal laws, rules and regulations applicable to subcontractors of government contracts including those relating to equal employment opportunity and affirmative action in the employment of minorities (Executive Order 11246), women (Executive Order 11375), persons with disabilities (29 USC 706 and Executive Order 11758), and certain veterans (38 USC 4212 formerly [2012]) contracting with business concerns with small disadvantaged business concerns (Publication L. 95-507). Contract clauses required by the government in such circumstances are incorporated into any

resulting agreement by reference. (b) Offeror warrants and agrees to abide by all applicable federal and state laws, regulations and executive orders pertaining to equal opportunity. In accordance with such laws, regulations, and executive orders, Offeror agrees that it does not discriminate on the grounds of race, color, religion, national origin, sex, age, veteran status, or handicap. If Offeror is found to be not in compliance with applicable federal or state requirements during the life of any resulting Master Agreement, Offeror agrees to take appropriate steps to correct these deficiencies. (c) Offeror warrants that both in submission of its proposal and performance of any resultant contract that Offeror will comply with all applicable federal, state, and local laws, regulations, rules, and/or ordinances.

C.12 NON-DISCRIMINATION

In connection with the furnishing of services under any resulting Master Agreement, the successful Offeror and all its Subcontractors shall agree not to discriminate against any recipients of services, or employees or applicants for employment on the basis of race, color, religion, national origin, sex, age, disability, or veteran status. The Offeror shall comply with federal and state laws, rules, and regulations applicable to Subcontractors of government contracts including those relating to equal employment of minorities, women, persons with disabilities, and certain veterans. Contract clauses required by the United States Government in such circumstances are incorporated herein by reference.

C.13 FERPA (AND OTHER PRIVACY LAWS)

Offeror agrees to comply with the Family Education Rights and Privacy Act (FERPA), the Health Insurance Portability and Accountability Act (HIPPA), the Gramm-Leach Bliley Act (GLBA), and all other state and federal privacy laws to the extent applicable to any product or service provided to Eligible Organizations.

C.14 DATA OWNERSHIP

Eligible Organization's data shall remain the exclusive property of Eligible Organization and Eligible Organization shall retain all rights, including intellectual property rights in and to such data. Offeror will use Eligible Organization's data only for the purpose of fulfilling its duties under the Master Agreement or an order under the Master Agreement, and for Eligible Organization's sole benefit, and will not share such data with or disclose it to any third party without the prior written consent of Eligible Organization or as otherwise required by law.

C.15 ARBITRATION

MHEC shall reject arbitration clauses in any Master Agreement or license. That does not mean MHEC is unwilling to resolve disputes amicably. However, as an instrumentally of state government, if MHEC or Eligible Organization waives a right, such as the right to trial, it is waiving the public's right.

C.16 FORCE MAJEURE

Neither Offeror nor MHEC nor procuring Eligible Organization shall be liable to each other during any period in which its performance is delayed or prevented, in whole or in part, by a circumstance beyond its reasonable control, which circumstances include, but are not limited to, the following: act of God (e.g., flood, earthquake, wind); fire; war; act of a public enemy or terrorist; act of sabotage; epidemic; strike or other labor dispute; riot; piracy or other misadventure of the sea; embargo; inability to secure materials and I or transportation; or, a restriction imposed by legislation, an order or a rule or regulation

of a governmental entity. If such a circumstance occurs, the party unable to perform shall undertake reasonable action to notify the other parties of the same.

C.17 ILLEGAL CONDUCT

All responses must include a statement as to whether or not the responding firm has been convicted of bribery or attempting to bribe a public official, barred from contracting with a unit of local, state or federal government as a result of bid rigging, or for any other reason or been convicted of a felony.

C.18 DEBARMENT AND SUSPENSION

Offeror represents and certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in the transaction (contract) by any government department or agency. If the Offeror cannot certify this statement, such Offeror must submit a written explanation. Furthermore, Offeror shall provide notice to MHEC if it becomes debarred or suspended at any point during the duration of any resulting agreement.

C.19 FINANCIAL CAPACITY

MHEC reserves the right to require a Financial Capacity report consisting of the following:

- Sources of financing (shareholders, venture capital, etc.);
- Bank references and name of auditing firm;
- Last two annual reports and all quarterly reports since the last annual report;
- Identification of the Parent Corporation and any subsidiaries; and
- List of all current higher education customers in the MHEC region, and all customers for whom similar work was performed during the past two (2) years.

C.20 ASSIGNMENT

Any Master Agreements entered because of this RFP, or any portion thereof, may not be assigned by the selected Offeror without the expressed written consent of MHEC.

C.21 MARKETING

Successful Offeror must assist MHEC in the development and implementation of appropriate marketing strategies including seminars, printed material, and a full service, online MHEC specific website to provide detailed information on products, supplies, services, and prices, and how to place orders. Mutual review and evaluation of the marketing plans will be done, at a minimum, during annual reviews. The Offeror should exhibit the willingness to develop marketing materials and participate in opportunities that are available.

C.22 ANNOUNCEMENTS AND PUBLICITY

No Offeror providing services to MHEC, or to any Eligible Organization, shall appropriate or make use of the name or other identifying marks or property in its advertising or marketing without the prior written consent of MHEC or Eligible Organization.

C.23 BUSINESS REVIEWS

An oversight committee comprised of representatives of Eligible Organizations shall be appointed by MHEC to assist and support MHEC and successful Offeror in developing and refining the implementation

of a Master Agreement in the Compact member states. This will include, but not be limited to, assistance with marketing strategies, representing the interests of Eligible Organizations in assuring quality and timely products and services; and to advise the successful Offeror on the effectiveness of its implementation progression. There will be an annual meeting between successful Offeror and MHEC (and perhaps members of the oversight committee) to perform a Business Review. In addition, Offeror must attend on-site meetings on an ad hoc basis if requested by the contract manager to address contract performance issues.

C.24 VENDOR REPRESENTATIVE

Successful Offeror shall assign a senior level representative who shall be the primary MHEC contact for all matters related to this proposal and all sales and marketing efforts made pursuant to this proposal.

C.25 CONTRACT ADMINISTRATION FEE (CAF)

MHEC has incurred, and will continue to incur, costs and expenses in the development, implementation, administration, and marketing of this program. All Offerors shall include a Contract Administrative Fee (CAF) of one-and-one half percent (1.5%) in their response. The CAF shall be in addition to discount or rebates offered to the Eligible Organizations. The proposer will be responsible for submitting the CAF with the quarterly report.

C.26 QUARTERLY REPORT

Contractor must submit business activity reports each quarter. It is important for MHEC and Eligible Organizations to know the number of credentials issued, claimed, printed, shared, verified, revised, and revoked. Including which learners are having credentials sent on their behalf and to whom they are being sent to. The Quarterly Reports must include, at the minimum, the following information:

- Quarter number and year
- MHEC contract number
- Vendor name
- Name, phone number and email address of person who may be contacted for questions about the report
- Customer Name
- Customer Type (Higher Education, K-12, state agencies, cities, counties, local subdivisions)
- Address
- City
- State
- Zip Code
- Purchase Order Number
- Product Description
- Date Shipped or Delivered to End User
- Quantity
- List Price
- Sale Price
- Administration Fee
- % Discount
- \$ Savings

- Reseller (if applicable)

Quarterly Reports and Contract Administration Fees shall be submitted by end of the preceding month after the end of March, June, September, and December of each calendar year.

| | | |
|--------------------|----------------------------|----------------|
| Calendar Quarter 1 | (January 1 to March 31) | Due April 30 |
| Calendar Quarter 2 | (April 1 to June 30) | Due July 31 |
| Calendar Quarter 3 | (July 1 to September 30) | Due October 31 |
| Calendar Quarter 4 | (October 1 to December 31) | Due January 31 |

C.27 SOVEREIGN IMMUNITY

Nothing in this RFP, resulting Master Agreement or Orders under the Master Agreement shall be construed to deprive an Eligible Organization of its sovereign immunity, or of any legal requirements, prohibitions, protections, exclusions, or limitations of liability afforded by Eligible Organizations' state laws to Eligible Organization.

EXHIBIT A: DIGITAL CREDENTIALING SOLUTIONS

Digital Credentialing Solutions



POLICY BRIEF
JUNE 2020



105 Fifth Avenue South, Suite 450
Minneapolis, MN 55401
612-677-2777 or 855-767-MHEC
MHEC.ORG | mhec@mhec.org

Vision

MHEC members collaborate to address the region's most pressing challenges in higher education and transform educational opportunities so that people and communities thrive.

Mission

MHEC brings together midwestern states to develop and support best practices, collaborative efforts, and cost-sharing opportunities. Through these efforts it works to ensure strong, equitable postsecondary educational opportunities and outcomes for all.

Who MHEC Serves

MHEC is comprised of member states from the midwestern United States. MHEC works with and for a variety of stakeholders within and across member states, including higher education system leaders, state policymakers, legislators, and institutional leaders, while always maintaining a focus on students and their success.

How MHEC Works

MHEC's strategic approach highlights member states' strong desire for collaboration, effectiveness, and efficiency. MHEC believes that collaborative actions informed by research and best practices are the catalyst for improving quality, accessibility, relevance, and affordability of postsecondary educational opportunities. MHEC does this primarily through the following approaches: convenings, programs, research, and cost-savings contracts. Increasingly, MHEC looks to leverage these approaches in conjunction with each other to serve its strategic priorities.

Compact Leadership, 2019-20

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OVERVIEW

Transcripts are the traditional record of a student's success in completing coursework and earning a degree at educational institutions. They have long served as "proof" to potential employers and other educational institutions that a student has engaged in certain learning activities and mastered given areas of content. However, the traditional concept of a transcript has become outdated as the needs of individuals and industry have evolved alongside new technologies able to record, validate, and share information about students' educational accomplishments. In the year 2020, the need is for a "learner record" which not only includes the same information as a traditional transcript, but also includes information about non-classroom learning experiences and credentials earned

via industrial trainings, field work, military service, volunteer experiences, and more.¹

The purpose of this paper is to provide a background and starting place for understanding the unfolding shift from traditional transcripts to comprehensive learner records and to explore the work in which MHEC might engage to support this transition. For example, in the short-term, MHEC has an expiring contract for e-transcribing (January 2021) that needs to be refreshed in a way that pays attention to the fast-paced changes in the world of learner records and credentialing. In the longer-term, work is needed to support institutions, systems, and states as they transition from the use of traditional transcripts to a system of comprehensive learner records.

BACKGROUND

Historically, transcripts and the credentials they document have been the tickets that allow individuals access to additional education and certain occupations. Such records exist to convey to educational institutions and employers what an individual has accomplished in a program of study and to verify the possession of certain skills. Because of their value and the access they provide to further education and professions, credentials and transcripts are highly valued but plagued by issues of veracity and translation. To be valuable, such records must be accurate, trustworthy, and verifiable.

The last 20 years has witnessed an increase in the number and diversity of students, educational programs, and types of credentials.² As a consequence, traditional transcripts have not been able to capture and convey the variety and amount of information about students and credentials that is desirable and necessary. Questions like, "How do we know this transcript is legitimate?," "What does this credential say about its holder?," and "What are the skills mastered in order to earn

this credential?" have entered higher education discussions with increasing frequency, and a potential solution has been identified.

Educational institutions have given more recognition to learning that occurs outside the classroom environment. There has also been a parallel movement to recognize diverse "ways of knowing" by awarding academic credit to students for their prior experiences. Consequently, traditional paper transcripts cannot accurately capture the other forms of learning, knowing, and skill acquisition both students and employers wish to document. In sum, "as more learners [and students] seek to understand the value of higher education," institutions need to leverage digital mediums to provide a comprehensive, holistic, and secure record of student learning and skill acquisition.³

Such a digital medium would be a comprehensive learner record (CLR).⁴ CLRs are not intended to replace traditional institutional transcripts. They are meant to be a supplement that consists of an "official, digital record that [contains]

¹ Lumina Foundation (2019). Unlocking the nation's potential: A model to advance quality and equity in education beyond high school. Author. <https://luminafoundation.org/wp-content/uploads/2019/08/unlocking-the-nations-potential.pdf>

² Van Noy, M., McKay, H., & Michael, S. (2019). Non-degree credential quality: A conceptual framework to guide measurement. Rutgers Education and Employment Research Center. <https://smlr.rutgers.edu/NDCQuality>

³ Indiana Comprehensive Learner Record (CLR) Convening, September 16, 2019, Indianapolis, IN, USA.

rich information on learning.”⁵ For example, CLRs would be available to all learners and workers, not just those who attend postsecondary education. The American Workforce Policy Advisory Board held that CLRs “[could] result in a more equitable hiring process as employers can hire based on skills, reducing the impact of implicit biases.”⁶

Besides being available to workers who have not engaged in formal postsecondary education, CLRs also have the advantage of working in an ecosystem of interoperable data. This means the data they contain are readable and interpretable by any other system using the same data system, thereby streamlining transmitting, sharing, verifying, auditing, and otherwise examining the information contained in an individual’s record. For example, high school transcripts transmitted to colleges would be machine readable at the receiving institution, easily imported into the institution’s Student Information System, and available to college staff so they can make more accurate, efficient, and equitable admissions and placement decisions. To facilitate this type of data sharing, providers of electronic and digital credentialing services have proliferated in recent years,⁷ so there are many options from which schools, systems, and states can choose to help create and improve records of workers’ and learners’ accomplishments.

CURRENT STATE OF AFFAIRS

To support institutions and states as they have made such changes, MHEC has held a master contract for electronic transcripts (e-transcripts)/digital transcripts for almost two decades. Working with the provider, Parchment, MHEC has helped make digital transcripting more affordable and

accessible to states and schools across the region. Some MHEC states have embraced the contract and implemented e-transcripts statewide at the secondary level (i.e., Indiana),⁸ while others have developed their own tools and implemented e-transcripts at the public postsecondary level (i.e., Ohio, North Dakota).

A comprehensive study of the types and scope of e-transcripting across the Midwest will be an important step for MHEC to take as it moves forward with competitively soliciting electronic transcripting and digital credentialing solutions. It will also be essential to engage in associated policy work to support states’ transitions from traditional to electronic transcripts and beyond.

Work pertaining to transcripting and digital credentials is a vital initiative in which MHEC can invest its resources. Such work could help states and institutions achieve their goals in the areas of equity, efficiency, completion, transfer, and workforce development.⁹ For example, secondary and postsecondary schools, as well as their students, are at a disadvantage in the higher education marketplace if they lag in their adoption and use of digital transcripting and comprehensive learner records. Such disadvantages include delays in transcript submission, transmission, auditing, awarding of credit, transfer of credit, admissions decisions, and transcript verification. Also, identifying students for reverse transfer programs will be more difficult in states lacking an interoperable digital transcript and credential environment. Further, students with transcripts not compatible with employers’ transcript verification tools will have fewer workforce options.

Moreover, such disadvantages will only increase as digital

⁴ For a more detailed discussion about Comprehensive Learner Records, please see Appendix C.

⁵ Indiana Comprehensive Learner Record (CLR) Convening, September 16, 2019, Indianapolis, IN, USA.

⁶ Indiana Comprehensive Learner Record (CLR) Convening, September 16, 2019, Indianapolis, IN, USA.

⁷ Such providers include but are not limited to Credly, Digitary, GreenLight Credentials, Learning Machine, Parchment, Portfolium, and TrueCred.

⁸ Indiana has also recently initiated work to make e-transcripts mandatory and interoperable across all public postsecondary institutions in the state.

⁹ American Workforce Policy Advisory Board. (2019). White paper on interoperable learning records. American Workforce Policy Advisory Board, Data Transparency Working Group. https://www.imsglobal.org/sites/default/files/articles/ILR_White_Paper_FINAL_EBOOK.pdf

credentialing and transcribing continue to evolve. The role, scope, and technology of recording individuals' learning and educational accomplishments are expanding exponentially. Major changes to transcribing and credentialing are already occurring across the nation, including but not limited to the following:¹⁰

- Transcripts are becoming “learner records.”
- Courses and grades are being supplemented by portfolios, testimonials, badges, microcredentials, and more.¹¹
- Employers are looking for evidence of skills such as leadership, so learner records are beginning to include more elements of experiential learning.¹²
- Post-college professional development is now often tracked via badges from professional organizations, employers, and others and need places they can be recorded.¹³
- Ownership of the transcript or learner record is transferring from institutions to third party services and vendors, and there are convincing arguments to eventually transfer to individual students via new technologies like blockchain.¹⁴
- The verification of credentials is moving away from institutions and registrars to independent clearing houses like Credential Engine.
- Consumers of learner records increasingly include employers and states, as well as educators.¹⁵

As the revolution in learning records unfolds, critical questions and considerations impacting the nation and the MHEC region include:

- How many high schools and postsecondary institutions in the Midwest currently use electronic transcribing in some form?
- What are the formats of those electronic transcripts, and what is the distribution of their use?
- How interoperable are those transcribing formats within states, among states, with third parties, with workforce partners, and other stakeholders?
- What is the level of readiness at high schools and postsecondary institutions in the Midwest to transition from one stage of the transcribing revolution to the next?

¹⁰ For more detailed information about unfolding changes to credentials and associated technologies, please see Appendix B.

¹¹ Williams, C. (2020). High value credentials for New England. NEBHE Policy Brief. https://nebhe.org/wp-content/uploads/2020/01/High-Value-Credentials-Brief_Final_Jan-20.pdf

¹² American Workforce Policy Advisory Board. (2019). White paper on interoperable learning records. American Workforce Policy Advisory Board, Data Transparency Working Group. https://www.imsglobal.org/sites/default/files/articles/ILR_White_Paper_FINAL_EBOOK.pdf

¹³ American Workforce Policy Advisory Board. (2019). <https://www.commerce.gov/americanworker/american-workforce-policy-advisory-board>

¹⁴ Arthur, J. (2019). Why we are using blockchain technology for digital credentialing. *Campus Technology*. <https://campustechnology.com/articles/2019/12/12/why-we-are-using-blockchain-for-digital-credentialing>

¹⁵ Kelly, R. (2020). ACE receives ED funds to explore blockchain's potential. *Campus Technology*. <https://campustechnology.com/articles/2020/02/06/ace-receives-ed-funds-to-explore-blockchains-potential>; American Workforce Policy Advisory Board. (2019).

WHO ARE THE STAKEHOLDERS?

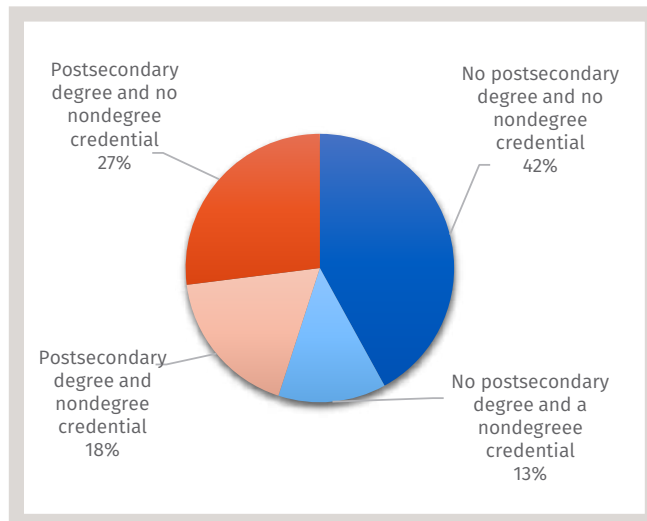
The demand for a new conceptualization of transcripts and credentialing is not driven solely by institutions of higher learning. Students, employers, institutions, and state actors all make use of transcripts, but each uses transcripts and credentials for different purposes and goals. A comprehensive, interoperable digital credentialing ecosystem can provide a uniform platform that simultaneously meets the needs of individual students and those of the broader socio-economic system.

Students

Students are the main group who benefit from digital transcription and credentialing. If a common digital platform is leveraged, students can easily obtain and share a record that contains all the coursework, competencies, and skills they have earned both inside and outside a classroom. The fees and logistical burden of procuring transcripts and sending them to new schools or prospective employers are considerable, and as more students pursue shorter, more diverse pathways to credentials, the complexities of transcript management will only increase. Students need a single dynamic, flexible, validated, and trusted record of their learning and accomplishments which they control, and which follows them throughout their lives.

Often overlooked, also, is the fact that many students fall outside the “degree-seeking” classification for some or all their lives, as Figure 1 indicates. Referred to as “lifelong learners,” such learners might seek new skills via professional development training to advance a career or for personal enrichment. Another often overlooked group is the 13% of American adults with no college degree but who have received some form of postsecondary credential and the 18% of adults who have earned both a postsecondary degree and non-degree credential.¹⁶ The number and types of nondegree credentials will continue to increase, making the credentialing landscape even more confusing for all stakeholders. Much of this confusion can be reduced and the value of nondegree educational experiences conveyed via an individual learner record in which such credentials are meaningfully captured.

FIGURE 1. Number and type of nondegree credentials



It is quite likely that as digital transcribing and credentialing becomes more commonplace, more groups will be affected by this development in a positive way. Digital credentialing could be helpful for military-affiliated families. For those who have served, or are currently serving the country, a digital credentialing environment could explain and contain information about the skills, competencies, and training acquired during their military service. A digitally-based method of transcription and credentialing can also positively impact military spouses. Military spouses in licensed positions and professions, a digital environment that is owned and controlled by the end-user would be helpful if they must move on short notice. Given the often transitory nature of a military family, a digitally-fixed credentialing and transcribing platform would support their educational and professional relocation needs.

Institutions

Digital transcribing and credentialing tools heavily impact both secondary and higher education institutions. By migrating to a digital system, institutions will save staff time and institutional funds that can be applied to other educational priorities. If digital transcribing is adopted by both high schools and postsecondary institutions, a shared

¹⁶ US Department of Education. (2018). Degree and nondegree credentials held by labor force participants. <https://nces.ed.gov/pubs2018/2018057.pdf>

transcripting environment could allow for a more holistic, accurate, and fair admissions process. For example, by having a more complete portrait of a student's coursework, competencies, and skills, admissions professionals would have machine analyzed information regarding a student's ability to succeed at their institutions before they even see students' applications, an important step for institutions seeking to address equity issues in their admissions processes. Such enriched information could also be used by institutions to create diverse student cohorts, analyze student outcomes, change instructional and non-instructional practices, and contribute to increased rates of student retention and success.

Employers

Employers often note that educational institutions do not produce graduates with the skills and abilities needed for success in the workplace. There is a lack of clarity and understanding between the skills employers seek and those schools provide.¹⁷ For example, leadership, working on a team, effective communication, and emotional intelligence are skills in high demand in the workforce. Often referred to as "21st century skills," such accomplishments and traits are not reflected on a traditional transcript. "Enhanced," or "enriched" transcripts provide information about these 21st century skills and can do so in a way that demonstrates to potential employers students' strengths in these areas. The potential alignment of educational outcomes with the needs of industry would benefit students, employers, and institutions, providing a way for students and employers to communicate more effectively with each other about skills possessed and skills desired.

Further, the fastest growing part of the higher education marketplace are non-degree credentials.¹⁸ A 2019 report by Credential Engine stated that "by 2020, 65% of all jobs in the United States will require at least some postsecondary training, but not necessarily a degree."¹⁹ If a traditional transcript cannot showcase or speak to these new professional development opportunities, both students and employers miss out on the promise and benefit offered by the student's education.

Local, State, and Federal Governments

Local, state, and federal governments also stand to benefit from interoperable, comprehensive digital credentialing ecosystems. State governments have increasingly placed pressure on institutions to demonstrate the return on investment (ROI) for different areas of study or for the entire college experience. A digital credentialing infrastructure could help illuminate the skills and competencies developed in an area of study or at an institution. Information of this sort would help underwrite the value of states' investments in all levels of education as well as assist the state in meeting its workforce needs.

Several states have already recognized the value of building a comprehensive ecosystem of learner credentialing. For example, Indiana has developed its e-transcript initiative, which mandates the use of a common e-transcript for all secondary schools in the state (and with public postsecondary institutions joining the Initiative in its second phase).²⁰ Six other states have enacted related initiatives, including several that participate in the New England Board of Higher Education's (NEBHE) initiative known as High Value Credentials for New England (HVCNE).²¹

¹⁷ Fain, P. (2019). Getting clearer signals from employers. *Inside Higher Ed*. <https://www.insidehighered.com/news/2019/02/20/employers-team-higher-education-bring-open-data-and-standardization-hiring>

¹⁸ Fain, P. (2017). New data on nondegree credentials. *Inside Higher Ed*. <https://www.insidehighered.com/news/2017/09/14/feds-release-data-nondegree-credentials-including-certificates-and-licenses>; Duke-Benfield, E., Wilson, B., Kaleba, K., & Leventoff, J. (2019) Expanding opportunities - Defining quality non-degree credentials for states. *National Skills Coalition*. https://www.nationalskillscoalition.org/resources/publications/file/918-NSC_QNDC-paper_web.pdf

¹⁹ Credential Engine. (2019). Counting U.S. postsecondary and secondary credentials. Author, p. 6 https://credentialengine.org/wp-content/uploads/2019/09/Counting-US-Postsecondary-and-Secondary-Credentials_190925_FINAL.pdf

²⁰ Indiana eTranscript. <https://www.in.gov/che/4626.htm>

²¹ NEBHE. (2019). High value credentials for New England. https://nebhe.org/wp-content/uploads/2019/07/HVCNE-one-pager-FINAL_July2019.pdf

FUTURE DIRECTIONS, IMPLICATIONS, AND CONSIDERATIONS

Digital spaces are everchanging so it is quite likely that as greater degrees of technological innovation occur, a similar response will occur in the credentialing and transcribing arena. While it is difficult to accurately project what these new products might look like, a few are in the emergent stages. For instance, Parchment, Lumina, and the American Association of Collegiate Registrars and Admissions Officers (AACRAO) are working in tandem to develop a tool that will allow new credentials to be created and developed.²² States are also forging new pathways. Michigan is moving toward a digital credentialing hub in which information systems from across the state can become interoperable. The thinking is that users will be able to connect to an endpoint of the hub while also promoting information security.²³

MHEC'S ROLE IN DIGITAL CREDENTIALING

Since 2006, MHEC has had a master contract for electronic transcribing which institutions and states can use to access such services under optimal terms of service.²⁴ The existing contract expires in January 2021. As MHEC builds the desired proposed solutions for the renewal of its e-transcribing contract, it is vital those involved in the process consider a

wide range of factors, including:

- the rapidly changing economic higher education, and credentialing landscape;
- the lightning speed at which technologies evolve;
- the wide range of stakeholders throughout the region;
- the widely varying transcribing practices and policies currently in place;
- the financial and social constraints affecting MHEC's stakeholders and their views of e-transcribing and comprehensive data systems;
- the interoperability of transcribing services across educational sectors, student information systems, employers, third parties, and other stakeholders;
- the readiness of and potential for institutions to expand the content and the format of learner records as the technology to do so comes to market; and
- the strategies by which learner record data can be described via open schema and then be serialized and exchanged."

MHEC's historic relationship with the incumbent Parchment and the performance of that contract can also inform the e-transcribing advisory group.²⁵

²² Parchment. (2020, February 13). MHEC & Parchment [Presentation]. MHEC Headquarters, Minneapolis, MN, USA.

²³ Parchment. (2020, February 13). MHEC & Parchment [Presentation]. MHEC Headquarters, Minneapolis, MN, USA.

²⁴ MHEC's Student Access Advisory Committee (SAAC) launched the e-Transcript initiative during the summer of 2006 and after an extensive Electronic Transcript Request for Proposal (RFP) solicitation, MHEC awarded a contract in 2007 to Docufide, Inc. with a six-year term. On March 10, 2011, Docufide, Inc. changed its name to Parchment. In early 2010 SAAC recommended that MHEC establish an e-Transcript Initiative Project Advisory Committee to guide the direction of the initiative with the deliverable to prepare and award a competitive solicitation in 2013 for an e-transcript solution. After satisfying all the requirements of the solicitation, MHEC awarded an e-transcribing contract to Parchment in 2014.

²⁵ Important information about Parchment includes the fact that while the company has traditionally served mainly K-12 institutions, it has recently made a successful move into the higher education transcribing space. This successful push into the higher education space was capped off in early 2020 by a merger with Credential Solutions, a previous competitor that historically served mainly higher education institutions. While educational institutions are the principal users of the Parchment platform, other stakeholders have made use of the services the company offers, including:

- 30% of secondary institutions and organizations, such as the Indiana Department of Education, the Los Angeles Unified School District, and the GED.
- 25% of postsecondary institutions, including the University of Michigan, Arizona State University, and the University of Maryland-College Park.
- 300+ Government Agencies, including the Department of Defense, the State Department, and the Department of Homeland Security.
- 900+ Private Employers, including Wells Fargo, Boeing, and Allstate
- 100+ Background and Staffing Agencies, such as HireRight and Intellius.

In summer 2020 MHEC will assemble a digital credentialing advisory group. That group will inform work pertaining to digital transcribing, credentialing, and the development of a comprehensive learner record. Potential areas in which MHEC might become active include policy, resource sharing, and potentially additional contracts for future, yet unidentified, needs. Part of the work to develop recommendations and evaluate proposed solutions will include conversations with stakeholders across the region. Stakeholder needs will be explored, as will barriers to the adoption and expansion of digital transcribing.

NEXT STEPS

Step 1, Summer 2020: Determine the status of digital credentialing knowledge and work in the MHEC states

In June 2020, this brief and its attached resources will be shared with a wide range of stakeholders in the twelve MHEC states. These individuals will be asked to read this brief and respond to a survey in which they will be asked about their connection to credentialing work in their states, their knowledge of the digital credentialing landscape, and their willingness to serve on an associated MHEC advisory group. A subset of this group will also be tapped to serve on the RFP committee for the renewal of the e-transcribing/digital credentialing contract.

Step 2, Summer 2020: Exploring the digital transcribing and comprehensive learner record vendor landscape

In July 2020, the advisory group (including the RFP subgroup) will engage in information sharing (such as webinars, surveys, conference calls, meetings, etc.) in order to learn about the digital transcribing and comprehensive learner record vendor landscape.

In August 2020, the advisory group will advise on the creation and recruitment of state teams²⁶ which will start to meet in Fall 2020 to begin discussions pertaining to the creation and/or continuation of state-level digital credentialing initiatives. During that same month, the RFP subgroup will develop the RFP (including, scope statement, specification, vendor lists, and an evaluation rubric) for MHEC's digital credentialing/comprehensive learner contract. The goal will be to issue the RFP on or around September 1, 2020.

Step 3, Fall 2020: Evaluating responses to RFP, continued work on state digital credentialing teams

In October 2020, the RFP subgroup will consider and evaluate vendors' responses to the RFP. The goal will be for the subgroup to make a recommendation for the contract award(s) by December 1, 2020. During this same period, the state teams will continue to investigate, describe, and categorize the digital credentialing opportunities and challenges in each of their states and begin to set goals to move the state toward an integrated, interoperable credentialing system.

Step 4, Winter 2020: Negotiating and finalizing the contract(s), action items for state teams

In December 2020 and January 2021, the RFP subgroup will engage in negotiating and finalizing the contract(s). The goal will be to have a new contract or contracts available for stakeholders by February 1, 2021. The state action teams will begin implementing actions they have identified as meeting the needs and circumstances of their respective states.

²⁶ These are potentially the same teams MHEC will support via its collaboration with Credential Engine.

APPENDIX A

CURRENT AND FUTURE STATE OF DIGITAL TRANSCRIPT USAGE: EXAMPLES FROM PARCHMENT

By integrating transcripts into a digital medium, they can show more robust metrics and outcomes when compared to a standard paper transcript. As one is no longer constrained by a physical page or document, more expansive information can be included in a digital credentialing service. Several institutions, such as Elon University and Stanford University, respectively, have offered a digitized transcript via Parchment's services.

Digital transcripts can provide a snapshot of one's learning that includes more information and data. Likewise, a digital credential can better lend itself to analytical comparisons, allowing employers and institutions to better assess a candidate's acquired competencies and skills. Rather than receiving detail regarding what courses a candidate took and the grades received, a digitalized transcript can ideally show the core competencies and skills acquired as a result of course participation. This new framework could minimize issues associated with grade inflation, as more emphasis is placed on skills and competencies as opposed to an arbitrary numerical score that varies between individual faculty, departments, and institutions. In sum, digital transcripts can effectively promote the creation of pathways so that institutions can better promote continuity and standardization across "transfer, dual enrollment, and other programs."²⁷

²⁷ Parchment. (2017, September). Parchment: MHEC Meeting. [Presentation, slide 20]. MHEC Headquarters, Minneapolis, MN, USA.

APPENDIX B

THE CURRENT STATE OF CREDENTIALS AND THE TECHNOLOGY THAT SUPPORTS THEM

In order to create and elicit strong proposed solutions from credentialing/transcript providers, it is useful to design the solicitation that allows for an airtight infrastructure but which also allows enough room to anticipate, react, and provide solutions for current, emerging, and future trends in both the digital and higher education space. This section of this brief is intended to provide an environmental scan of the concepts, products, stakeholders, and intentions that currently operate in and around the digital credentialing landscape.

Changes in Credentials

One of the biggest areas of innovation in this space has been the credentials themselves. While the traditional associate, baccalaureate, or graduate degree remains the credential standard bearer, new methods of credentialing are quickly taking hold. These new credentialing forms, such as “licenses, certificates, micro-credentials,” and digital badges, have been met with increasing popularity.²⁸ While there are more credentials available than what is listed in this report, we have selected a variety entrenched and emerging forms of credentialing:

MOOCs: An acronym for massive open online course, MOOCs “offer students electronic platforms for taking courses at a distance.”²⁹ MOOCs can provide both

academic degrees as well as microcredentials. MOOCs are utilized by various educational actors such as institutions (MIT’s OpenCourseWare Program), educational companies (edX, Coursera), and private businesses (Google, Salesforce, Microsoft). Upon completion of the MOOC, participations will often receive a certificate (upon payment of a small fee) indicating completion of the course, which functions as a “credential.” However, this is not a uniform practice across MOOC providers.

Microcredentials: Microcredentials are “an online educational credential that covers more than a single course, but less than a full degree.”³⁰ Different MOOC providers often use their own names for microcredentials, which can make them difficult to discover and standardize. Depending on the platform, microcredentials are referred to with varying titles, such as “specializations, nanodegrees, programs, or professional education.”³¹ While they fundamentally refer to the same base concept, it can be difficult if one is navigating through this market to identify a credential given the wide range of names.

Industry-Recognized Certifications: Industry-Recognized Certifications (ICR) are a “time-limited, renewable credential awarded by an authoritative body.”³² These certifications are a bit more rigorous as individuals must demonstrate “designated knowledge, skills, and abilities in a particular occupation.”³³ Examples of ICRs include the PMP (Project Management Professional), the MCSE (Microsoft Cloud Platform and Infrastructure), and the Salesforce Administrator credential. ICRs are also more likely to lead to an increase in potential earning opportunities.³⁴ An interesting fact about ICRs is that

²⁸ Credential Engine. (2019). Counting US postsecondary and secondary credentials. Author, p. 4. https://credentialengine.org/wp-content/uploads/2019/09/Counting-US-Postsecondary-and-Secondary-Credentials_190925_FINAL.pdf

²⁹ Credential Engine. (2019). Counting US postsecondary and secondary credentials. Author, p. 6. https://credentialengine.org/wp-content/uploads/2019/09/Counting-US-Postsecondary-and-Secondary-Credentials_190925_FINAL.pdf

³⁰ Credential Engine. (2019). Counting US postsecondary and secondary credentials. Author, p. 16. https://credentialengine.org/wp-content/uploads/2019/09/Counting-US-Postsecondary-and-Secondary-Credentials_190925_FINAL.pdf

³¹ Credential Engine. (2019). Counting US postsecondary and secondary credentials. Author, p. 16. https://credentialengine.org/wp-content/uploads/2019/09/Counting-US-Postsecondary-and-Secondary-Credentials_190925_FINAL.pdf

³² Credential Engine. (2019). Counting US postsecondary and secondary credentials. Author, p. 20. https://credentialengine.org/wp-content/uploads/2019/09/Counting-US-Postsecondary-and-Secondary-Credentials_190925_FINAL.pdf

³³ Credential Engine. (2019). Counting US postsecondary and secondary credentials. Author, p. 20. https://credentialengine.org/wp-content/uploads/2019/09/Counting-US-Postsecondary-and-Secondary-Credentials_190925_FINAL.pdf

³⁴ ExcelinEd & Burning Glass Technologies. (2019). Credentials matter report 1: A national landscape of high school student credential attainment compared to workforce demand. Author, p. 4. <https://www.excelined.org/credentials-matter/>; Credential Currency: How states can identify and promote credentials of value.

receiving the credential is reliant upon achieving a passing score on an examination. In some instances the organization sponsoring the credential is not the same as the organization who designs the courses, curriculum, and test.³⁵

Digital Badges: The newest entrants into the digital credentialing space, digital badges, or open badges, are defined as “verifiable, portable digital badges with embedded metadata about skills and achievements.”³⁶ The badges themselves contain “information about the badge, its recipient, the issuer, and any supporting evidence” that is associated with it.³⁷ Due to their digital nature, badges can be displayed wherever the user wishes and can be placed on social media sites, an online copy of a CV, or on a LinkedIn profile. Digital badges also offer some level of security to employers as anyone can “verify that a badge is real or inspect the metadata [and] associated evidence.”³⁸ While digital badges are still a relatively new concept in the credentialing space, their inherent interoperability, and security can perhaps provide a template for future credentialing models to follow.

Changes in Technology

The digital credentialing landscape is dependent upon the quality of the technological infrastructure upon which it relies. As the capabilities of technology expand, so too will the possibilities and benefits associated with digital transcripts and credentials, including but not limited to multiple modalities for storing and sharing credentialing information, cost savings, and changes in control and ownership of learners’ records.

Currently, there are several methods of data exchange that are used for digital transcription:

PDF-Portable Document Files, “the most popular form of eTranscript adoption,” consist of various layers such as:³⁹ *An art layer* that can contain institutional signatures, seals, and logos, in order to “brand the document with [an] institution-specific look and feel.”⁴⁰ *A text layer* that is meant to be read by humans. This is simply what one would read if they were to open a digital transcript.⁴¹ *A data layer*, while this layer is ultimately optional, the data layer, written in EDI or XML, translates the information from the text layer into a format that can be read and analyzed by computers.⁴²

³⁵ Credential Engine. (2019). Counting US postsecondary and secondary credentials. Author, p. 20. https://credentialengine.org/wp-content/uploads/2019/09/Counting-US-Postsecondary-and-Secondary-Credentials_190925_FINAL.pdf

³⁶ Credential Engine. (2019). Counting US postsecondary and secondary credentials. Author, p. 20. https://credentialengine.org/wp-content/uploads/2019/09/Counting-US-Postsecondary-and-Secondary-Credentials_190925_FINAL.pdf

³⁷ Credential Engine. (2019). Counting US postsecondary and secondary credentials. Author, p. 26. https://credentialengine.org/wp-content/uploads/2019/09/Counting-US-Postsecondary-and-Secondary-Credentials_190925_FINAL.pdf

³⁸ Credential Engine. (2019). Counting US postsecondary and secondary credentials. Author, p. 26. https://credentialengine.org/wp-content/uploads/2019/09/Counting-US-Postsecondary-and-Secondary-Credentials_190925_FINAL.pdf

³⁹ Kilgore, W., Hansen, G., & Hamill, M. (2014). Transcript practices and costs at U.S. institutions. American Association of Collegiate Registrars and Admissions Officers, p. 26. https://www.aacrao.org/docs/default-source/research-docs/aacrao-transcript-practice-and-costs-report-june-2014-final.pdf?Status=Temp&sfvrsn=b0fe4a7a_4

⁴⁰ Kilgore, W., Hansen, G., & Hamill, M. (2014). Transcript practices and costs at U.S. institutions. American Association of Collegiate Registrars and Admissions Officers, p. 26. https://www.aacrao.org/docs/default-source/research-docs/aacrao-transcript-practice-and-costs-report-june-2014-final.pdf?Status=Temp&sfvrsn=b0fe4a7a_4

⁴¹ Kilgore, W., Hansen, G., & Hamill, M. (2014). Transcript practices and costs at U.S. institutions. American Association of Collegiate Registrars and Admissions Officers, p. 26. https://www.aacrao.org/docs/default-source/research-docs/aacrao-transcript-practice-and-costs-report-june-2014-final.pdf?Status=Temp&sfvrsn=b0fe4a7a_4

⁴² Kilgore, W., Hansen, G., & Hamill, M. (2014). Transcript practices and costs at U.S. institutions. American Association of Collegiate Registrars and Admissions Officers, p. 26. https://www.aacrao.org/docs/default-source/research-docs/aacrao-transcript-practice-and-costs-report-june-2014-final.pdf?Status=Temp&sfvrsn=b0fe4a7a_4

Many institutions use EDI and XML data in tandem with PDF files as opposed to sending solely EDI and XML based records.⁴³ EDI and XML is currently “the easiest machine-to-machine method for exchanging student records” and should therefore continue to be explored in light of increasing digitally-oriented workflows.⁴⁴

Sharing information via EDI and XML formats provides benefits to both staff and institutions. The transfer of information between computers would “[allow] for the automation of many manual processes,” which would grant staff more “time and resources for higher-level analysis and goal achievement.”⁴⁵

Changes in digital transcribing technology also offer cost-savings. Figures 2 and 3 on the next page illustrate metrics from a 2014 survey from the AACRAO show that the savings opportunities for institutions that choose to adopt digitally-oriented services are significant.⁴⁶

As transcripts and credentials become more digitized, it is important to give consideration to who will own the digital artifacts moving forward. In most cases ownership of a student’s transcript or credential is held by the institution the student attended. Students must contact

institutions to send transcripts to other schools and employers, sometimes paying to do so. An issue with this ownership model is that a student may have no recourse to send or receive a transcript if the institution attended were to close. Another issue concerns student mobility. As more students transfer across institutions, the need increases for students to be the primary owner of these artifacts, especially if these artifacts are designed to capture lifelong and continuous learning.

⁴³ Kilgore, W., Hansen, G., & Hamill, M. (2014). Transcript practices and costs at U.S. institutions. American Association of Collegiate Registrars and Admissions Officers, p. 26. https://www.aacrao.org/docs/default-source/research-docs/aacrao-transcript-practice-and-costs-report-june-2014-final.pdf?Status=Temp&sfvrsn=b0fe4a7a_4

⁴⁴ Kilgore, W., Hansen, G., & Hamill, M. (2014). Transcript practices and costs at U.S. institutions. American Association of Collegiate Registrars and Admissions Officers, p. 6. https://www.aacrao.org/docs/default-source/research-docs/aacrao-transcript-practice-and-costs-report-june-2014-final.pdf?Status=Temp&sfvrsn=b0fe4a7a_4

⁴⁵ Kilgore, W., Hansen, G., & Hamill, M. (2014). Transcript practices and costs at U.S. institutions. American Association of Collegiate Registrars and Admissions Officers, p. 7. https://www.aacrao.org/docs/default-source/research-docs/aacrao-transcript-practice-and-costs-report-june-2014-final.pdf?Status=Temp&sfvrsn=b0fe4a7a_4

⁴⁶ Kilgore, W., Hansen, G., & Hamill, M. (2014). Transcript practices and costs at U.S. institutions. American Association of Collegiate Registrars and Admissions Officers, p. 22. https://www.aacrao.org/docs/default-source/research-docs/aacrao-transcript-practice-and-costs-report-june-2014-final.pdf?Status=Temp&sfvrsn=b0fe4a7a_4

FIGURE 2. Hours of staff time spent processing transcripts

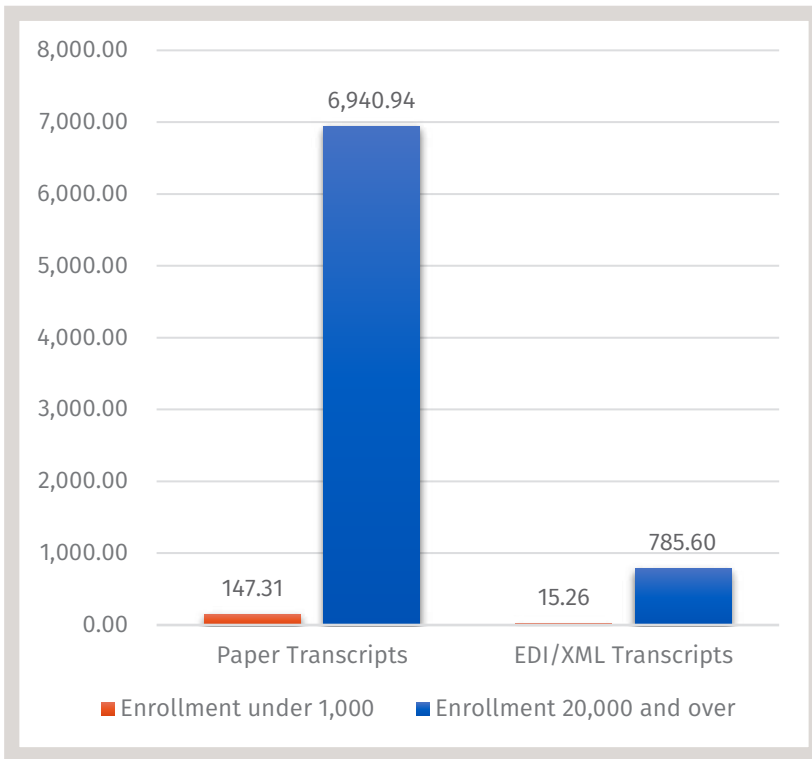
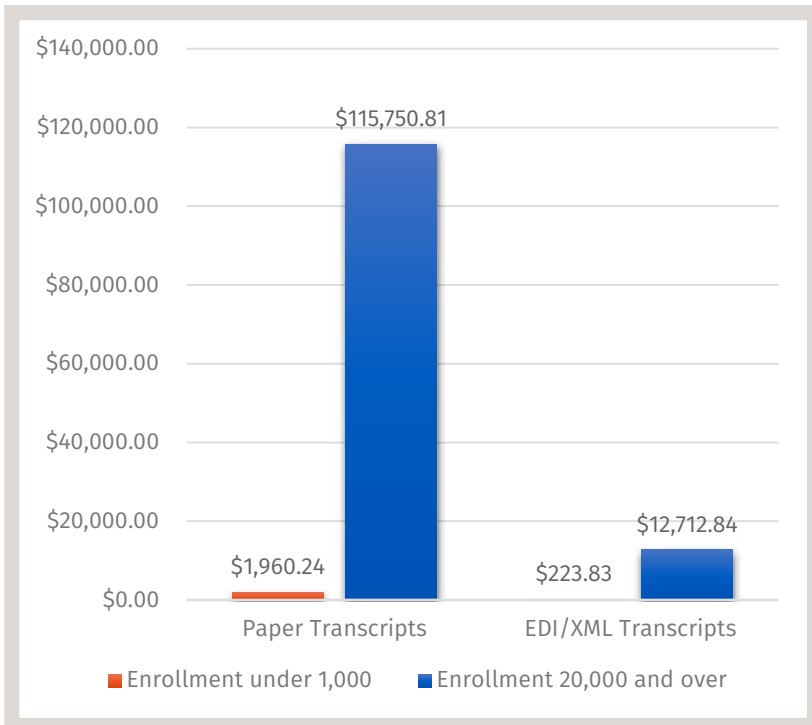


FIGURE 3. Average annual staff costs to process transcripts



APPENDIX C

COMPREHENSIVE LEARNER RECORD AS THE EVENTUAL GOAL

Once institutions have understood and created the necessary technological infrastructure, the “end goal” is the production and widespread adoption of a Comprehensive Learner Record (CLR). The CLR fills a niche in the market in that it merges technology, which leads to institutional savings, with the detailed, expansive documentation students and employers wish to see pertaining to the college experience.

There are a variety of important stakeholders and champions⁴⁷ who are devoted to the conceptualization and actualization of a CLR. An important leader in this space is Credential Engine. Credential Engine’s main initiative is to “[bring] credential transparency through technology.”⁴⁸ Essentially, Credential Engine functions as a centralized clearinghouse so that all stakeholders can make accurate and timely comparisons of various credential offerings. Moreover, Credential Engine created a Credential Transparency Description Language (CTDL), “which provides [a] common language” so that all stakeholders can clearly understand the value of a particular credential.⁴⁹

The AACRAO and the Postsecondary Electronic Standards Council (PESC) have been working together in the arena of digital credentialing. AACRAO in partnership with IMS Global released in May 2020 guidance on reviewing CLRs which provides standards for data interoperability

for CLRs.⁵⁰ PESC’s model is based on the concept of a voluntary consensus standard, which they defined as “data that can be exchanged, shared, reported, sold and/or licensed between at least two separate and independent parties.”⁵¹ The voluntary consensus model provides value to institutions and other actors as it is “based in costs-savings, return on investment, improved data quality and [general] efficiencies gained in overall data management and service delivery.”⁵²

Though CLRs fill a gap in both the institutional and employer markets, educational institutions should be wary of pushing for their adoption and creation too quickly. The quality, availability, and adoption of CLRs is dependent upon the technology behind it. If an institution pursues the CLR without giving adequate attention to the underlying technological infrastructure, the CLR will not be optimally effective. Successful CLR implementations rely on important conversations within and among organizations. It is essential for varying levels of university personnel to be actively involved in the creation and rollout process as this ensures the CLR will meet the diverse set needs in the institutional community.

Ideally, it is best for institutions, vendors, and other actors to first adopt, master, and normalize digital transcription services. If great thought and care is given early in the process, the CLR could experience a seamless rollout once the demand has fully actualized. While the adoption of a CLR is the “end goal” of digital transcription, it should not be at the forefront of the collective mind.

⁴⁷ *Informing Our Thinking as We Measure the Nation’s Progress* discusses Lumina Foundation’s intent to “create holistic systems that capture useful information about the student journey from high school into the labor market. We also want to build capacity to forecast the needs of national, state, and local economies.” [ACE Receives ED Funds to Explore Blockchain’s Potential](#): A blockchain is a database that is communicated throughout a network of computers. Once a record has been added to the chain it is very complex to alter. To safeguard all the versions of the database are the identical, the network creates continual checks. The American Council on Education is exploring the use of blockchain in education with a new initiative funded by the U.S. Department of Education. Lumina Foundation. *Informing our thinking as we measure the nation’s progress*. <https://luminafoundation.org/aof/strategic-impact/>; Murry, M. (2018). A Reuters visual guide blockchain explained. <http://graphics.reuters.com/TECHNOLOGY-BLOCKCHAIN/010070P11GN/index.html>

⁴⁸ Credential Engine. (n.d). About. <https://credentialengine.org/about/>

⁴⁹ Credential Engine. (n.d). How we address quality. (<https://credentialengine.org/about/#how-we-address-quality>)

⁵⁰ American Association of Collegiate Registrars and Admissions Officers. (2020). Guidance on the Review of the Comprehensive Learner Records (CLR) Standard. <https://www.aacrao.org/signature-initiatives/comprehensive-learner-record>

⁵¹ Postsecondary Electronic Standards Council. (2020). PESC approved standards: Documentation and downloads. <https://www.pesc.org/pesc-approved-standards-1.html>

⁵² Postsecondary Electronic Standards Council. (2020). PESC approved standards: Documentation and downloads. <https://www.pesc.org/pesc-approved-standards-1.html>

For the specifics of this RFP/contract, it is recommended that the group ensure the technological environment of stakeholders is maximized. Yet, that maximization process should be coupled with a long-term vision of working towards a Comprehensive Learner Record or a similar concept. We encourage you to view or frame this upcoming RFP/contract as a vehicle to get to the creation and adoption of a CLR. Focusing on crafting a sound technological base while also having a future-oriented end goal in mind will only serve to enhance the flexibility and coverage that this new RFP/contract can provide.

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