

IOWA DEPARTMENT OF ADMINISTRATIVE SERVICES

Request for Proposal: Educational Savings Accounts
RFP #005-RFP-0317-2023

Cost Proposal

Offer Valid Through June 14, 2023



February 14, 2023, 3:00pm CT

(515) 368-9564

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Transmittal Letter



Iowa Department of Administrative Services
Hoover State Building – Level 3
1305 East Walnut Street
Des Moines, Iowa 50319-0105

February 14, 2023

Re: Educational Savings Accounts

Dear Karl Wendt,

Odyssey is pleased to respond to the State of Iowa's Request for Proposal #005-RFP-0317-2023 for Educational Savings Account Administration. In this Cost Proposal, we complement our Technical Proposal that demonstrates our comprehensive understanding of Education Savings Account (ESA) programs with a simple and competitive pricing model.

Odyssey is an experienced provider of technology solutions for microgrant and Education Savings Account (ESA) programs nationwide. The Odyssey payment management platform has been designed specifically to reduce the administrative burden for states implementing ESAs and to empower families utilizing them. Odyssey's experienced team, comprised of highly skilled team members from companies such as Google, Amazon, Lyft, Angellist, and Brex, has created a simple turnkey solution that oversees all aspects of administering an Educational Savings Accounts program, such as the Students First program. Our platform provides tools that allow families and guardians quick and easy access to funds while giving Iowa the means to limit fraud, waste, and abuse. Student learning loss and recovery is one of the most significant issues facing Iowa families today, and we are eager to help by sharing our expertise and platform with them.

In the past year, we have successfully distributed \$50 million to families in ESA and microgrant programs. We worked closely with the state of Idaho to develop and launch a customized, user-friendly platform within four weeks. This partnership has allowed us to distribute \$50 million in public funds to families, allowing students to obtain tutoring, special education services, and other academic services. Our work at Odyssey reflects our mission of making ESA and microgrant programs accessible to families and vendors while ensuring states are able to securely and responsibly administer public funds.

Today, Odyssey is the only experienced platform in the country that has managed to distribute the entirety of the funds earmarked for a program, while eliminating fraud. Although we consider this the minimum necessary for successful administration of an ESA or microgrant program, the industry has struggled with improper payment controls and lack of oversight in other states. Accordingly, we urge the Iowa Department of Education to carefully consider the experience of each applicant with regards to their administration of microgrants.

The attached response thoroughly states our qualifications and demonstrates our ability to serve the State of Iowa. We look forward to collaborating with you and your team on this critical initiative. If you have any questions regarding this response, please contact me at (515) 368-9564 or joe@withodyssey.com.

My best,

Joseph Connor

CEO & Founder
Odyssey

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Cost Proposal

The Respondent shall provide its Cost Proposal in a separate file for the proposed goods and/or services. All prices are quoted pursuant to the terms and conditions of this RFP. Respondent's Cost Proposal shall include an all-inclusive, itemized, total cost in U.S. Dollars (including all travel, expenses, etc. in prices) for the proposed services. All pricing to be FOB Destination, freight cost, and all expenses included; and based on Net 60 Days Payment Terms. Cost proposals must include the following:

- Provide any one time and recurring costs for services. Recurring costs are to be for a 6-year period to cover initial term and extensions to contract.
- Equipment costs.
- Any other costs associated with proposed services.
- Pricing for optional services.

Respondent Discounts

Respondents shall state in their Cost Proposals whether they offer any payment discounts, including but not limited to:

3.3.1.1 Prompt Payment Discount

The State can agree to pay in less than sixty (60) days if an incentive for earlier payment is offered.

3.3.1.2 Cash Discount

The State may consider cash discounts when scoring Cost Proposals.

Investment Breakdown

Odyssey has prepared this guide to explain the details of our cost proposal for the State of Iowa. We are happy to discuss any questions or concerns in more detail.

Service	Description	Price
Application System	Odyssey has built a family-friendly online Application platform that allows for online application submission and processing and includes features that help determine Iowa families' eligibility quickly and efficiently and approve and award funding. Odyssey also allows uploading and transmitting supporting documentation that substantiates a user's eligibility and payments.	\$257,200.00
Fiscal Management & Payment System	Odyssey processes payment and fund transfer capabilities securely via multiple payment methods. Our system enables comprehensive real-time and historical reporting capabilities.	\$167,000.00
Customer Service	Odyssey employs US-based customer service agents. These agents are available to families Mondays – Fridays from 6 am – 12 am. C.S.T., and Saturdays and Sundays from 8 am – 6 pm C.S.T. Our agents are highly trained customer service professionals equipped to deal with all incoming family support needs and questions.	\$205,350.00
Subtotal:		\$629,550.00
Discount	Odyssey provides a 7.5% discount for new customers.	-\$47,216.25
Total Year 1:		\$582,333.75
Total Year 2 and each year thereafter:		\$629,550.00