



6. Twenty-one other PCAs were also awarded similar task orders under SIN 520-4 of their respective GSA Schedule contracts in or about October 2009.
7. Of the 22 total PCAs performing these private collection services, 17 contractors are other-than-small and 5 PCAs qualify as small businesses.
8. Coast qualified at award and continues to qualify as a small business.
9. For all 22 PCAs, the terms and conditions of their respective task orders are nearly identical (collectively, the "TOs").
10. Coast's first Contractor Performance and Continuous Surveillance ("CPCS") period ran from October 2009 to March 31, 2010, and its CPCS periods have been quarterly since April 2010.
11. Throughout the term of its TO, Coast's performance has been outstanding—and recognized by ED as such.
12. The ratio of complaints to compliments received with regard to Coast's performance under its TO is 1:15.
13. In monthly call monitoring audits conducted by ED's Office of Federal Student Aid ("FSA") during the TO, Coast consistently has received success rate scores well [REDACTED].
14. Between February 2014 and January 2015, Coast averaged a success rate of [REDACTED] based on ED's call monitoring audits.
15. Over its previous 12 CPCS quarterly evaluation periods, Coast has averaged a CPCS rating of 97.85 points out of a possible 100, received four perfect scores of 100 points, and finished no worse than second place in the CPCS rankings of all 22 contractors performing under their respective TOs.

16. Over the life of its TO, Coast has averaged a CPCS rating of 95.84 points out of a possible 100.

17. In the most recent CPCS evaluation conducted by ED, which covered the CPCS period of October through December 2014, Coast received a CPCS rating of 98.53 points out of a possible 100.

18. Out of the 22 PCAs performing this collections work for ED, nine contractors were eligible, under the terms of the TOs, for the award of an Award Term Task Order with CPCS ratings of 85 or above for the last 12 CPCS quarterly evaluation periods.

19. Coast's CPCS ratings ranked second among all 22 PCAs, including the nine eligible contractors.

20. On Friday, February 20, 2015, the TOs' contracting officer ("CO"), Patty Queen-Harper, informed Coast's President, Roxanne Baker, by telephone at approximately 5:10 PM EST that Coast would not be awarded an Award Term Task Order.

21. The CO stated that Coast would not be awarded an Award Term Task Order as the result of an unspecified "audit" which resulted in findings of [REDACTED]  
[REDACTED]  
[REDACTED] on an unspecified number of collections calls.

22. On the February 20, 2015 telephone call, the CO, who assumed her position on the TOs effective February 11, 2015, could not provide any details to Coast regarding who performed the audit or its specific results.

23. The CO stated that she could not provide a copy of the audit to Coast and, indeed, that she did not even possess a copy of the audit upon which ED purportedly based its decision not to award Coast an Award Term Task Order.



24. After receiving no response to Coast's February 20, 2015 email, I called the CO's office and cell phones, but neither call was returned.
25. All three Coast executives participated in this outreach to the CO.
26. In the hopes of obtaining substantive answers to our questions from the CO in-person, on Sunday, February 22, 2015, Coast's Chief Financial Officer ("CFO"), President, and I flew to Atlanta, GA, where the CO's office is located.
27. After arriving at the CO's office at 7:30 AM EST on Monday, February 23, 2015, we learned that the CO was in ED's Washington, D.C. office and would not be available to meet in Atlanta.
28. The CO agreed by phone to meet with Coast at 4:30 PM EST on Monday, February 23, 2015 in Washington, D.C.
29. As a result, Coast's CFO, President, and I flew to Washington, D.C. that same day, arriving at ED's Washington, D.C. offices on the afternoon of February 23, 2015.
30. Although the CO previously indicated her availability to meet with Coast that afternoon, when we arrived at ED, we were informed that the meeting would need to be rescheduled for the morning of Wednesday, February 25, 2015.
31. Subsequent to our arrival in Washington, DC, Coast learned that out of the nine contractors with an average CPCS rating of 85 or greater over the relevant CPCS period, ED awarded Award Term Task Orders on February 21, 2015 to the following five contractors: FMS Investment Corp., Continental Service Group, Inc., Account Control Technology, Inc., Windham Professionals, Inc., and GC Services Limited Partnership.
32. Upon information and belief, FSA, via Murthlyn Aldridge, sent an identical e-mail to all 22 PCAs performing under the TOs, via blind carbon copy of the e-mail received by

Coast, notifying each PCA that FSA found they had committed the same alleged [REDACTED].

33. On February 25, 2015, Coast attended a meeting at ED with, among others, the chief of FSA acquisitions, the FSA Chief Operating Officer, and ED General Counsel; the CO did not attend the meeting.

34. In the meeting, ED officials explained that during the February 20, 2015 phone call, the CO was supposed to be following a prepared written script.

35. The FSA Chief Operating Officer explained that Coast did not receive an Award Term Task Order because of the alleged [REDACTED] reflected in Ms. Aldridge's correspondence.

36. ED officials did not refute the fact that all 22 PCAs received an identical notice of alleged [REDACTED] from Ms. Aldridge.

37. ED officials would not offer a specific explanation as to why 5 PCAs, with lower CPCS scores and the same alleged [REDACTED] notice received Award Term Task Orders, but Coast did not.

38. In 2014, Coast earned approximately \$ [REDACTED] in revenue by providing student loan collections services.

39. Of that \$ [REDACTED] in revenue, more than \$ [REDACTED] in revenue came from student loan collections services Coast provided to ED.

40. Currently, approximately [REDACTED] of Coast's work is comprised of and its revenue is derived from the work performed under the TO for ED.

41. As a result of ED's decision not to award Coast an Award Term Task Order, which was delivered to Coast at the close of business on Friday, February 20, 2015 by a CO

whom ED had only placed on the TOs nine days earlier, Coast will suffer a loss of revenues of \$ [REDACTED].

42. Coast has approximately [REDACTED] employees in Louisiana and approximately [REDACTED] employees in New York who will need to be laid off.

43. Moreover, in order to comply with notice requirements for covered plant closings or covered mass layoffs under the Worker Adjustment and Retraining Notification (“WARN”) Act requirements, Coast may be required to give its employees sixty days advanced notice of the conclusion of work under the incumbent contract.


44. If Coast were to give WARN Act Notices to employees, it is likely that it would lose a [REDACTED] number of employees before the conclusion of the incumbent contract.

45. Coast has received multiple telephone calls and inquiries from vendors and third parties regarding ED’s decision and its financial consequence for Coast.

*[Signature page follows.]*

I declare under penalty of perjury that the foregoing is true and correct.

Dated: February 26, 2015

  
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Brian Davis