



# LOUISIANA Housing Corporation

## **REQUEST FOR PROPOSALS**

**For**

## **Program Loan Servicer**

**DATE ISSUED: APRIL 18, 2016**

**DEADLINE TO SUBMIT RESPONSES: JUNE 1, 2016**

2415 Quail Drive \* Baton Rouge, Louisiana 70808  
(225) 763-8700 \* (888) 454-2001 \* (225) 763-8710 (FAX)

[www.lhc.la.gov](http://www.lhc.la.gov)

# I. General and Administrative Information

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## A. Background and Purpose

The Louisiana Housing Corporation (referred to as both “LHC” and the “Corporation”), seeks proposals from qualified Loan Servicing Companies to act as servicer for the corporation’s loans funded in its Single Family program. As of the release date of this RFP, the Corporation has 82 actively serviced second mortgage homeownership loans originated through the HOME Investment Partnerships Program (HOME). It is anticipated, but not guaranteed, that the Corporation will offer other homeownership opportunities that may involve servicing of similar subordinated debt. The contracted party’s responsibilities will include but are not limited to initial set up, collection, monitoring and monthly reporting to the LHC.

The Louisiana Housing Corporation was created to consolidate funding sources and programs for affordable housing throughout the state and to provide for a coordinated approach to overall state housing policy. Prior to the establishment of LHC in 2012, federal and state housing dollars flowed through many different state agencies, including the Louisiana Housing Finance Agency (LHC’s predecessor), the Office of Community Development, the Department of Health and Hospitals, the Department of Children and Family Services, and the Louisiana Housing Authority. Collectively, these agencies managed programs from homelessness prevention to disaster recovery. To service the state’s housing needs, LHC works with a variety of external entities, including lenders, developers, property managers and non-profit organizations. Many of our housing programs are federally funded, which requires a working relationship with government agencies such as the U.S. Department of Housing and Urban Development (HUD), the U.S. Department of Energy, and the U.S. Treasury.

The LHC administers programs which use the following funding sources:

1. Low Income Housing Tax Credits (LIHTC) in accordance with Section 42 of the Internal Revenue Code.
2. HOME Investment Partnerships Program in accordance with Title II of the Cranston-Gonzalez National Affordable Housing Act (NAHA), as amended. The “Final Rule” for the HOME Program is found in 24 CFR Part 92, as amended on July 24, 2013.
3. Multi-Family Mortgage Revenue Bond Financing in compliance with Louisiana State Bond Commission regulations and requirements.
4. Federal Deposit Insurance Corporation (FDIC) Affordable Housing Development in accordance with Land Use Restriction Agreements (LURA).
5. FHA Insured (Risk Share) as authorized under Section 542(c) of the Housing and Community Development Act of 1992 (12 U.S.C. 1707).
6. Market Rate GNMA Program utilizing fixed-rate FHA, VA or USDA Rural Development mortgages.
7. LHC Preferred Conventional mortgage program (Fannie Mae HFA Preferred).

**B. Definitions**

1. **Contractor** – Any firm or individual who is awarded or has a contract with another firm, individual or governmental body.
2. **Corporation** – Louisiana Housing Corporation.
3. **Discussions** -- For the purposes of this RFP, a formal, structured means of conducting written or oral communications/presentations with responsible Proposers who submit proposals in response to this RFP.
4. **Proposal** – A response to a Request for Proposals.
5. **Proposer** – A firm or individual who responds to a Request for Proposals.
6. **RFP** – Request for Proposals
7. **Shall, Must, Will** – Denotes mandatory language; a requirement that must be met without alteration.
8. **Should, Can, May** – Non-mandatory language denoting desirable, advisable or permissible action.
9. **State** – The State of Louisiana.
10. **Subcontractor** – A firm or individual entering into a contract with the Contractor.

**C. Important Dates and Deadlines**

<b>RFP published and posted to LHC website</b>	April 18, 2016	
<b>Deadline for submitting written inquiries</b>	April 25, 2016	5:00 p.m.
<b>Deadline for LHC to respond to written inquiries from Proposers</b>	April 29, 2016	
<b>Deadline for submitting proposals</b>	May 18, 2016	2:00 p.m.
<b>Formal announcement of selected Proposer(s)</b>	June 1, 2016	
<b>Contract Execution</b>	TBD	

**NOTE: The LHC reserves the right to revise this schedule. Any such revision will be formalized by the issuance of an addendum to the RFP.**

## II. Proposal Information

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### A. Proposal Submission

Interested parties may obtain a copy of the RFP by visiting LHC's website at [www.lhc.la.gov](http://www.lhc.la.gov):

Proposals shall be delivered in hard copy and in an electronic file. The hard copy shall be signed on the original, and **received** by the Louisiana Housing Corporation by or before 2:00 p.m. Central Time on **June 1, 2016**. The originals will be retained for incorporation by reference into any contract that may result from this RFP. Proposers should provide four (4) additional copies and one (1) redacted copy, if applicable (see *Section II(H) – Proprietary Information* for details).

The cost proposal shall be submitted separately in a sealed envelope and should include one (1) original, four (4) copies and one (1) redacted copy, if applicable (see *Section II(H) – Proprietary Information* for details). The electronic file shall be delivered in PDF format on a USB flash drive in the same packet with the hard copies.

Proposals may be mailed or delivered by hand or courier service to the following address:

Louisiana Housing Corporation  
2415 Quail Drive  
Baton Rouge, LA 70808  
Attn: Brenda Evans

**IMPORTANT:** Clearly mark the outside of the envelope, box, or package with the following information and format:

Proposer Name and Address: \_\_\_\_\_  
Primary Contact for Proposer: \_\_\_\_\_  
Proposal for: **Program Loan Servicer**

Responses may not be delivered via facsimile transmission or other telecommunication or electronic means. Proposers assume the risk of the delivery method chosen, including delivery via private courier or the United States mail. **Please be advised that proposals arriving after the 2:00 p.m. deadline, whether via personal delivery, U.S. mail, Federal Express, UPS, or other comparable method of delivery, will not be accepted for any reason.**

The Proposer is solely responsible for ensuring that its courier service provider makes inside deliveries to the address set forth above. LHC is not responsible for any delays caused by the Proposer's chosen

means of proposal delivery. Additionally, the Proposer is solely responsible for the timely delivery of its proposal. **Failure to submit a proposal by the date and time set forth above shall result in rejection of the proposal.**

This RFP does not commit the Corporation to award any contract nor to pay any costs incurred in the preparation or delivery of responses. Furthermore, the Corporation reserves the right to accept or reject, in whole or in part, any and all responses submitted, and/or to cancel this RFP. The Corporation also reserves the right to ask for additional information from any Proposer and/or all Proposers as may be necessary or appropriate for purposes of clarification.

## **B. Authorization**

The proposal must be signed by a duly authorized representative, such as:

1. The current corporate officer, partnership member, or other individual specifically authorized to submit a proposal as reflected in the appropriate records of the proposer;
2. An individual authorized to bind the entity as reflected by a corporate resolution, certificate or affidavit; or
3. An individual identified in other documents conferring the appropriate authority in a form acceptable to the LHC.

Proposers must be registered entities and in good standing under the laws of the State of Louisiana and certified to conduct business in the State of Louisiana, pursuant to La. R.S. 12:301-302, by the Louisiana Secretary of State, prior to entering into a contract with LHC.

## **C. Contact Prohibitions (Blackout Period)**

It is the express policy of the Corporation that prospective Proposers to this RFP refrain from initiating any direct or indirect contact or communication with Corporation staff or members of the Corporation's Board of Directors with regard to the this RFP. The Blackout Period is a specified period of time during a competitive procurement process in which any Proposer, or its agent or representative, is prohibited from communicating with any LHC employee or services contractor of LHC involved in any step in the procurement process about the affected procurement. The Blackout Period applies not only to Corporation employees, but also to the Board of Directors and any contractor of the Louisiana Housing Corporation. "Involvement" in the procurement process includes but may not be limited to program management, design, development, implementation, procurement management, development of specifications, and evaluation of proposals for a particular procurement. This RFP identifies a designated RFP Coordinator. All communications to and from potential Proposers, and/or their representatives during the Blackout Period must be in accordance with this RFP's defined method of communication with the designated contact person. The Blackout Period will begin upon posting of the RFP. The Blackout Period will end when the contract is awarded.

Any violation of this policy will be considered as a basis for disqualification from consideration and may result in liability to LHC in damages and/or subject to any other remedy allowed by law including rejection of proposal or cancellation/termination of contract. Further, failure to comply with these requirements may result in disqualification. The LHC will produce public records in accordance with LA R.S. Title 44.

Notwithstanding the foregoing, the Blackout Period shall not apply to:

1. Duly noticed site visits and/or conferences for proposers;
2. Oral presentations during the evaluation process;
3. Communications regarding a particular solicitation between any person and staff of the LHC, provided the communication is limited strictly to matters of procedure. Procedural matters include deadlines for decisions or submission of proposals and the proper means of communicating regarding the procurement, but shall not include any substantive matter related to the particular procurement or requirements of the RFP.

#### **D. Questions and Answers Regarding the RFP**

Proposers may submit written questions concerning the RFP via e-mail to [Brenda Evans](mailto:bevans@lhc.la.gov), at [bevans@lhc.la.gov](mailto:bevans@lhc.la.gov), Subject: [Loan Servicer RFP Question\(s\)](#), by no later than 5:00 p.m. Central Time on April 25, 2016. All questions and answers shall be posted on LHC's website at [www.lhc.la.gov](http://www.lhc.la.gov) by April 29, 2016.

Inquiries shall clearly reference the section of the RFP about which the Proposer is inquiring or seeking clarification.

The Corporation reserves the right to modify the RFP should a change be identified that is in the best interest of the Corporation. It is the sole responsibility of the Proposer to inquire into and clarify any portion of the RFP that is not understood.

#### **E. Costs Incurred in Preparation of Proposal**

All costs directly or indirectly related to preparation of a proposal in responding to this RFP, any oral presentations required to supplement and/or clarify a proposal, and any reasonable appearance which may be required by the LHC in connection with this Proposal, shall be the sole responsibility of the Proposer, and shall not be reimbursed in any manner by the LHC.

#### **F. Ownership of Offer**

All materials submitted in response to this request shall become the property of the LHC. Selection or rejection of a proposal does not affect this right. All proposals submitted will be retained by the LHC and shall not be returned to Proposers.

## **G. Offer Validity**

All proposals shall be considered valid for acceptance until such time as an award is made.

## **H. Proprietary Information**

Only information that is in the nature of legitimate trade secrets or non-published financial data may be deemed proprietary or confidential. Any material within a proposal identified as such must be clearly marked in the response and will be handled in accordance with the Louisiana Public Records Act, La. R.S. 44.1 *et seq.*, and applicable rules and regulations. Any response marked as confidential or proprietary in its entirety may be rejected without further consideration or recourse.

Proposers must be prepared to defend the reasons the material should be held in confidence. If a competing Proposer or other party seeks review or copies of a Proposer's confidential data, the Corporation will notify the Proposer of the request. If the Proposer does not want the information disclosed, it must agree to indemnify and hold the Corporation harmless against all actions or court proceedings that may ensue (including attorney's fees) which seek to order the Corporation to disclose the information. If the Proposer refuses to indemnify and hold the Corporation harmless, the Corporation may disclose the information.

The Corporation reserves the right to make any response, including proprietary information contained therein, available to its personnel, the Office of the Governor or other State agencies or organizations, for the sole purpose of assisting the Corporation in its evaluation of the response. The Corporation shall require said individuals to protect the confidentiality of any specifically identified proprietary information or privileged business information obtained as a result of participation in these evaluations.

## **I. Code of Ethics**

Proposers are responsible for determining that there will be no conflict of interest or violation of the Louisiana Code of Governmental Ethics, R.S. 42:1101, *et seq.*, if their firm is awarded the contract. Ethics issues are interpreted by the Louisiana Board of Ethics.

## **J. Changes, Addenda, Withdrawal**

The LHC shall reserve the right to change the schedule of important dates and deadlines or revise any part of the RFP by issuing an addendum to the RFP at any time. Addenda, if any, will be posted at [www.lhc.la.gov](http://www.lhc.la.gov). It shall be the responsibility of the Proposer to check the website for addenda to the RFP.

If prior to the deadline for submitting proposal a Proposer needs to submit changes or addenda to its Proposal, such changes or addenda shall be submitted in writing to the Corporation, in a sealed envelope, clearly cross-referencing the relevant proposal section, and signed by an authorized representative of the Proposer. Changes and/or addenda to Proposals shall meet all requirements for Proposals.

## **K. Withdrawal of Proposal**

The Proposer may withdraw a proposal that has been submitted at any time up to the date and time the proposal is due. To accomplish this, a written request signed by the authorized representative of the Proposer must be submitted to the RFP Coordinator.

## **L. Cancellation of RFP or Rejection of Proposals**

Issuance of this RFP in no way constitutes a commitment by the LHC to award a contract. The LHC reserves the right to accept and/or reject any or all proposals, or to cancel this RFP if it is determined to be in the best interest of the LHC.

## **M. Waiver of Administrative Informalities**

The LHC reserves the right, at its sole discretion, to waive minor administrative informalities contained in any proposal.

## **N. Acceptance of Proposal Content**

The mandatory RFP requirements shall become a contractual obligation if a contract ensues. Failure of the successful Proposer to accept this obligation shall result in rejection of the proposal.

## **O. Evaluation and Selection**

The evaluation of proposals will be accomplished by an Evaluation Team, to be designated by the LHC, which will determine the proposal most advantageous to the LHC, taking into consideration price and other evaluation factors set forth in the RFP.

## **P. Written or Oral Presentations/Discussions**

Written and/or oral discussions may be conducted by the Corporation with Proposers submitting proposals determined to be reasonable choices for selection and contract award; however, the Corporation reserves the right to enter into a contract without further discussion of proposals submitted, based on initial offers. Any commitments or representations made during such discussions, if conducted, may be formally recorded in the final contract. Written and/or oral discussions/presentations for clarification may be conducted in order to enhance the Corporation's understanding of any or all of the proposals submitted. A contract may, however, be awarded without such discussions.

## **Q. Contract Award and Execution**

The LHC shall reserve the right to enter into a contract without further discussion of the proposal submitted based on the initial offers received.

The LHC shall reserve the right to contract for all or a partial list of services offered in the proposal.

The selected Proposer shall be expected to enter into a contract that contains substantially similar contract terms and provisions as set forth in Section VI. In no event shall a Proposer submit its own standard contract terms and conditions as a response to this RFP. The Proposer should submit with its proposal any exceptions or exact contract deviations that its firm wishes to negotiate only on terms not mandated. Negotiations may begin with the announcement of the selected Proposer.

If the contract negotiation period exceeds thirty (30) business days, the Corporation may elect to cancel the award and award the contract to the next-highest-ranked Proposer.

LHC reserves the right to defer the selection of any Proposer to a time of the Corporation's choosing.

### **R. Notice of Intent to Award**

The Evaluation Team will compile the scores and recommended an award. The Corporation will notify the successful Proposer and proceed to negotiate terms for the final contract. Unsuccessful Proposers will be notified in writing accordingly.

### **S. Certification of OMB A-133 Compliance**

Proposers must provide certification that they are not suspended or debarred from conducting business with government agencies. By signing and submitting any proposal for one hundred thousand dollars (\$100,000) or more, the Proposer certifies that the represented company, as well as any principals, are not suspended or debarred by the General Services Administration ("GSA") in accordance with the requirements in OMB Circular A-133.

### **T. Disqualification**

The LHC reserves the right to verify all information provided by a Proposer via direct contact with the Proposer's clients and prior project personnel and Proposers must agree to provide necessary authorizations for the LHC to verify any of the Proposer's previous work. As described elsewhere in this RFP, each Proposer will be required to submit a detailed resume for all key personnel. Misstatements of experience and scope of prior projects shall be grounds for disqualification of the Proposer from further consideration.

### **U. Errors and Omissions in Proposals**

The Corporation will not be liable for any errors in proposals. The Corporation reserves the right to make corrections or amendments due to errors identified in proposals by the Corporation or the proposer. The Corporation, at its option, has the right to request clarification or additional information from the Proposer.

## III. Scope of Services

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### A. Introduction

The Louisiana Housing Corporation originated a total of 361 deferred second mortgages, during 1994 and 1996 as part of a HOME-funded first time buyers' assistance program. As of the date of the release of this RFP, the Corporation has 82 of the deferred second mortgages being serviced. The purpose of this RFP is to contract with an outside loan servicer to assist LHC in servicing the deferred second mortgages, including the existing 82 second mortgages.

It is expected that the organization selected pursuant to this RFP will serve as the Loan Servicer beginning from the date of contract execution and will continue for a one-year term. The term of service will be subject to two (2) one-year extensions via annual renewal at the option of LHC.

### B. Tasks and Services

The Contractor will perform the required services as an independent Loan Servicer. The Loan Servicer must provide the diligent and customary functions to service the second mortgage loan portfolio for LHC monthly. The Loan Servicer must receive monthly payments on each loan. In the event that payments are not made in accordance with the agreement, the servicer should make efforts to contact the mortgagors and provide correspondence to the Corporation monthly detailing the extent of their collection efforts. The Loan Servicer must also remit the total receipts of principal and interest earned to LHC monthly along with a remittance manifest and delinquency report. The existing loan portfolio does not contain escrow accounts for taxes and insurance; however the Loan Servicer selected should offer such services and make them available to borrowers, if requested. LHC's existing second mortgage loan portfolio is at zero percent (0%) interest with fixed monthly payments that begin once the first mortgage loan is paid in full.

The Loan Servicer must furnish payment coupons to the borrowers or other electronic means to track payments. As part of its customer service, the selected Loan Servicer must respond to borrower requests for information on an as-needed basis. The Loan Servicer will be responsible for providing all notices, statements, forms and reports required by the Internal Revenue Service in connection with the individual loan account and providing the borrower with an annual history of activity on individual loans. Loan Servicer must make all loan portfolio data available to LHC electronically. Such data must be available for viewing, printing, or downloading. The Loan Servicer must provide mortgagors the option of making monthly payments via automatic electronic funds transfer or check-by-phone. Preferably the Loan Servicer will have a system that is able to interface with Housing Development Software (HDS) and must include specific details in its response of any capacity it has in interfacing with Housing Development Software.

The Loan Servicer will be required to furnish the services listed below under this contract and must be able to describe any additional services provided that will demonstrate knowledge of, and/or be of benefit in, managing LHC's existing or expanding loan portfolio. LHC reserves the right to choose among such additional alternatives/services after selection of Loan Servicer.

### **LOAN SERVICING**

The following general services will be required for all loans:

- a. The Loan Servicer must provide the diligent and customary functions to service the loans on a monthly basis.
- b. The contracted party's responsibilities will include but are not limited to initial set up, collection, monitoring and monthly reporting to the LHC.
- c. The Loan Servicer must provide a separate accounting remittance manifest to LHC on a monthly basis for each loan. The Loan Servicer must be able to remit monthly proceeds by separate category or funding source as designated by LHC.
- d. The Loan Servicer must provide loan customers payment coupons to be used in connection with making monthly payments.
- e. The Loan Servicer will be responsible for providing all notices, statements, forms and reports required by the Internal Revenue Service in connection with the individual loans and providing the borrower an annual history of activity on the individual loan account.
- f. The Loan Servicer shall provide systematic and timely reporting of delinquencies of loans based on 30, 60 and 90 days past due; monitor and report forbearances and foreclosures as appropriate; process payoff requests and make available online to the customer and/or to LHC on a monthly basis; and provide early delinquency intervention services, institute loss mitigation procedures and default follow-up services to include letters, due diligence phone calls, and forbearance work outs.
- g. At LHC's discretion, the Loan Servicer shall provide annual affidavits to property owners to determine continued compliance with terms and conditions of promissory notes.
- h. The Loan Servicer shall provide default follow-up services to include letters, due diligence phone calls, and forbearance work outs.
- i. The Loan Servicer shall prepare and process judgments against defaulted borrowers at LHC's discretion.
- j. The Loan Servicer shall notify credit bureaus of delinquent and defaulted loans. The Loan Servicer shall make available to LHC, loan portfolio data in an electronic format.
- k. The Loan Servicer shall make available upon borrower's request, escrow accounts for taxes and insurance and the loan servicer must require the borrower to provide proof of insurance and maintain proper tracking system of continuous coverage.
- l. The Loan Servicer shall provide other related services as may reasonably be requested by LHC.

- m. Any interest earned on payments received from the borrower from the time remitted to the time submitted to the Corporation will be forwarded to LHC.

### **C. Determination of Responsibility**

Determination of the Proposer’s responsibility will be made by LHC based on information submitted in the proposal and/or otherwise available to LHC. The Corporation must find that the selected Proposer:

1. Has adequate financial resources for performance, or has the ability to obtain such resources as required during performance;
2. Has the necessary experience, organization, technical qualifications, skills, and facilities, or has the ability to obtain them;
3. Is able to comply with the proposed or required time of delivery or performance schedule;
4. Is in compliance with the Dodd-Frank Wall Street Reform and Consumer Protection Act particularly Consumer Financial Protection Bureau Final Rule, as applicable;
5. Has a satisfactory record of integrity, judgment, and performance; and,
6. Is otherwise qualified and eligible to receive an award under applicable laws and regulations.

Proposers should ensure that their Proposals contain sufficient information for the Corporation to make its determination by presenting acceptable evidence of the above to perform the contracted services.

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## IV. Proposal Content

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Proposals should be prepared providing a straightforward and concise description of the Proposer's capabilities to satisfy the requirements of the RFP. Emphasis should be on completeness and clarity of content.

Proposals should be submitted in letter-size (8½" by 11") format with a type font of Times New Roman or similar and a minimum font size of 12 points. Proposals should be bound and indexed according to the format and order of presentation described below.

### A. Cover Page

The following information should be included under the title "Request for Proposals for Program Loan Servicer":

1. Name of Proposer;
2. Proposer address;
3. Proposer telephone number;
4. Proposer federal tax identification number;
5. Name, title, address, telephone number, fax number and e-mail address of contact person authorized to contractually obligate the Proposer on behalf of the Proposer;
6. The cover letter should be submitted on the Proposer's official business letterhead explaining the intent of the Proposer;
7. A brief statement of the Proposers understanding of the scope of the work to be performed;
8. A statement attesting that all information provided to the LHC is true and accurate to the best of the firm's knowledge;
9. A confirmation that the Proposer has not had a record of substandard work within the last five years;
10. A confirmation that the Proposer has not engaged in any unethical practices within the last five years and is free of ethics conflicts regarding the services to be performed in the contract;
11. A confirmation that, if awarded the contract, the Proposer acknowledges its complete responsibility for the entire contract;
12. Any other information that the Proposer deems appropriate; and
13. The signature of an individual who is authorized to make proposals of this nature in the name of the Proposer submitting the proposal.

## B. Contents of Proposal

Interested Proposers are required to submit proposals that contain the following information. Proposers should letter and number responses exactly as the contents presented below:

1. Abstract. Provide a profile of the firm and describe why it is pursuing the work.
  
2. Capacity.
  - a. **Place of Incorporation or Formation and Years of Experience**

The Proposer must provide the firm's date and state of incorporation or formation, years in business, and years of firm's experience (not the individual employees' or managers' experience) as a servicer.
  - b. **Organization**

The Proposer must provide a description of how the firm is organized. Detailed information must be provided about the experience and qualifications of the staff who will be assigned to act for the firm in providing services to the LHC as well as the functions to be performed by each. Full résumés of each person, including names, positions, education, and public finance experience should be included. The Proposer must provide detailed information on the firm's staffing and other elements of its capacity relevant to performing the services described herein. Identify and describe fully all family or business relationships any employee or manager of the firm may have or has had with employees or elected officials of the State or local governmental entities in Louisiana.
  - c. **Credit Information and Financial Statements**

The Proposer must provide a current Dun & Bradstreet report or other national business credit bureau report; a current banking reference with a money center bank and/or a bank located in Louisiana, two trade credit references, and audited financial statements for the current and the two previous years. If such information is not available, provide an explanation.
  
3. National and Louisiana Servicing Experience. The Proposer must demonstrate specialization in loan management and servicing for public sector programs. Provide a list of five (5) references, identifying a lead contact with a telephone number, who may be contacted regarding the firm's abilities, integrity, and professional reputation in acting as a servicer. Provide reference information regarding any public sector agencies for which the Proposer currently provides loan servicing, as well as any other information that would demonstrate the firm's understanding and experience in servicing loans funded under the HOME program. Proposer must demonstrate knowledge of HOME regulations and procedures.

Summarize the organization's experience as Servicer for all types of conventional first and subordinate loans in the United States and in Louisiana. Describe type of experience related

- to loan servicing for public and/or private programs, i.e. when, how long, service area, type of services, etc. Describe your organization's typical implementation schedule and approach used for customer service.
4. Commitment to Louisiana. Proposer must indicate if they possess any special qualifications that could assist LHC in their efforts to serve low to moderate income individuals and families in Louisiana.
  5. Technology Capacity, Reporting and Accounting Interface. Describe the computer capabilities of your firm in connection with the monthly delinquency reporting; payoff requests for sales and refinances; ability to manipulate and import data electronically and provide access of same to LHC. Describe capabilities for web-based access to two years of payment and collection history. Enumerate methods to maintain current copies of hazard, flood insurance with applicable deductibles and property taxes. Indicate the software system(s) that your firm currently interfaces with in detail.
  6. Servicer Criteria. Indicate all of the following which apply to Proposer:
    - a. Originated and/or serviced residential mortgage loans during the three-year period, 2012-2015;
    - b. FHA-approved mortgagee with direct endorsement;
    - c. VA-approved mortgagee with automatic authority;
    - d. Rural Development-approved mortgagee;
    - e. GNMA-approved Seller/Servicer;
    - f. Fannie Mae/Freddie Mac approved Seller/Servicer with ability to offer all products offered by GSEs;
    - g. FDIC insured;
    - h. Maintain Errors and Omissions Insurance in amount required by GSEs; and
    - i. Maintain Fidelity Bond Coverage in amount required by GSEs.
  7. Escrow/Disbursement Capabilities. Describe your firm's ability to set-up, monitor, disburse and provide for insurance and tax escrows.
  8. Transition Plan and On Boarding. Describe your firm's work plan and specifications for the transition of the existing 82 serviced second mortgages and future on boarding of new loans for the tasks associated with the described services.
  9. Additional Services. In addition to the normal duties of Servicer, describe any other services (other than services as Servicer) your organization proposes to make available to the LHC. Indicate the proposed basis for compensation for such services. Describe in detail Servicer's ability to service HOME multi-family (Rental) payments (as applicable include fee

structure). Include a demonstration of Proposer’s ability to provide early intervention services and loss mitigation procedures.

10. Current Portfolio. Provide the following information relating to all single-family residential mortgage loans being serviced by you, for your own account, or for the accounts of other investors.

<b>Delinquency/Foreclosure Data</b>	<b>12/31/13</b>	<b>12/31/14</b>	<b>12/31/15</b>	<b>Total Portfolio</b>
% 30-60 days delinquent				
% 61-90 days delinquent				
% of loans more than 90 days Delinquent				
% of loans in process of Foreclosure				
Dollar Amount of Loans being Serviced (indicate number of units)				

11. Conflicts of Interest. Disclose any potential conflicts of interest with representing the Corporation in this matter, including any potential conflicts of interest of employees assigned to this project and potential conflicts with any of the Corporation’s board members. Discuss how your firm would propose to deal with any potential conflicts arising from concurrently serving as Servicer for LHC and for other organization in the State. The Corporation reserves the unqualified right to disqualify an entity or cancel any contract for any potential conflict of interest issues raised initially and/or during the life of any contract awarded.
  
12. Criminal Proceedings/Investigations. Detail any criminal investigation, indictment, prosecution or other proceeding that has ever been brought against your organization (provide attachment if necessary), any civil litigation pending or concluded within the last three (3) years against your organization that would impair your ability to provide the requested services (provide attachments if necessary), and/or any oversight entity's investigation involving the firm or any professionals in the firm who may be involved in providing the services.

## **C. Contents of Cost Proposal**

The cost proposal must provide the fee schedule as detailed below:

### **Fees Charged – Amortizing Loans**

- a. New Loan Set-Up Fee
- b. Monthly Service Fee
- c. Monthly Service Fee to include monitoring of taxes and/or insurance
- d. Monthly Service Fee to include escrow of taxes and/or insurance
- e. Monthly Service Fee for Delinquency and Default Follow-Up Management/Collections

### **Fees Charged – Deferred Loans**

- f. New Loan Set-Up Fee
- g. Monthly Service Fee to Warehouse loans
- h. Monthly Service Fee to Warehouse and monitor of taxes and/or insurance Monthly Service Fee
- i. Monthly Service Fee to Warehouse and escrow of taxes and/or insurance Monthly Service Fee
- j. Flat fee for receiving occasional payments on deferred loans

### **Fees Charged - Forbearance Plans**

- k. Flat Fee charge per loan per occurrence

### **Fees Charged - Loan Foreclosure**

- l. Fee charged for Document Preparation
- m. Fee charged for Reinstatement

### **Fees Charged - Bankruptcy Services**

- n. Fee charged for Filing of Proof of Claims
- o. Fee charged for Reaffirmation Agreements
- p. Fee charged for Monitoring and Repayments
- q. Fee charged for Filing of Lift Stays
- r. Fee charged for Portfolio Transfer
- s. Fee charged for Per-Event (Tickler Notifications and Affidavit of Owner)
- t. Fee charged for Portfolio Transfer

### **Fees Charged - Other**

- u. Any other auxiliary services and fees

## V. Evaluation

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### A. Evaluation of Proposals

The LHC's objective in soliciting proposals is to enable it to select a Loan Servicer that will provide high quality and cost effective services to the citizens of the State of Louisiana. The LHC will consider proposals that, in its sole judgment, have demonstrated the capability and willingness to provide high quality services to the citizens of the State of Louisiana in the manner described in this RFP.

All proposals will be reviewed to determine if they have met the requirements of this RFP. Those that meet the requirements will be deemed "responsive", and will be evaluated by the Evaluation Team. Those responses that do not meet the requirements of the RFP will be deemed "non-responsive" and will be rejected.

The Corporation reserves the right to consider a proposal as "non-responsive" if the proposal does not meet mandatory requirements. The Corporation also reserves the right to negotiate with Proposers to this RFP, if necessary, to refine or expand the statement of work, fee arrangements, or any other aspect of the services to be provided.

### B. Evaluation Criteria

Proposals that meet the mandatory requirements and are deemed "responsive" as set forth in paragraph A, above, will be evaluated based on information provided in the proposal. The LHC may invite one or more proposers to make presentations. The Evaluation Team will review all proposals and make a determination based on the following factors:

1. An overview of your firm's experience in providing servicing of HOME and other program-funded loans;
2. Your qualifications, including specific experience with Housing Finance Agencies or other public entities;
3. Biographical sketches of the principal(s) and staff who would be assigned to this activity;
4. The proposed fee schedule, payment provisions requested and estimated expenses;
5. A list of client references;
6. Proof of liability insurance and amount;
7. A statement attesting that all information provided in your proposal to the LHC is true and accurate to the best of your knowledge; and
8. Any guarantees offered by your firm.

The LHC will negotiate a fee schedule with the chosen contractor(s) based upon both the prices submitted in response to the RFP and the Corporation’s own cost analysis.

Proposers are encouraged to identify and clearly label in their proposal how each qualification is being fully addressed. Evaluation of responses to this RFP will be based only on the information provided in the proposal, and if applicable, interviews and reference responses. LHC serves the right to request additional information or documentation from the firm regarding its proposal, personnel, financial viability, or other items in order to complete the selection process. If a Proposer chooses to provide additional materials in their proposal beyond those requested, those materials should be identified as such and included in a separate section of the proposal.

The following Evaluation Criteria with a point system of relative importance with a total of **two hundred twenty (220)** points will be utilized to evaluate the qualifications of each proposer.

EVALUATION CRITERIA	MAXIMUM SCORE
Capacity	20
National and Louisiana Servicing Experience	30
Commitment to Louisiana	10
Technology Capacity, Reporting and Accounting Interface	20
Servicer Criteria	18
Escrow Disbursement Capabilities	20
Transitional Plan and On-Boarding	20
Additional Services	30
Current Portfolio	30
Cost Proposal	22
<b>TOTAL SCORE</b>	<b>220</b>

### C. Oral Presentations

If the Evaluation Team extends invitations for oral presentations, the Proposers selected for final evaluation will be expected to accept the invitation and make oral presentation to the Evaluation Team at the Corporation. Proposers may be asked to provide clarification on corporate background and experience; proposed staff’s experience; research and technical support capabilities and staffing; pending investigations and lawsuits; financial position and activities; views on market trends; etc. Proposers are reminded that any oral commitments or representations made during these presentations that extend beyond the written representations in the proposal document may be formally recorded in the contract.

### D. Final Scoring

If oral presentations are conducted, those presentations will be graded by the Evaluation Team separate from the previously submitted written proposals on the basis of information obtained from the



Proposers’ oral presentations and references with a maximum point value of 20 points being awarded. The final score will be the sum of the score received from both the written submission packet and the oral presentation, if any.

**E. Final Selection**

Upon approval by the Board of Directors a formal announcement of the selected firm will be made, and all proposers will be notified. Contract negotiations are expected to begin by the date listed in Section I (C). The successful firm will be expected to sign the contract, which will contain similar terms and requirements as those set forth in Section VI, below. Firms should thoroughly review Section VI prior to submission of proposal response.

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## VI. Contract Requirements

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### A. Contract Award, Negotiations and Execution

Contracts will be awarded to the Proposers whose proposal accumulates the highest score. The formal announcement of the selected proposer will occur on or about the date indicated in Section I(C), *Important Dates and Deadlines*. The Corporation reserves the right to request additional information and/or to negotiate certain clarifications with the prospective vendor selected through this RFP. The Corporation also reserves the right to contract for all or a partial list of services offered in the response as well as to negotiate fees and terms of the contract.

The successful Proposer will be expected to enter into a contract with the LHC, which will contain substantially similar terms and requirements as those set forth in this Section. The RFP and proposal of the selected firm will become part of any contract initiated by the LHC.

If the contract negotiation period exceeds thirty (30) business days or if the selected Proposer fails to sign the final contract within five (5) business days of delivery, the LHC may elect to cancel the award and award the contract to the next highest ranked proposer.

If, for any reason, the Proposer most responsive to the Corporation's needs, price and other evaluation factors set forth in the RFP considered, does not agree to a contract, that proposal shall be rejected, and the Corporation may negotiate with the next most responsive Proposer. Negotiation may include revision of non-mandatory terms, conditions, and requirements

### B. Term of Contract

The initial term of the contract shall be for a period of time not to exceed one (1) year from the effective date of the contract, and may be renewed at the discretion of the Corporation and concurrence of the contractor for a maximum of two one-year terms. All responses should reflect services in anticipation of a one year contract term.

### C. Insurance Requirements

During the term of the contract, the Contractor shall at its own cost and expense, procure and maintain the types of insurance listed below, as may be determined to be applicable to the work to be performed under the contract. The Proposer's inability or unwillingness to meet these requirements as a condition of the award, may, at the sole discretion of the Corporation, be rejected.

1. *Commercial General Liability:* Commercial General Liability insurance, including Personal and Advertising Injury Liability and Products and Completed Operations, shall have a minimum limit per occurrence of \$1,000,000 and a minimum general aggregate of \$2,000,000. The Insurance Services Office (ISO) Commercial General Liability occurrence coverage form CG 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. Claims-made form is unacceptable.
2. *Automobile Liability:* Automobile Liability insurance shall have a minimum combined single limit per accident of \$1,000,000. ISO form number CA 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. This insurance shall include third-party bodily injury and property damage liability for owned, hired and non-owned automobiles.
3. *Workers Compensation and Employers Liability:* Workers Compensation insurance shall be in compliance with the Workers Compensation law of the State of the Contractor's headquarters. Employers Liability is included with a minimum limit of \$1,000,000 per accident/per disease/per employee. A.M. Best's insurance company rating requirement may be waived for workers compensation coverage only.
4. *Professional Liability (Errors and Omissions) Insurance:* Professional Liability (Errors & Omissions) insurance, which covers the professional errors, acts, or omissions of the Contractor, shall have a minimum limit of \$1,000,000 per claim. Claims-made coverage is acceptable. The date of the inception of the policy must be no later than the first date of the anticipated work under the contract. It shall provide coverage for the duration of the contract and shall have an expiration date no earlier than 30 days after the anticipated completion of the contract. The policy shall provide an extended reporting period of at least 24 months, with full reinstatement of limits, from the expiration date of the policy, if policy is not renewed.

#### **Deductibles and Self-Insured Retentions**

Any deductibles or self-insured retentions must be declared to and accepted by the Corporation. The Contractor shall be responsible for all deductibles and self-insured retentions.

#### **Other Insurance Provisions**

The policies are to contain, or be endorsed to contain, the following provisions:

1. Commercial General Liability and Automobile Liability Coverages
  - a. The Corporation, its officers, agents, employees and volunteers shall be named as an additional insured as regards negligence by the contractor. ISO Forms CG 20 10 (for ongoing work) and CG 20 37 (for completed work) (current forms approved for use in Louisiana), or

equivalents, are to be used when applicable. The coverage shall contain no special limitations on the scope of protection afforded to the Corporation.

- b. The Contractor's insurance shall be primary as respects the Agency, its officers, agents, employees and volunteers for any and all losses that occur under the contract. Any insurance or self-insurance maintained by the Agency shall be excess and non-contributory of the Contractor's insurance.

2. Workers Compensation and Employers Liability Coverage

To the fullest extent allowed by law, the insurer shall agree to waive all rights of subrogation against the Corporation, its offers, agents, employees and volunteers for losses arising from work performed by the Contractor for the Corporation.

3. All Coverages

- a. All policies must be endorsed to require 30 days written notice of cancellation to the Corporation. Ten-day written notice of cancellation is acceptable for non-payment of premium. Notifications shall comply with the standard cancellation provisions in the Contractor's policy. In addition, Contractor is required to notify the Corporation of policy cancellations or reductions in limits.
- b. The acceptance of the completed work, payment, failure of the Corporation to require proof of compliance, or Corporation's acceptance of a non-compliant certificate of insurance shall not release the Contractor from the obligations of the insurance requirements or indemnification agreement.
- c. The insurance companies issuing the policies shall have no recourse against the Corporation for payment of premiums or for assessments under any form of the policies.
- d. Any failure of the Contractor to comply with reporting provisions of the policy shall not affect coverage provided to the Corporation, its officers, agents, employees and volunteers.

**Acceptability of Insurers**

1. All required insurance shall be provided by a company or companies lawfully authorized to do business in Louisiana. Insurance shall be placed with insurers with an A.M. Best's rating of A-:VI or higher. This rating requirement may be waived for workers compensation coverage only.
2. If at any time an insurer issuing any such policy does not meet the minimum A.M. Best rating, the Contractor shall obtain a policy with an insurer that meets the A.M. Best rating and shall submit another Certificate of Insurance within 30 days.

**Verification of Coverage**

1. Contractor shall furnish the Corporation with Certificates of Insurance reflecting proof of required coverage. The Certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The Certificates are to be received and approved by the Corporation before work commences and upon any contract renewal or insurance policy renewal thereafter.
  
2. The Certificate Holder shall be listed as follows:  
  
State of Louisiana  
Louisiana Housing Corporation, Its Officers, Agents, Employees and Volunteers  
2415 Quail Drive, Baton Rouge, LA 70808
  
3. In addition to the Certificates, Contractor shall submit the declarations page and the cancellation provision for each insurance policy. The Corporation reserves the right to request complete certified copies of all required insurance policies at any time.
  
4. Upon failure of the Contractor to furnish, deliver and maintain required insurance, this contract, at the election of the Corporation, may be suspended, discontinued or terminated. Failure of the Contractor to purchase and/or maintain any required insurance shall not relieve the Contractor from any liability or indemnification under the contract.

**Workers Compensation Indemnity**

In the event Contractor is not required to provide or elects not to provide workers compensation coverage, the parties hereby agree that Contractor, its owners, agents and employees will have no cause of action against, and will not assert a claim against the Louisiana Housing Corporation or its agents and employees as an employer, whether pursuant to the Louisiana Workers Compensation Act or otherwise, under any circumstance. The parties also hereby agree that the Louisiana Housing Corporation and its agents and employees shall in no circumstance be, or considered as, the employer or statutory employer of Contractor’s owners or agents, or the employer of its employees. The parties further agree that Contractor is a wholly independent contractor and is exclusively responsible for its employees, owners, and agents. Contractor hereby agrees to protect, defend, indemnify and hold the Louisiana Housing Corporation and its agents and employees harmless from any such assertion or claim that may arise from the performance of this Contract.

**D. Billing and Payment**

The Contractor will submit monthly itemized billing statements.

Under normal circumstances, the LHC should remit payment to the contractor within 30 days of approval of invoices. The LHC makes every effort to pay all valid or undisputed invoices in a timely

manner. There may be times when invoices are disputed or clarification of charges is needed before payment can be made.

## E. Non-Negotiable Contract Terms

Non-negotiable contract terms shall include, but not be limited to taxes, assignment of contract, audit of records, EEOC and ADA compliance, record retention, content of contract/order of precedence, contract changes, governing law, claims or controversies, and termination based on contingency of appropriation of funds.

## F. Use of Subcontractors

The selected Proposer shall serve as the single prime contractor for all deliverables and work performed pursuant to the terms of the entire contract. **No proposals involving subcontractors, joint proposals, or joint ventures will be accepted.**

## G. Prohibited Activity

Contractors are prohibited from using funds provided herein or personnel employed in the administration of this program for political activities, inherently religious activities, lobbying, political patronage, and/or nepotism. The Contractor will comply with the prohibitions from using funds provided herein or personnel employed in the administration of the program for political activities, inherently religious activities, lobbying, political patronage, and/or nepotism.

## H. Warranties and Representations

The Contractor warrants and represents that the following are true and shall remain true throughout the term of the Contract:

1. All information contained in its response to the RFP remains current and correct, including all information regarding its credit standing, financial status, resources, insurance, and personnel;
2. It is in good standing as a corporation in the state of its incorporation, and it is qualified to do business in Louisiana, and will take all such action that may be necessary from time to time to remain in good standing and so qualified;
3. It is not in arrears with respect to the payment of any monies due and owing the Corporation or any department of the State or unit thereof, or any local governmental entity within the State, including but not limited to the payment of taxes and employee benefits, and that it shall take such action as from time to time may be necessary to ensure the continuous and current status of all monetary obligations it may owe the State or any local governmental entity within the State;

4. It is in compliance with all federal, state, and local laws applicable to its activities generally, and, in particular, to its obligations under this Contract; and
5. It now possesses, or shall immediately obtain and maintain, all licenses, permits, insurance, and governmental approvals, if any, that are necessary to the performance of its obligations under this Contract, or which are required by the Corporation from time to time.

## **I. Assignment**

The Contractor shall not assign any interest in this Contract and shall not transfer any interest in same (whether by assignment or novation), without prior written consent of the Corporation, provided however, that claims for money due or to become due to the Contractor from the Corporation may be assigned to a bank, trust company, or other financial institution without such prior written consent. Notice of any such assignment or transfer shall be furnished promptly to the Corporation.

## **J. Indemnification**

The Contractor agrees to save and hold harmless, protect, defend, and indemnify the State of Louisiana, all State Departments, Agencies, Boards and Commissions, the Louisiana Housing Corporation, its officers, agents, employees and volunteers, from and against any and all claims, demands, expenses and liability arising out of injury or death to any person or the damage, loss or destruction of any property which may occur or in any way grow out of any act or omission of the Contractor, its agents, servants and employees, or any and all costs, expenses and/or attorney fees incurred by the Contractor as a result of any claim, demands, and/or causes of action, except those claims, demands, and/or causes of action arising out of the negligence of the State of Louisiana, all State Departments, Agencies, Boards and Commissions, the Louisiana Housing Corporation, its collective officers, agents, employees, prior Sub-Program contractors and volunteers (the "Qualified Claims"). The Contractor agrees to investigate, handle, respond to, provide defense for and defend any Qualified Claims at its sole expense and agrees to bear all other costs and expenses related thereto, even if the claim, demand or suit is groundless, false or fraudulent. The Louisiana Housing Corporation may, but is not required to, consult with the Contractor in the defense of claims, but this shall not affect the Contractor's responsibility for the handling of and expenses for all claims.

## **K. Payment of Taxes**

The Contractor understands and agrees that it is responsible for paying any taxes (including Louisiana or federal income or payroll taxes), or license fees or official fees that may be due as a result of either its receipt of fees or other payments hereunder or its performance in accordance with the terms hereof under its own Federal Tax Identification Number.

## **L. Audit**

The Contractor grants to the Office of the Legislative Auditor, Inspector General's Office, the Federal Government, and any other duly authorized agent of the State, where appropriate, the right to inspect and review all books and records pertaining to services rendered under this Contract for a period of five (5) years from the date of the last payment made under this Contract. The Contractor shall comply with federal and/or state laws authorizing an audit of the Contractor's operation as a whole, or of specific program activities. Records shall be made available during normal working hours for this purpose.

## **M. Non-Discrimination in Employment**

The Contractor agrees to abide by the requirements of the following as applicable: Title VI and VII of the Civil Rights Act of 1964, as amended by the Equal Opportunity Act of 1972, Federal Executive Order 11246, the Federal Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Act of 1975, and Contractor agrees to abide by the requirements of the Americans with Disabilities Act of 1990. Contractor further agrees not to discriminate in its employment practices, and shall render services under this Contract without regard to race, color, religion, sex, sexual orientation, national origin, political affiliation or disabilities. Any act of discrimination committed by the Contractor, or failure to comply with these statutory obligations when applicable, shall be grounds for contract termination.

## **N. Contingent Fee Prohibitions**

The Contractor warrants that it has not employed or retained any person, partnership, corporation or other entity, other than a bona fide employee or agent working for it directly, to solicit or secure this Contract, and that it has not paid or agreed to pay any person, partnership, corporation or other entity, other than a bona fide employee or agent, any fee or other consideration contingent on the making of this Contract. For breach or violation of this warranty, the Corporation shall have the right to annul this Contract without liability for any work performed hereunder and with the right to recover any fees or expenses paid hereunder, or, in its discretion, to deduct from the consideration otherwise payable to the Contractor the full amount of such fee or other consideration paid for such solicitation or lobbying effort.

## **O. Governing Law**

The laws of the State of Louisiana shall govern the terms of the contract and disputes arising therefore shall be resolved in accordance with the laws of the State of Louisiana. Venue of any action brought with regard to this contract shall be in the Nineteenth Judicial District Court, Parish of East Baton Rouge, State of Louisiana.

## **P. Termination for Cause**

LHC may, after giving reasonable written notice specifying the effective date, terminate this Agreement in whole or in part for cause, which shall include but not be limited to:

1. Failure, for any reason, of Contractor to fulfill in a timely and proper manner the obligations under this Agreement, and such statutes, Executive Orders, and federal directives as may become generally applicable at any time;
2. Submission by Contractor of reports to the Corporation, the State of Louisiana or HUD or either of their auditors, that are incorrect or incomplete in any material respect, provided Contractor is given notice of said failure and fails to correct the same within a reasonable amount of time; or
3. Ineffective or improper use of funds as provided for under this Agreement.

If, through any cause, Contractor shall otherwise fail to fulfill in a timely and proper manner, its obligations under this Agreement, or if Contractor shall violate any of the covenants, agreements, or stipulations of this Agreement, Corporation shall thereupon have the right to terminate this Agreement by giving written notice to Contractor of such termination and specifying the effective date thereof, at least thirty (30) days prior to the effective date of said termination.

## **Q. Termination for Convenience**

LHC may terminate the Agreement at any time by giving at least thirty (30) days prior written notice to Contractor. Contractor shall be entitled to payment on requests submitted up to the date of termination contained within the notice, to the extent that requests represent eligible activities satisfactorily completed and otherwise reimbursable under the terms of this Agreement.

## **R. Termination Due to Unavailable Funding**

The continuation of this Agreement is contingent upon the appropriation and release of funds by the Corporation to fulfill the requirements of this Agreement. Failure of the appropriate authorities to approve and provide an adequate budget to the LHC for fulfillment of the Agreement terms shall constitute reason for termination of the Agreement by either Party. Contractor shall be paid for all authorized Services properly performed prior to termination.

## **S. Confidentiality**

All financial, statistical, personal, technical and other data and information relating to the State's operation and made available to the Contractor in order to carry out this Contract, or which become available to the Contractor in carrying out this Contract, shall be protected by the Contractor from unauthorized use and disclosure through the observance of the same or more effective procedural requirements as are applicable to the State. The identification of all such confidential data and

information as well as the Corporation's procedural requirements for protection of such data and information from unauthorized use and disclosure shall be provided by the Corporation in writing to the Contractor. If the methods and procedures employed by the Contractor for the protection of the Contractor's data and information are deemed by the Corporation to be adequate for the protection of the Corporation's confidential information, such methods and procedures may be used, with the written consent of the Corporation, to carry out the intent of this paragraph.

The Contractor shall not be required under the provisions of the paragraph to keep confidential any data or information which is or becomes publicly available, is already rightfully in the Contractor's possession, is independently developed by the Contractor outside the scope of the Contract, or is rightfully obtained from third parties.

All of the reports, information, data, et cetera, prepared or assembled by Contractor under this Contract are confidential and Contractor agrees that they shall not be made available to any individual or organization without the prior written approval of the Corporation. This does not extend to information that was obtained from the public domain such as public agencies or sources of information available to the general public. Under no circumstance shall the Contractor discuss and/or release information concerning any project and/or program without prior express written approval of Corporation.

## **T. Third Party Requests for Release of Information**

Should third parties request the Contractor to submit Confidential Information to them pursuant to a public records request, subpoena, summons, search warrant or governmental order, the Contractor will notify the Corporation immediately upon receipt of such request. Notice shall be forwarded via e-mail and via facsimile to the representative designated in writing by the Corporation as the Corporation contact for requests for release of information. Protocols for the handling of such requests are subject to the Corporation public records request policy. The Contractor shall cooperate with the Corporation with respect to defending against any such requested release of information or obtaining any necessary judicial protection against such release if, in the opinion of Corporation, the information contains Confidential Information which should be protected against such disclosure. The legal fees and related expenses incurred by the Contractor in resisting the release of information under this provision shall constitute reimbursable expenses under this Contract.

Legal service fees of law firms associated with this Section may not be "marked up" by the Contractor as it is against the law for a non-law firm to share in legal fees.

No copies or reproductions shall be made of any Confidential Information except to effectuate the purposes of this Contract or upon the prior approval of the Corporation. The Contractor shall not make use of any Confidential Information for their own benefit or for the benefit of any third party, except as directed by the Corporation in writing.

In accordance with the Contract, as between the Contractor and the Corporation, all Confidential Information is deemed to be the property of the Corporation.

Upon termination of expiration of the Contract, all databases and other storage media containing Confidential Applicant Data shall be delivered to the Corporation, who shall retain such information for the periods of time then required in accordance with any applicable State and federal statutes and regulations controlling such record retention. The Contractor shall not keep any copies of the Confidential Applicant Data in any medium format; upon delivery of the Confidential Applicant Data to the Corporation under this provision, the Contractor shall certify under penalty of perjury that no copies of the Confidential Applicant Data have been retained. Any exceptions to this provision must be approved in writing by SPD, and shall set forth the scope of the data required to be retained, the reasons justifying such retention, and the terms and conditions of such retention.

## **Y. Compliance With Civil Rights Laws**

The Contractor agrees to abide by the requirements of the following as applicable: Title VI and Title VII of the Civil Rights Act of 1964, as amended by the Equal Opportunity Act of 1972, Title VIII of the Civil Rights Act of 1970, Title VIII of the Civil Rights Act of 1968, relating to nondiscrimination in the sale, rental or financing of housing, Federal Executive Order 11246, the Federal Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, Americans with Disabilities Act of 1990, the Comprehensive Alcohol Abuse and Alcoholism Prevention Treatment and Rehabilitation Act of 1970 (P.L. 91-616), relating to the nondiscrimination on the basis of alcohol abuse or alcoholism, and any other nondiscrimination provisions under which application for Federal assistance is made.

Contractor agrees not to discriminate in its employment practices, and will render services under this contract without regard to race, color, religion, sex, sexual orientation, national origin, veteran status, political affiliation, or disabilities. Any act of discrimination committed by Contractor, or failure to comply with these statutory obligations when applicable shall be grounds for termination of this contract.

## **Z. Ownership of Documents**

All records, reports, documents, or other material or data, including electronic data, related to this Contract and/or obtained or prepared by Contractor, and all repositories and databases compiled or used, regardless of the source of information included therein, in connection with performance of the Services Contracted for herein shall become the property of the Corporation, and shall, upon request, be returned by Contractor to the Corporation at termination or expiration of this Contract. Cost incurred by Contractor to compile and transfer information for return to the Corporation shall be billed on a time and materials basis, is subject to the maximum amount of this Contract. Software and other materials owned by Contractor prior to the date of this Contract and not related to this Contract shall be and remain the property of Contractor. The Corporation will provide specific project information to Contractor necessary to complete Services described herein.



All records, reports, documents and other material delivered or transmitted to Contractor by the Corporation shall remain the property of the Corporation and shall be returned by Contractor to the Corporation, upon request, at termination, expiration or suspension of this Contract.

Contractor has the duty to fully cooperate with the Corporation and provide any and all requested information, documentation, etc. to the Corporation when requested. This applies even if an eventual contract is terminated and/or a lawsuit is filed. Specifically, the Contractor does not have the right to limit or impede the Corporation's right to audit or to withhold Corporation owed documents.