

## Questions and Answers for Request for Proposals (RFP ) 2010-08 Compliance Monitoring Services for Hardest Hit Fund Program

### **Question 1:**

Who will be providing training for the Local Housing Counseling Agencies?

### **Answer:**

The Florida Housing Coalition

### **Question 2:**

RFP 2010-08, Section Four (A) includes ‘verification’ type of activities (e.g., “Verification of whether the applicant was ever able to afford the home in question”). How does Florida Housing anticipate the Compliance Monitor service provider to perform this function? Is this “verification” step simply a review of the file information to see if the service provider can come to the same conclusion? Or some other verification step external to the file?

### **Answer:**

The Compliance Monitor will be reviewing both procedural uniformity and the due diligence performed by the Local Housing Counseling Agency to ensure compliance with HHF guidelines.

### **Question 3:**

RFP 2010-08, Section Four (B) discusses “Review of HHF Program Management Practices”. Does Florida Housing have an estimated time period, or desired level of detail for this review? Does this review include observations and recommendations on how to improve program management practices, or is this a review to see if program management practices are being followed as designed?

### **Answer:**

Section Four (A) & (B) are to be completed as two parts of the same Desk Review. Please refer to Section Four (A) & (B) in regard to review detail, and Section Four (C) in regard to the desk review time periods. Florida Housing expects the monitor to determine if program management practices are being followed.

### **Question 4:**

RFP 2010-08, Section Six (E) requests that fees be proposed on a per file basis for Desk Reviews and an additional fee per On-Site Review. How does Florida Housing desire proposers to price activities listed in Section Four (B) and (E) that are not related to Desk or On-Site Reviews?

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### **Answer:**

Section Four (B) is directly related to the Desk or On-Site Review. Section Four (E) with the exception of item four (4) is part of the normal monitoring process. In determining a fee structure for Section Four (E) 4: Desk Investigative Reviews should be thought of as Desk Reviews, On-Site investigative Reviews should be thought of as On-Site Reviews.

### **Question 5:**

RFP 2010-08, Section Seven identifies a scoring table and lists Section Six (B), (C), and (D) as the scoring items. How does Florida Housing plan to incorporate the other subsections of Section Six into the scoring and vendor selection criteria?

### **Answer:**

Sections (A) and (H) – Threshold Item, not scored;  
Section (E) – For negotiation purposes, not scored;  
Sections (F) and (G) – Tiebreakers

### **Question 6:**

RFP 2010-08, Exhibit A (Work Plan) identifies estimates for the number of Desk Reviews, but does not mention On-Site Reviews. Does Florida Housing have estimates for the number of On-Site Reviews? If yes, please provide.

### **Answer:**

Florida Housing estimates a minimal number of On-Site Reviews.

### **Question 7:**

How does Florida Housing envision the Compliance Monitor to perform a Desk Review? Would the Compliance Monitor have to be on-site at a Florida Housing office to review information, or could the Compliance Monitor be remote and receive the files electronically?

### **Answer:**

Florida Housing envisions Desk Reviews to be completed from a remote location. File transfer may be accomplished via hard copy or electronic means.

### **Question 8:**

How many Local Housing Counseling Agencies were awarded to administer the Hardest Hit Funds? Where are they geographically located?

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### **Answer:**

At the July 30, 2010 Board Meeting, Florida Housing's Board selected thirty-eight (38) entities to provide local housing counseling services contingent upon providing additional information. Please [CLICK HERE](#) for a list of those entities. The Local Housing Counseling Agencies are located throughout Florida.

### **Question 9:**

In Florida Housing's HFA Hardest Hit Fund Proposal to the Treasury, Florida Housing identified fee estimates for Compliance Monitoring contracts based on past experience: Desk Review = \$75 per file reviewed; On-Site Review = \$1,500 flat fee plus \$75 per file reviewed. Questions related to these estimates:

- a. Does the estimated "per file" review fee, as applicable to the Hardest Hit Fund, include all the procedures identified in Section Four (A) of the RFP?
- b. Has Florida Housing revised these compliance monitoring fee estimates since submitting their Proposal to the Treasury?
- c. Does the \$1,500 flat fee estimate include travel expenses?
- d. Did Florida Housing estimate the amount of time it takes to complete a Desk Review and/or On-Site Review? If yes, please provide.

### **Answer:**

- a. Yes
- b. No
- c. Yes
- d. No – Desk Review completion may vary from one monitor to another. On-Site Reviews should vary based on the nature of the review itself.

### **Question 10:**

In the RFP, under Scope of Services it states client files will be reviewed either by desk or on-site Review as directed by Florida Housing. If the review is conducted via desktop, who will bear the cost of the time to copy the Client files and ship to the monitor? Or is this something we would address in our fee schedule?

### **Answer:**

Florida Housing expects the majority of the documentation to be sent electronically to the monitor for the Desk Review.

### **Question 11:**

What is the estimated enrollment of participants?

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**Answer:**

Florida Housing anticipates 40k-50k applicants, with a success rate of approximately 25%.

**Question 12:**

What is the estimated percentage of coverage desired for each sample?

**Answer:**

Please refer to the Work Plan provided in Exhibit A of the RFP.

**Question 13:**

What was the actual amount paid for last year's monitoring service?

**Answer:**

The Hardest Hit Fund program is a new program for 2010 funded by the Department of Treasury.

**Question 14:**

What is the budgeted amount for this year's monitoring services?

**Answer:**

Florida Housing has approximately \$750,000 budgeted for monitoring services over the life of the program.

**Question 15:**

Who are your current auditors/ CPA firm?

**Answer:**

The Hardest Hit Fund program is a new program for 2010 funded by the Department of Treasury. There are no current auditors for this program.

**Question 16:**

Is there a policy of mandatory rotation?

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**Answer:**

Florida Housing does not anticipate mandatory rotation for this program.

**Question 17:**

Is there a local preference for Auditors?

**Answer:**

No

**Question 18:**

How long have you been working with the current Auditors/CPA firm?

**Answer:**

Please refer to Question 15.

**Question 19:**

Can the monitoring review be done electronically (scan and email docs to CPA firm)

**Answer:**

Yes – Electronic transfer is the preferred method.

**Question 20:**

What is the selection criterion for submitted responses?

**Answer:**

Please refer to Section Six of RFP 2010-08.

**Question 21:**

Who does the monitoring report go to?

**Answer:**

Pursuant to Section Four (C), monitoring reports should be sent to Florida Housing and the Local Housing Counseling Agency.

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**Question 22:**

Will an official assessment tool be provided for the monitoring work?

**Answer:**

Yes – a Quality Assurance Review checklist shall be provided.

**Question 23:**

From a financial standpoint, what are your top three (3) priorities?

**Answer:**

From a financial standpoint, the top three priorities are to test for fraud, waste, and abuse.

**Question 24:**

What are the qualities in an auditing firm that you deem most important?

**Answer:**

Qualities that can satisfy the factors identified in RFP 2010-08.

**Question 25:**

Will the participants be classified by risk level?

**Answer:**

This is not anticipated.

**Question 26:**

Has anything significant occurred in the current year, which is different from prior years?

**Answer:**

No

**Question 27:**

Has anything significant occurred in the current year, which is different from prior years?

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### **Answer:**

Please refer to Question 26.

### **Question 28:**

Please provide a copy of your most recent financials (balance sheet, income statement, budget vs. actual, any other relevant report.

### **Answer:**

Please [CLICK HERE](#) to view Florida Housing's Audited Financial Statements.

### **Question 29:**

Who is on the selection committee?

### **Answer:**

The Review Committee selected by Florida Housing's Executive Director will consist of the following staff members: David Westcott, Rob Dearduff, Matt Jugenheimer and Robin Fowler.

### **Question 30:**

Who will rank the firms; staff or the selection committee? Finance/Audit committee?

### **Answer:**

The Review Committee will rank the firms and provide a recommendation to Florida Housing's Board of Directors for final selection.

### **Question 31:**

Do you plan to make multiple awards for the Compliance Monitoring Services?

### **Answer:**

Pursuant to Section One (C), "Florida Housing expects to engage the services of one or more qualified compliance monitors that propose to provide all of the services specified in this RFP throughout the state".

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**Question 32:**

How many Counseling Agencies does FHFC plan to utilize for the HFH fund?

**Answer:**

Please refer to Question 8.

**Question 33:**

How many total reviews are projected on a yearly basis?

**Answer:**

Please refer to the Work Plan provided in Exhibit A of the RFP.

**Question 34:**

How many desk reviews are projected?

**Answer:**

Please refer to the Work Plan provided in Exhibit A of the RFP.

**Question 35:**

How many site reviews are projected?

**Answer:**

Please refer to Question 6.

**Question 36:**

Is the evaluation committee the same FHFC employees responsible for selecting the Counseling Agencies?

**Answer:**

No.

**Question 37:**

On page 12 the RFP asks respondents to: "limit your response to one bound volume"; however, page 4 of the RFP indicates that an original and 5 copies must be submitted. Please clarify this.



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**Answer:**

The complete response must be in one bound volume (this may be stapled, or included in a notebook). Five additional copies of the complete response must be included

**Question 38:**

Will the Monitoring Agent be responsible to verify the borrower is not eligible under HAMP?

**Answer:**

The Monitoring Agent will be responsible for verifying that a HAMP Determination was made, and that the methodology used was applied in a uniform fashion across the sample files.

**Question 39:**

FHFC's website says that the Legal Representation Strategy and Downpayment Assistance Strategy did not comply with EESA. Are there now more funds available for Mortgage Intervention Strategy than originally expected?

**Answer:**

Yes

**Question 40:**

How long after beginning the desk review would FHFC expect it to be completed?

**Answer:**

Pursuant to Section Four (C), "the Monitoring Agent shall provide the report to the Local Housing Counseling Agency and Florida Housing on or before fifteen (15) business Days from the completion date".

**Question 41:**

Please provide a formatted example of the expected "written report of findings" as well as the prescribed forms to compile the information gathered. If these do not exist, will FHFC provide?

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**Answer:**

These documents are in draft form, and shall be provided during contract negotiations.

**Question 42:**

Will FHFC require all local housing counseling agencies (LHCA) to utilize a standard file format? i.e., file inventory checklist, consistency in forms and supporting documentation, operating procedures, etc.

**Answer:**

Checklists and forms should be standardized; supporting documentation may vary based on the individual participant's circumstances.

**Question 43:**

If an item is missing from the Client File documentation, is any follow up required, or should it just be indicated in the written report of findings?

**Answer:**

Yes, it should be documented in the findings of the written report, and follow up would be required.

**Question 44:**

Regarding scope item #4 under Review of HHF Client Files (page 7), what is meant by "stated required payments"?

**Answer:**

"Stated required payments" refers to payment amounts recommended by the Local Housing Counseling Agency.

**Question 45:**

Will FHFC provide the servicers access to the online data tracking system used by LHCA to determine eligibility as well as amounts reserved?

**Answer:**

Yes

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**Question 46:**

Will there be a FHFC rule for the HHF program?

**Answer:**

Florida Housing does not anticipate adding rules for the Hardest Hit Program.

**Question 47:**

Is the HHF program going to be added to FHFC's compliance procedures rule?

**Answer:**

Florida Housing does not anticipate adding HHF program language to the Compliance Procedures Rule Chapter 67-53.

**Question 48:**

Will the Housing Counseling Agency be responsible for the cost of shipping files and documents for desk audits to the Monitoring Agent?

**Answer:**

Florida Housing expects the majority of the documentation to be sent electronically to the monitor for the Desk Review. Any shipping costs will be the responsibility of the Local Housing Counseling Agency.

**Question 49:**

Will the Monitoring Agent be responsible for the cost of shipping files and documents for desk audits from the Housing Counseling Agency to the Monitoring Agent?

**Answer:**

Please refer to Question 48.

**Question 50:**

Will files and documents for desk audits sent to the Monitoring Agent by the Housing Counseling Agency need to be returned to the Housing Counseling Agency?

**Answer:**

If the documents are originals, yes they must be returned. If the documents are copies, they must be retained by the Monitoring Agent under the established file retention policy.

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**Question 51:**

Will the Monitoring Agent be responsible for the cost of returning files and documents for desk audits to the Housing Counseling Agency?

**Answer:**

Please refer to Question 48.

**Question 52:**

Will the Housing Counseling Agency be responsible for the cost of returning files and documents for desk audits from the Monitoring Agent to the Housing Counseling Agency?

**Answer:**

Please refer to Question 48.

**Question 53**

Will there be any special shipping and handling measures necessary to ensure the security of files and documents for desk audits during transport?

**Answer:**

This would be a recommended business practice.

**Question 54:**

Three strategies are referred to in FHFC's HFA Hardest Hit Fund Proposal submitted to U.S. Department of the Treasury. Does the Request for Proposals 2010-08 HHF Compliance Monitoring Services for Florida Housing Finance Corporation solicit Compliance Monitoring Services for the Mortgage Intervention Strategy only?

**Answer:**

Yes

**Question 55:**

Will the Monitoring Agent be responsible for reviewing the verification by the Housing Counseling Agency, of the lender's agreement to match up to nine months of mortgage payments on behalf of qualified borrowers?

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**Answer:**

No

**Question 56**

Will the Monitoring Agent be responsible for reviewing the verification by the Housing Counseling Agency, of qualified borrower's Home Affordable Modification Program (HAMP) eligibility status?

**Answer:**

Please refer to Question 38.

**Question 57:**

The Q & A for the RFQ 2010-07, answer #10, states the Mortgage Intervention Strategy will not require a full income certification. Will any form of income certification be employed for the client to certify income?

**Answer:**

Yes

**Question 58:**

Are HUD regulations to be used in determining the types and amounts of income to be included in the calculation of annual income?

**Answer:**

No

**Question 59:**

If the answer to question [58] is no, what method is used?

**Answer:**

A modified version of the HAMP guidelines will be used.

Submitted by:

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