

New York State Banking Department
Foreclosure Counseling Service Delivery Request for Proposal
Questions and Answers

The New York State Banking Department is providing this e-mail to all potential bidders of the Foreclosure Counseling Request for Proposal issued February 13, 2008. These Questions and Answers will be posted on the Banking Department's website at www.banking.state.ny.us

Please note that the Banking Department is extending the deadline for proposal submission to Wednesday, April 2, 2008 at noon Eastern Standard Time.

Below is a numbered list of all the questions received. We have grouped similar questions together. Questions have been presented exactly as written, including any grammatical, spelling, or other structural errors, except for those that included identifying information, or information specific to how an entity intends to approach its proposal. This information has been deleted and either replaced with "____" or "...," or removed entirely if not required to convey the essence of the question.

Length of Grant Period and Maximum Amount Awarded

1. I understand that this is a two year grant. Is that correct?

A: The anticipated grant period can be anywhere from 12 months to 24 months. It is up to the bidder to specify the time period which the grant will cover.

2. Page 3, Section 2.2 states, "the NYSBD anticipates proposals will contain programs that will run between 12 and 24 months. Please clarify: what are your requirements, 1 year or 2?"

A: See answer to question #1.

3. Is the maximum of \$100,000 per grant an annual amount? If, for example, a proposal is made for a two year project, can the maximum requested be \$200,000?

A: No. The maximum grant is \$100,000 regardless of whether the proposal is for one year or longer.

4. Is the maximum grant \$100,000 whether it is a 2 year grant or a 1 year grant...or is it \$100,000 per year? In other words, will you entertain a proposal for \$100,000/year for 2 years, for a total of \$200,000?

A: We will not entertain a proposal for two years for a total of \$200,000. See answer to question 3.

5. The max size of the grant award is \$100,000. Is this \$100,000 per year or over 2 years.

A: The maximum amount to be awarded for any one grant is \$100,000, regardless of the period covered by the grant. It is up to the bidder to determine the appropriate period of time for which the funds will be applied. The period may be anywhere between 12 and 24 months.

6. The maximum that an agency or a collaboration of agencies can apply for is \$100,000. The applicant is then asked for a time frame for the project. I am assuming that whatever time frame the agency states that the funding will cover that no future funding will be made available. As an example agencies can state that they are requesting \$100,000 to cover a one year program. Or they can state that the \$100,000 will cover a two year program. If stated it would only cover one year, they will not receive an additional \$100,000 next year. Am I correct in this assumption?

A: Yes, the maximum for a full grant, on any one single proposal, regardless of the length of program, is \$100,000.

7. On page 3, the RFP states that it is anticipated that proposals will contain programs which run from 12 to 24 months. Is it anticipated that this funding stream will end after two years and that no additional funding will be available after that?

A: Yes, after two years, no additional funding will be available.

Budget and Cost

8. The budget form requests information for year one and year two. Is the budget information regarding the second year optional or required?

A: If the program is for a single year the second year on the budget form should not be completed. The second year is appropriate for programs that intend to span more than twelve months, and is required if the program runs into the second year.

9. On pg 8, pt 9, the RFP mentions that the funds from NYS Banking Dept, if awarded, have to be accounted for separately. If we have a separate General ledger code for NYS Banking dept funds is that acceptable? If not, please suggest acceptable solutions.

A: Yes, this is acceptable.

10. Pg 6, point 3.4 –

“average cost per hour per person (for financial education and training delivery” .

Could you expand on this? I am not clear what is required here.

“proposed cost structure” – Am I right in assuming that you want a comparison between direct and indirect costs?

“price proposal” – what is this? Please clarify?

A: Average cost per person per hour - This figure is derived from taking the total grant request divided by the total number of person hours the proposal intends to provide. For example, a \$100,000 request to provide fifteen group sessions of ten persons each (150 individuals) with two hours of group counseling and an additional twelve hours of individual counseling for 200 individuals would look like this:

$$\begin{array}{r} 150 \text{ (persons)} \times 2 \text{ (hours)} = 300 \text{ (person hours)} \\ \underline{200 \text{ (persons)} \times 12 \text{ (hours)} = 2400 \text{ (person hours)}} \\ 2700 \text{ person hours} \end{array}$$

$$\text{\$100,000(Grant request)/2700(person hours)= \$37.04/hour}$$

Cost structure - A comparison of the percent of cost attributable to direct services as compared to administrative cost. The Banking Department will make these calculations based upon the information entered on the Foreclosure Counseling Budget Form, Attachment A.

“Price Proposal” - The bidder’s budget for this project. This budget must be included as part of the bid submission on the document provided, entitled “Foreclosure Counseling Budget Form, Attachment A”. The bidder may also include a budget narrative if they desire.

11. On page 6, the RFP states that it will focus on, among other things, "average cost per hour per person for financial education and training delivery." Does this refer to education and training for staff or for clients?

A: The average cost per person per hour is calculated as described in question #10. This is to include all costs presented in the bidder’s proposal regardless of the specified use of the funds.

Joint and Collaborative Proposals

12. We are affiliated with several offices that work and serve various counties in the state. Our organization shares the same EIN and 501-c-3 tax designation with several other offices the exception of a few offices that have separate corporate identification. We are thinking about either collaborating on the RFP as “one organization” or we might split up the organizations by region and submit two applications instead. Would the State Banking Department accept both applications and consider both positively for review even though some of the organizations share the same EIN? Or would the agency consider one application and disqualify the other? Please advise. Thank you.

A: An organization that shares the same EIN and 501(c)(3) tax exempt status with other offices or programs will be considered a single organization. A single organization can submit more than one proposal. However, a single organization cannot receive more than two awards. Additionally, an organization cannot receive two awards for

a single proposal submission. Submissions must be substantially different unless they propose to serve distinctly different geographic areas or are applying to multiple funding pools.

13. Our organization is comprised of several community counseling organizations and financial institutions. What are the advantages and disadvantages if we apply as a coalition as to separate organizations?

A: The advantages and disadvantages of applying as a coalition as opposed to individual organizations depend on a wide variety of factors that are unique to the organizations applying and the areas they serve. In evaluating any proposal, we will look at the ability of organizations, whether individually or collectively, to maximize the number of borrowers that can be helped and to provide high quality foreclosure prevention services within their geographic area. Please see answer to questions 6 and 12 for more information.

14. Page 3, Section 2.4 states, " the maximum amount to be awarded for any one grant is \$100,000" and then it goes on to state, "the maximum number of awards to a single organization is capped at two regardless of the total award amount(s). --Under what circumstances would an organization receive 2 awards?

A: A single organization may be affiliated with programs or have offices that operate in different counties or geographic areas within the State and may share the same 501(c)(3) tax designation with those programs or offices. Such an organization may submit a proposal for each of their different programs or offices but can receive no more than two awards. For example, an organization with programs in New York City, Syracuse and Buffalo may submit three proposals – one for each city in which the program operates. However, no more than two proposals are eligible for funding, and the amount awarded for each cannot exceed \$100,000.

15. Is it likely that consideration to fund be given to the RFP if we apply as a coalition, several groups applying together or should each group “fund for themselves”?

A: See answers to questions 13 and 14.

16. On pg 8, point 4.3 – Budget

Since we are applying as a coalition, are we correct in having separate budget sheets for each organization or would you prefer one master one with summations or both?

A: If a coalition is applying under a single EIN and 501(c)(3) tax exempt status, you should submit a single proposal with a single Attachment A for not more than \$100,000. If you are applying as a coalition separately, under different EINs and 501(c)(3) tax exempt status, an Attachment A should be provided for each proposal submitted.

Miscellaneous questions

17. Under section 4.2 of the RFP, "Proposal Narrative," number 3, "A description of economic or other criteria for borrowers to obtain foreclosure prevention services," I'd like to know if you could elaborate a bit. (Name Removed) provides mortgage foreclosure prevention services, and we will serve anyone who comes to us, seeking these services, so that we don't have any economic criteria by which we select our clients. Can you help me understand what kinds of criteria you might be looking for? Thanks.

A: We are looking for a description of the kind of criteria you do utilize or intend to utilize, if any, in determining which borrowers are eligible for your services. If you do not have economic criteria, you should disclose that fact. If you utilize other criteria or set certain priorities for the services you provide or the borrowers for whom you provide services, you should describe those criteria and priorities. Examples could include such factors as limits on the number of months a borrower is delinquent, whether the borrower is pre- or post-foreclosure or whether the home is the borrower's primary residence. If applicable, you might also describe those circumstances in which you would not be able to provide mortgage foreclosure prevention services. Additionally, as part of your submission you should be certain to include a description of the populations you serve.

18. Regarding what we are to write on the outside of the container, the RFP, dated 2/13/08, inviting submissions for foreclosure prevention programs says we are to write: "BID ENCLOSED (bold print, all capitals) • Group Number • IFB or RFP Number • Bid Submission date and time" 1. What are the following? a) Group Number b) RFP Number?

A: It should read "BID ENCLOSED" "FORECLOSURE RFP" Include the date and time you submit your bid. There is no group or RFP number.

19. Can you clarify whether applicants are expected to submit the documents listed under section 4.8, page 9, or if these documents are only necessary once a contract is awarded? Thanks very much.

A: Each of these forms must be submitted with the proposal. For those who downloaded the RFP from the website, you may not have been able to download the three required attachments, Attachment A, ST 220 CA, and ST220 TD. These forms are included in the Q & A distribution in the event you do not already have them. All forms should be signed as appropriate and notarized as required.

20. In the RFP you include Forms ST-220-TD (Contractor Certification) and ST-220-CA (Contractor Certification to Covered Agency). We are a non-profit 501 (c) (3) and therefore are not required to pay sales taxes, nor would we have any reason to collect them as we will be providing a free service. Is there any reason for us to complete either of these forms?

A: Yes, you must still complete and submit these forms along with all other forms required in section 4.8 of the RFP.

21. Are the additional requirements mentioned under section 4.8 of the RFP required at the time of the proposal submission?

A: See answers to questions 19 and 20.

22. We will be providing our IRS Determination letter verifying nonprofit status. Do you also want a copy of our Certificate of sales tax exemption?

A: You may also include this certification. An active Charities Registration Number or approved exemption must also be included on the Vendor Responsibility Questionnaire.

23. May the Foreclosure Prevention award money from the NYS Banking Department be used as “rescue funds” to pay for down payment and closing cost of loan work out agreements or to pay for the borrower’s delinquent mortgage?

A: No – funds are to be used to provide direct housing counseling, advocacy or legal services to prevent foreclosure.

24. On pg. 3, point 2.3 Quantifiable results We track our results through an excel spreadsheet as well as CounselorMax. Some of the measures that the Foreclosure intervention counselor and Financial education coordinator keep track of include: the number that attend workshops, the number that outreach is done to, as well as the number counseled. Examples of the results tracked include: foreclosure intervention successfully achieved for # homeowners, assistance with applications for # residents etc.: # that establish budget, # that have debt management and savings plans etc Is this inline with your requirements?

A: Yes, this is an adequate solution to the requirement.

25. When is the expected award date? If we are successful, when can we expect to receive the grant money? What is the process to receive the grant money? . How will it be paid out?

A: Projects start dates will be dependent upon several factors. First is the evaluation and selection process. We anticipate that it will take between two and eighteen weeks to complete this process and select the winning proposals. The length of time will depend on the number of proposals submitted and time required reviewing, evaluating, and scoring each proposal. Time frames for approving contracts after the winning proposals are selected will vary depending upon the bidders’ responsiveness to contract negotiation requests and the approval of the Attorney General’s Office (AG) and the Office of the State Comptroller (OSC). Generally, between three and five weeks are needed for the AG and OSC to complete their review.

All organizations receiving an award will be eligible for an advance equal to 25% of the total award amount payable upon approval of a contract by OSC. The bidder must request the payment of an advance in their proposal submission. Generally the

advance amount will be recouped in equal amounts for each reporting period over the life of the contract. Subsequent payments will be made based upon performance as laid out in the contract and will be the lesser of the amount allocated for the reporting period or the amount of actual expenditures for the period in question.

Upon submission and approval of program reports the Banking Department will authorize the appropriate payment amount for each reporting period.

Grant payments will be made as indicated above. In general terms there may be an advance paid at the beginning of the contract. After that, payment will be on a reimbursement basis for each period.

26. Also, do you have a projected start date to this project?

A: See answer to question #25.

27. Is it allowable that we send video clips and/or photographs as additional attachments to clarify or enhance our proposal?

A: Video clips are not permitted. Proposals may include photos provided that the photos are in print form (No CD's, DVD's, etc.), are referenced within the body of the proposal, the purpose for including them is clear, and sufficient copies are provided for each of the twelve required copies of the bidder's proposal.

28. Is the financial match \$1 to \$1?

A: No. Bidders need not obtain a \$1 to \$1 match of funds. There is no percentage of matching funds required nor is there a requirement that bidders demonstrate that they have obtained matching funds. We are looking to see what efforts bidders have made to receive funding from other sources for foreclosure prevention services in order to increase the sustainability of their services. Bidders must attest to a good faith effort to obtain matching funds (applied for), not necessarily having obtained (been awarded) matching funds.

29. Is there a target percentage of the overall budget for the required match?

A: No.