



State of Hawai‘i

REQUEST FOR PROPOSALS

OHA RFP NO. NHRLF 2015-06

FOR

LOAN SERVICING SOFTWARE

ISSUED DATE: March 13, 2015

DUE DATE: April 15, 2015, 12:00 Noon, HST

The Office of Hawaiian Affairs
560 North Nimitz Highway, Suite 200
Honolulu, Hawai‘i 96817

Notice to Interested Parties: Offerors interested in submitting a proposal are encouraged to register your company by completing the Interest Form and submitting it to OHA’s RFP Coordinator via email, mail and/or hand delivery. If you do not register your company, you will not receive an addenda, if any, and your offer may be rejected and not considered for award.

TABLE OF CONTENTS

Notice to Offerors.....	6
Section 1 - Administrative Overview.....	Pages 7 - 12
1.1 Introduction.....	7
1.2 Authority	7
1.3 RFP Organization.....	7
1.4 Terms and Acronyms	8
1.5 Contracting Office	8
1.6 Website References.....	9
1.7 RFP Schedule and Significant Dates	9
1.8 Pre-Proposal Conference	10
1.9 Submission of Questions.....	10
1.10 RFP Amendments	10
1.11 Cancellation of RFP.....	11
1.12 Submission of Sealed Proposals	11
1.13 Rejection of Proposals	11
1.14 Notice of Award.....	11
1.15 Debriefing	12
1.16 Protest Procedures.....	12
Section 2 - General Requirements.....	Pages 13 - 19
2.1 General Requirements.....	13
A. Compliance with Federal Certifications	13
B. Furnishing Proof of Compliance.....	13
C. Hawai‘i Business or Compliant Non-Hawai‘i Business.....	13
D. Certificate of Vendor Compliance	14
E. Funding Source	14
F. Multiple or Alternate Proposals	14
G. Type of Contract	15
H. Single or Multi-Term Contracts to be Awarded	15
I. Contract Terms.....	15
J. Conditions for Contract Extensions.....	15
K. Additional Services and Fees.....	15
L. Other Financial Related Materials - Accounting System	16
M. Laws, Rules, Ordinances and Regulations.....	16
2.2 Monitoring and Evaluation	16
2.3 Insurance.....	16
A. Commercial General Liability Insurance.....	16
B. Automobile Liability Insurance	17
C. Appropriate Levels Per Occurrence.....	17
2.4 HRS §97: Limitations of Lobbying Activities.....	18
2.5 Wages, Hours and Working Conditions	18

Section 3 - Scope of Work	Pages 20 - 37
3.1 Background	20
A. NHRLF	20
B. CMLP	20
3.2 Purpose	20
3.3 Description of Goal and Objective(s)	21
A. Goal	21
B. Geographic Coverage of Service.....	21
3.4 Statement of Work	21
3.5 Scope of Work / Solutions Architecture	22
A. Overall System Features	22
B. Loan Origination	23
C. Loan Servicing	24
D. Collection Requirements	25
E. Data Collection & Reporting Requirements	25
3.6 Technical Environment	26
A. Anticipated Network	26
B. System Hosting.....	26
3.7 Functional Specifications and Requirements	27
A. Functional Specifications	27
B. Requirements	28
3.8 General Software/Hardware Requirements	28
A. General Software Requirements	28
B. Hardware Requirements.....	29
3.9 Application Security Requirements	29
A. Access	29
B. Ownership	30
3.10 Documentation of the System	30
A. System Access Documentation	30
B. Source Coding	30
3.11 Service Provider Portal Requirements	30
A. User Portal	30
B. Single User.....	30
C. Web Version	30
D. Permission Based Login	30
3.12 Benchmark Testing	30
3.13 Acceptance Testing	31
3.14 Vendor Support & Maintenance	31
A. Work Plan.....	31
B. Software Maintenance	31
C. Software Bugs	31
D. Live Support	32
E. Effects of Upgrades	32
F. Trainings.....	32
3.15 Qualifications of Firm and Staff	32
A. Licensing & Permits	32

B.	Program Operation Areas	33
C.	Company Background & Minimum Experience	33
D.	References for Similar Installations	33
E.	Personnel	34
F.	Subcontractor(s)	34
G.	Administrative	34
H.	Quality Assurance	34
I.	Evaluation.....	35
J.	Monitoring.....	35
3.16	Price Structure.....	36
A.	Bid One.....	36
B.	Bid Two.....	36
C.	Training Budget.....	36
D.	Budget Justification.....	36
3.17	Other Qualifications & Requirements	37

Section 4 - Proposal Format and Content..... Pages 38 - 45

4.1	General Instructions for Completing Applications	38
4.2	Proposal Objective	39
4.3	Proposal Application Sections & Content	39
A.	Administrative Requirements	39
B.	Proposal Application Requirements	40
4.4	Economy of Presentation	41
4.5	Oral Presentation.....	41
4.6	Offeror's Authority to Submit an Offer	42
4.7	Required Review	42
4.8	Proposal Preparation Costs	42
4.9	Tax Liability.....	42
4.10	Property of OHA.....	42
4.11	Litigation.....	43
4.12	Confidential Information	43
4.13	Exceptions.....	43
4.14	Receipt and Register of Proposals	44
4.15	Best and Final Offer (BAFO)	44
4.16	Modification Prior to Submittal Deadline or Withdrawal of Offers.....	44
4.17	Mistakes in Proposals	44

Section 5 - Evaluation Criteria Pages 46 - 51

5.1	Evaluation of Proposals	46
5.2	Discussion with Priority Listed Offerors	46
5.3	RFP Conditions	46
5.4	Evaluation Process	47
5.5	Evaluation Phases	47
5.6	Executive Summary	48
5.7	Solutions Architecture	48

5.8	Functionality	49
5.9	Vendor Support and Maintenance	49
5.10	Qualifications of Firm and Staff	49
5.11	Price Structure.....	50

Section 6 - Contractor Selection and Contract Award..... Pages 52 - 53

6.1	Award of Contract.....	52
6.2	Proposal as Part of the Contract.....	52
6.3	Public Examination of Proposals	52
6.4	Debriefing	52
6.5	Approvals.....	52
6.6	Contract Execution.....	52
6.7	Payment.....	53
6.8	Contract Invalidation	53

Section 7 - Attachments and Exhibits54

Notice to Offerors

(Chapter 103D, Hawai‘i Revised Statutes)
REQUEST FOR PROPOSALS (RFP), NO. NHRLF - 2015-06
FOR LOAN SERVICING SOFTWARE

Notice is hereby given that pursuant to Chapter 103D, Hawai‘i Revised Statutes (HRS), as amended, the Office of Hawaiian Affairs (“OHA”), will be accepting sealed proposals for the **Loan Servicing Software**.

This Request for Proposal (“RFP”) is provided to you for information purposes. If you are interested in responding to this solicitation, you may download the RFP from the OHA website at www.oha.org/solicitation, SPO- and/or pick up a copy at OHA’s Procurement Unit on O‘ahu, located at 560 North Nimitz Highway, Suite 200, Honolulu, Hawai‘i 96817, beginning **Friday, March 13, 2015**.

The OHA’s Procurement Unit will conduct a Pre-Proposal Conference from 9:00 a.m. to 10:00 a.m. Hawai‘i Standard Time (HST) on Friday, March 20, 2015. The OHA strongly recommends that all interested Offerors attend. For those interested in attending via web conferencing, please contact the RFP Coordinator listed below no later than 3:00 p.m. HST, Thursday, March 19, 2015.

Sealed proposal will be received at OHA’s Reception Desk at 560 North Nimitz Highway, Suite 200, Honolulu, Hawai‘i, 96817, until 12:00 Noon HST on Wednesday, April 15, 2015.

Electronic mail and facsimile transmission **shall not** be accepted. All mail-in proposals postmarked by the deadline **shall not** be accepted unless physically received by the OHA’s Reception Desk on or before 12:00 p.m. HST the day of the deadline.

The OHA reserves the right to reject any and all proposals and accept the proposals in whole or part in the best interest of the OHA. Questions relating to this solicitation shall be directed to the RFP Coordinator, Phyllis Ono-Evangelista at (808) 594-1833.

OFFICE OF HAWAIIAN AFFAIRS

Kamana‘opono M. Crabbe, Ph.D.
Ka Pouhana, Chief Executive Officer

SECTION 1

Administrative Overview

1.1 Introduction

The Office of Hawaiian Affairs (“OHA”) is requesting proposals for a state-of-the-art loan servicing software that meets the needs of Native Hawaiian Revolving Loan Fund (“NHRLF” or “FUND”) and Consumer Micro-loan Program (“CMLP”). This customizable web-based software system will centralize data systems and streamline operations.

1.2 Authority

This Request for Proposal (“RFP”) is issued under the provision of §103D, Hawai‘i Revised Statutes (“HRS”), as amended, and its companion Hawai‘i Administrative Rules (“HAR”). All Offerors are charged with presumptive knowledge of all requirements of these cited authorities. Submission of a proposal shall constitute affirmation of such knowledge on the part of the Offeror.

NHRLF was established on November 29, 1987 in amendments (Public Law 100-75) to the Native American Funds Act of 1974 (Public Law 93-644), and implemented under subsequent statutory and regulatory amendments in the Code of Federal Regulations (“CFR”), Title 45, Part 1336. Pursuant to United States Code (“USC”) Title 42, Section 2991b-1, the Commissioner of the Administration for Native Americans (“ANA”) awarded grants to the State of Hawai‘i, Office of Hawaiian Affairs to establish a revolving loan fund.

1.3 RFP Organization

This RFP is organized into seven (7) sections:

- Section 1: Administrative Overview – Provides Offerors with an overview of the procurement and contracting process.
- Section 2: General Requirements – Provides the Offeror’s responsibilities as applicable.
- Section 3: Scope of Work – Provides the Offerors with a general description of the tasks to be performed and defines the deliverables (as applicable).
- Section 4: Proposal Format and Content – Describes the required format and content for the proposal application.
- Section 5: Evaluation Criteria – Describes how proposals will be evaluated.
- Section 6: Contractor Selection and Award – Describes how the proposal shall be evaluated by the OHA.
- Section 7: Attachments and Exhibits – Provides the information and forms necessary to complete the application.

1.4 Terms and Acronyms

ANA	Federal U.S. Dept. of Health and Human Services, Administration for Native Americans
BAFO	Best and Final Offer
CFR	Code of Federal Regulations
CMLP	Consumer Micro-loan Program
CPO	OHA Chief Procurement Officer
FUND	Native Hawaiian Revolving Loan Fund
GET	General Excise Tax
GC	OHA General Contract Conditions
HAR	Hawai'i Administrative Rules
HOPA	Head of the Purchasing Agency
HRS	Hawai'i Revised Statutes
OHA	Office of Hawaiian Affairs
NHRLF	Native Hawaiian Revolving Loan Fund
NHRLFM	Native Hawaiian Revolving Loan Fund Manager
PO	Procurement Officer
RFP	Request for Proposals
State	State of Hawai'i, including its department, agencies, and political subdivisions
USC	United States Code

1.5 Contracting Office

The Contracting Office is responsible for overseeing the procurement and issuing the contract resulting from this RFP. The Contracting Office is listed below:

Office of Hawaiian Affairs	Telephone: (808)594-1833
Procurement Unit	
560 North Nimitz Highway, Suite 200	
Honolulu, Hawai'i 96817	

The RFP Coordinator or his/her designated representative is listed below:

Phyllis Ono-Evangelista	Telephone: (808)594-1833
Office of Hawaiian Affairs	Fax: (808)594-1878
Procurement Unit	Email: phylliso@oha.org
560 North Nimitz Highway, Suite 200	
Honolulu, Hawai'i 96817	

The Contract Administer or his/her designated representative shall be responsible for overseeing the contract(s) resulting from this RFP.

Keith Yabusaki	Telephone: (808)594-1983
Office of Hawaiian Affairs	Fax: (808)594-0262

Transitional Assistance Program Manager Email: keithy@oha.org
 560 North Nimitz Highway, Suite 200
 Honolulu, Hawai'i 96817

1.6 Website References

The State Procurement Office (SPO) website is www.spo.hawaii.gov. (Note: Website addresses may change from time to time. If a link is not active, try the State of Hawai'i website at www.hawaii.gov).

For	Go to
1 Tax Clearance Forms (Department of Taxation Website)	http://www.hawaii.gov/tax/ click "Forms"
2 Wages and Labor Law Compliance, Section 103-055, HRS (Hawai'i State Legislature website)	http://www.capitol.hawaii.gov/ click "Bill Status and Documents" and "Browse the HRS Sections"
3 Department of Commerce and Consumer Affairs, Business Registration	http://www.hawaii.gov/dcca click "Business Registration"
4 Campaign Spending Commission	www.hawaii.gov/campaign
5 Hawai'i Compliance Express	http://vendors.ehawaii.gov/hce/splash/welcom.html
6 SPO Forms	http://spo.hawaii.gov

1.7 RFP Schedule and Significant Dates

The schedule below represents the OHA's best estimate of the schedule that will be followed. All times indicated is Hawai'i Standard Time (HST). If a component of this schedule, such as "Proposal Due Date/Time" is delayed, the rest of the schedule will likely be shifted by the same number of days. Any change to the RFP Schedule and Significant Dates shall be reflected in and issued in an addendum. The OHA reserves the right to cancel any activity or modify the timetable at any time. The approximate schedule is as follows:

Release of Request for Proposals	March 13, 2015
Pre-Proposal Conference	March 20, 2015 – 2:00 p.m. HST
Due Date to Submit Questions	March 25, 2015 – 3:00 p.m. HST
OHA's Response to Questions	March 30, 2015
Proposals Due Date/Time	April 15, 2015 – 12:00 p.m. HST
Proposal Evaluations	April 16 - 23, 2015
Offerors' Presentation/Discussion (if needed)	TBD
Best and Final Offer (if needed)	TBD
Notice of Award	April 30, 2015
Contact Start Date	May 2015

1.8 Pre-Proposal Conference

The purpose of the Pre-Proposal Conference is to provide Offerors an opportunity to be briefed on this procurement and to ask any questions about this procurement. The Pre-Proposal Conference is not mandatory; however, Offerors are encouraged to attend to gain a better understanding of the requirements of this RFP.

Offerors are advised that anything discussed at the Pre-Proposal Conference does not change any part of this RFP. All changes and/or clarifications to this RFP shall be done in the form of an addendum.

The Pre-Proposal Conference will be held on:

Date:	Friday, March 20, 2015
Time:	2:00 p.m. HST
Location:	Office of Hawaiian Affairs 560 North Nimitz Highway, Suite 200 Honolulu, Hawai'i 96817

To attend or participate in the web conference, please contact the RFP Coordinator by email at phylliso@oha.org or his/her designee by 4:30 p.m., Wednesday, March 18, 2015.

1.9 Submission of Questions

Offerors are encouraged to submit written questions pertaining to the RFP. Questions must be submitted in writing to the RFP Coordinator no later than the “Due Date to Submit Questions” identified in paragraph 1.7 above, in order to generate an official answer.

All written questions will be responded to in addenda to the RFP. The only official position of the OHA is that which is stated in writing and issued in the RFP as addenda thereto. No other means of communication, whether oral or written, shall be construed as a formal or official response/statement and may not be relied upon.

1.10 RFP Amendments

The OHA reserves the right to amend the RFP at any time prior to the proposal submission deadline. Interested Offerors will be notified of the availability of amendments through verbal or written communications. All amendments to the RFP will be posted to both the OHA website www.oha.org/solicitations, and Procurement Awards, Notices and Solicitations (PANS), which is available on the SPO website: <http://www.hawaii.gov/spo2/source/>.

1.11 Cancellation of RFP

The RFP may be canceled when it is determined to be in the best interest of the OHA.

1.12 Submission of Sealed Proposals

Sealed proposals must be received by the date and time designated in the procurement timeline. All proposals, whether mailed or hand-delivered, must be in the OHA's possession by the submittal time deadline to be considered responsive. Any procurement packet received after the designated date and time shall be rejected. Electronic mail and facsimile transmissions of the proposal shall not be accepted.

The proposal packet must be submitted in a sealed envelope and properly identified as a sealed proposal in response to this RFP. Any RFP proposal packet not properly sealed or submitted via email or facsimile shall be automatically rejected. Each qualified Offeror may submit only one (1) sealed proposal in response to this solicitation. More than one (1) sealed proposal will not be accepted from any Offeror. There shall be no exceptions to these requirements.

1.13 Rejection of Proposals

The OHA reserves the right to consider as acceptable only those proposals submitted in accordance with all requirements set forth in this RFP and which demonstrate an understanding of the problems involved and comply with the service specifications. Any proposal offering any other set of terms and conditions contradictory to those included in this RFP may be rejected without further notice.

A proposal may be automatically rejected for any one or more of the following reasons:

- 1) Cancellation of solicitation (HAR §3-122-95, HAR §3-122-96);
- 2) Rejection of an offer (HAR §3-122-97);
- 3) Reporting of anti-competitive practices (HAR §3-122-191, HAR §3-122-193, HAR §3-122-194, HAR §3-122-195);
- 4) Rejection for inadequate accounting system (HRS §103D-314(2));
- 5) Late proposals (HAR §3-122-16(08));
- 6) Inadequate response to request for proposals (HAR §3-122-95, HAR §3-122-96);
- 7) Proposal not responsive (HAR §3-122-97(1) and HAR §3-122-97(2)); and,
- 8) Applicant not responsible (HAR §3-122-97(2)).

1.14 Notice of Award

The award of a contract and allowed renewal or extension thereof, is subject to the approval by the OHA's CEO and /or Board of Trustees, and subject to the availability of funding.

1.15 Debriefing

Pursuant to HAR §3-122-60, a non-selected Offeror may request a debriefing to understand the basis for award.

A written request for debriefing shall be made within three (3) working days after the posting of the award of the contract. The Procurement Officer or designee shall hold the debriefing within seven (7) working days to the extent practicable from the receipt date of written request.

Any protest by the requestor following a debriefing, shall be filed within five (5) working days, as specified in HAR §103D-303(h).

1.16 Protest Procedures

Pursuant to HRS §103D-701 and HAR §3-126-3, an actual or prospective Offeror who is aggrieved in connection with the solicitation or award of a contract may submit a protest. Any protest shall be submitted in writing to the Procurement Officer at:

Head of Purchasing Agency	Procurement Manager
Name: Kamana‘opono M. Crabbe, Ph.D.	Name: Phyllis Ono-Evangelista
Title: Ka Pouhana, Chief Executive Officer	Title: Procurement Manager
Address: Office of Hawaiian Affairs 560 North Nimitz Highway, Suite 200 Honolulu, Hawai‘i 96817	Address: Office of Hawaiian Affairs 560 North Nimitz Highway, Suite 200 Honolulu, Hawai‘i 96817

A protest shall be submitted in writing within five (5) working days after the aggrieved person knows or should have known of the facts giving rise thereto; provided that a protest based upon the content of the solicitation shall be submitted in writing prior to the date set for receipt of offers. Further provided that a protest of an award or proposed award shall be submitted within five (5) working days after the posting of award or if requested, within five (5) working days after the PO’s debriefing was completed.

The notice of award, if any, resulting from this solicitation shall be posted on the Procurement Awards, Notices and Solicitations (PANS), which is available on the SPO website: <http://www.hawaii.gov/spo2/source/>.

END OF SECTION

SECTION 2

General Requirements

2.1 General Requirements

- A. The NHRLF is funded in part with ANA federal dollars. The Successful Offeror(s) shall demonstrate compliance with the following Federal Certifications:
- 1) Title 2 CFR part 376, Debarment & Suspension;
 - 2) Title 45 CFR part 82, Certification Regarding Drug-Free Workplace Requirements;
 - 3) Title 45 CFR part 93, Certification Regarding Lobbying;
 - 4) Public Law 103-227, Environmental Tobacco Smoke; and
 - 5) Program Fraud Civil Remedies Act of 1986, (PFCRA).
- B. The Successful Offeror(s) are advised that if awarded a contract, the Successful Offeror must furnish proof of compliance with the requirements of section 3-122-112, HAR:
- 1) Chapter 103-53 and 103D-328, HRS, tax clearance;
 - 2) Chapter 383, HRS, unemployment insurance;
 - 3) Chapter 386, HRS, workers' compensation;
 - 4) Chapter 392, HRS, temporary disability insurance; and
 - 5) Chapter 393, HRS, prepaid health care.
- C. The Successful Offeror(s) shall be one of the following:
1. Be registered and incorporated or organized under the laws of the State of Hawai'i (hereinafter referred to as a "Hawai'i business").

Hawai'i business: A business entity referred to as a "Hawai'i business" is registered and incorporated or organized under the laws of the State of Hawai'i. As evidence of compliance the Offeror shall submit a CERTIFICATE OF GOOD STANDING issued by the Department of Commerce and Consumer Affairs Business Registration Division (BREG). A Hawai'i business doing business as a sole proprietorship is not required to register with the BREG, and therefore not required to submit the certificate. A Successful Offeror's status as sole proprietor or other business entity and its business street address will be used to confirm that the Successful Offeror is a Hawai'i business.
 2. Be registered to do business in the State of Hawai'i (hereinafter referred to as a "compliant non-Hawai'i business").

Compliant non-Hawai‘i business: A business entity referred to as a “compliant non-Hawai‘i business,” is not incorporated or organized under the laws of the State of Hawai‘i, but is registered to do business in the State. As evidence of compliance, the Offeror shall submit a CERTIFICATE OF GOOD STANDING.

D. Certificate of Vendor Compliance

The Successful Offeror(s) shall demonstrate compliance with the following:

- 1) Tax Clearance, Form A-6;
- 2) Department of Labor and Industrial Relations, Application for Certificate of Compliance, Form LIR#27; and
- 3) Certificate of Good Standing issued by the Department of Commerce and Consumer Affairs Business Registration Division (BREG).

The Successful Offeror(s) may demonstrate compliance of the above by using the Hawai‘i Compliance Express (“HCE”). The HCE services allow business to register online through a simple wizard interface at:

<http://vendors.ehawaii.gov/hce/splash/welcome.html>

The HCE provides a “Certificate of Vendor Compliance” with current compliance status as of the issuance date, accepted for both contracting purposes and final payment. Businesses that elect to use the HCE services will be required to pay an annual fee of \$12.00 to the Hawai‘i Information Consortium, LLC (HIC).

E. Funding Source

The sources of funding to include the OHA Trust and the ANA Grant Funds based on availability.

Fund periods shall be:

- May 18, 2015 - June 2017
- Fiscal Biennium 2018 - 2019
- Fiscal Biennium 2020 - 2021

The award of this contract is subject to the availability of these funds. Any and all supplement agreement for additional funds shall be subject to the availability of funds.

F. Multiple or Alternate Proposals (Refer to HAR §3-122-4)

☐ Allowed ☒ Not allowed

G. Type of Contract

Single or Multiple Contracts to be Awarded (Refer to HAR §103D-322)

☐ Single ☐ Multiple ☒ Single & Multiple

H. Single or Multi-Term Contracts to be Awarded (Refer to HRS §103D-315)

☐ Single term (2 years or less) ☒ Multi-term (more than 2 years)

I. Contract Terms

Single or Multiple Contracts to be Awarded

Initial term of contract:	Up to twenty-six (26) months
Length of each extension:	Up to twenty-four (24) months [may be less than twenty-four (24) months when it is in the best interest of the OHA]
Number of possible extensions:	Two (2) extensions
Maximum length of contract:	Not to exceed seventy-four (74) months

J. Conditions for Contract Extensions

The contract for the proposed services may be extended without the necessity of re-procuring, subject to appropriation and availability of the OHA funds, continued need for the services, and the OHA's determination of satisfactory performance of the contracted organization, or unless the contract is terminated. The option to extend the service will be offered in writing by the OHA prior to the expiration of the contract. No supplementary agreement shall be binding upon the OHA until the supplemental agreement has been fully and properly executed by all parties thereto prior to the start date of the supplemental agreement. The contracted organization shall not provide any services until the supplemental agreement is fully and properly executed.

The contract resulting from this RFP is intended to commence on May 18, 2015 and terminate on June 30, 2017, subject to the availability of funds. Unless terminated, the contract may be extended for two (2) additional twenty-four (24) month periods. The amount of money to be contracted under this contract may be adjusted at the beginning of each extension period and shall be subject to appropriation and availability of funds.

K. Additional Services and Fees

For services not described in the Contract, the Successful Offeror and the OHA shall negotiate for additional needed services and fees which may arise during the course of the Contract. Any agreement shall be in writing, executed by all parties, and shall be attached to the Contract as an amendment to expire at the same time as the original Contract or subsequent extension period.

L. Other Financial Related Materials – Accounting System

To determine the adequacy of the borrower's accounting system as described under the administrative rules, the Offeror shall need to submit their organization's most recent financial statements.

M. Laws, Rules, Ordinances and Regulations

Reference to Federal, State, City and County laws, ordinances, rules and regulations and standard specifications shall include any amendments thereto effective as of the date of the RFP.

2.2 Monitoring and Evaluation

The Successful Offeror(s) performance under the contract will be monitored and evaluated by the Contract Administrator or his/her designated representative, the OHA's auditors, and/or other designated representatives.

Failure to comply with all material terms of the contract may be cause for suspension or termination, as provided in the General Conditions included as Exhibit "C" in this RFP. The Successful Offeror(s) may be required to submit additional written reports, including a corrective action plan, in response to monitoring conducted by the OHA. These additional reports shall not be considered a change to the scope of work and shall continue for the duration of time as deemed necessary by the OHA.

When the interest of the OHA or the successful contractor so require, the OHA or the successful Contractor may terminate the contract for convenience by providing forty-five (45) calendar days prior written notice to the other party.

2.3 Insurance

Prior to the contract start date, the Successful Offeror shall procure at its sole expense and maintain insurance coverage acceptable to the OHA in full force and effect throughout the term of the contract. The Successful Offeror shall provide proof of insurance for the following minimum insurance coverage(s) and limit(s) prior to a contract. The type of insurance coverage is listed as follows:

A. Commercial General Liability Insurance

Commercial general liability insurance coverage against claims for bodily injury and property damage arising out of all operations, activities or contractual liability by the Contractor, its employees and subcontractors during the term of the contract.

This insurance shall include the following coverage and limits specified or required by any applicable law:

- 1) Bodily injury and property damage coverage with a minimum of \$1,000,000 per occurrence;
- 2) Personal and advertising injury of \$1,000,000 per occurrence;
- 3) Broadcasters' liability insurance of \$1,000,000 per occurrence; and
- 4) With an aggregated limit of \$2,000,000.

The commercial general liability policy shall be written on an occurrence basis and the policy shall provide legal defense costs and expenses in addition to the limits of liability stated above. The Contractor shall be responsible for payment of any deductible applicable to this policy.

B. Automobile Liability Insurance

Automobile liability insurance covering owned, non-owned, leased, and hired vehicles with a minimum of \$1,000,000 for bodily injury for each person, \$1,000,000 for bodily injury for each accident, and \$1,000,000 for property damage for each accident.

C. Appropriate levels of per occurrence insurance coverage for workers' compensation and any other insurance coverage required by Federal or State law.

The Contractor shall deposit with the Procurement Unit, on or before the effective date of the contract, certificate(s) of insurance necessary to satisfy the Procurement Unit, that the provisions of the contract have been complied with, and to keep such insurance in effect and provide the certificate(s) of insurance to the OHA during the entire term of the contract. Upon request by the Procurement Unit, the Contractor shall furnish a copy of the policy or policies.

The Contractor shall immediately provide written notice to the Procurement Unit, and contracting department or the OHA, should any of the insurance policies evidenced on its Certificate of Insurance form be cancelled, limited in scope, or not renewed upon expiration.

The certificates of insurance shall contain the following clauses:

- 1) "The OHA is added as an additional insured with respect to operations performed for the OHA."
- 2) "It is agreed that any insurance maintained by the OHA shall apply in excess of, and not contribute with, insurance provided by this policy."

Failure of the contractor to provide and keep in force such insurance shall constitute a material default under the contract, entitling the OHA to exercise any or all of the remedies provided in the contract (including without limitation, terminating the contract). The procuring of any required policy or policies of insurance shall not be construed to limit the Contractor's liability hereunder, or to fulfill the indemnification provisions of the contract. Notwithstanding said policy or policies of insurance, the Contractor shall be

responsible for the full and total amount of any damage, injury, or loss caused by the Contractor's negligence or neglect in the provision of services under the contract.

2.4 HRS §97: Limitations of Lobbying Activities

Per HRS § 97-1(7): Lobbying means communicating directly or through an agent, or soliciting others to communicate, with any official in the legislative or executive branch, for the purpose of attempting to influence county councils, legislative or administrative action or a ballot issue.

Per HRS § 97-5: "No lobbyist shall accept or agree to accept any payment in any way contingent upon the defeat, enactment or outcome of any proposed legislative or administrative action."

Therefore, any time the Contractor whose time is spent researching data or information specific to the testimony to be provided, drafting and providing testimony or participates in discussions with legislators or government employees or officials in support or opposition of any pending legislation, is not allocable to State contracts and cannot be charged to the OHA for the purposes of the contracted services. The time spent in such lobbying activities must be cost-allocated and cannot be paid for by State funds and such activities are clearly not within the scope of the contract, nor are they allowed to be within the scope.

2.5 Wages, Hours, and Working Conditions

All Offerors for service contracts shall comply with section 103-55, HRS, which provides as follows:

Wages, hours, and working conditions of employees of the Contractor supplying services: Before any prospective Offeror is entitled to submit any offer for the performance of any contract to supply services in excess of \$25,000 to any governmental agency, Offeror shall certify that the services to be performed shall be performed under the following conditions:

Wages: The services to be rendered shall be performed by employees paid at wages or salaries not less than the wages paid to public officers and employees for similar work. Compliance with labor laws: All applicable laws of the Federal and State governments relating to workers compensation, unemployment compensation, payment of wages, and safety shall be fully complied with.

No contract to perform services for any governmental contracting agency in excess of \$25,000 shall be granted unless all the conditions of this section are met. Failure to comply with the conditions of this section during the period of contract to perform services shall result in cancellation of the contract, unless such noncompliance is corrected within a reasonable period as determined by the procurement officer. Final

payment of a contract or release of bonds or both shall not be made unless the procurement officer has determined that the noncompliance has been corrected.

It shall be the duty of the governmental contracting agency awarding the contract to perform services in excess of \$25,000 to enforce this section.

This section shall apply to all contracts to perform services in excess of \$25,000, including contracts to supply ambulance service and janitorial service.

This section shall not apply to:

- (1) Managerial, supervisory, or clerical personnel.
- (2) Contracts for supplies, materials, or printing.
- (3) Contracts for utility services.
- (4) Contracts to perform personal services under paragraphs (2), (3), (12), and (15) of section 76-16, paragraphs (7), (8), and (9) of section 46-33, and paragraphs (7), (8), and (12) of section 76-77, HRS.
- (5) Contracts for professional services”.
- (6) Contracts to operate refreshment concessions in public parks, or to provide food services to educational institutions.
- (7) Contracts with nonprofit institutions.

END OF SECTION

SECTION 3

Scope of Work

3.1 Background

- A. The Native Hawaiian Revolving Loan Fund (“**FUND**”) was established on November 29, 1987 in amendments (“Public Law 100-75”) to the Native American Funds Act of 1974 (“Public Law 93-644”), and implemented under subsequent statutory and regulatory amendments in the Code of Federal Regulations (“CFR”), Title 45, Part 1336. Pursuant to United States Code (“USC”) Title 42, Section 2991b-1, the Commissioner of the Administration for Native Americans (ANA) awarded grants to the State of Hawai‘i, Office of Hawaiian Affairs to establish a revolving loan fund.
- 1) From which the Office shall make loans or loan guarantees to Native Hawaiian organizations and to individual Native Hawaiians for the purpose of promoting economic development in the State of Hawai‘i; and,
 - 2) Into which all payments, interest, charges, and other amounts collected from loans made shall be deposited notwithstanding any other provision of law.

The OHA is responsible for implementing and administering the FUND, as well as for the performance, development and coordination of the FUND’s and activities relating to Native Hawaiians. The OHA is governed by an elected Board of Trustees with day-to-day operations handled by administrative staff under the OHA Administrator’s direction. The FUND is a program within the OHA.

It is the FUND’s mission to enhance access for all persons of Hawaiian ancestry to credit, capital, and financial services and skills so as to create jobs, wealth and economic and social well-being for all the people of Hawai‘i.

- B. The CMLP represents a pilot program signed on November 5, 2003. It was established as a new consumer loan fund to address the “gap” in financial services the OHA offers to the Native Hawaiian community. The CMLP provides capital to Native Hawaiians without regard to low-income criteria and net worth qualifications in the form of a loan at interest rates lower than those offered by banks and credit unions. This program is designed to provide low cost loans to Native Hawaiians who are experiencing temporary financial hardship due to unforeseen events, or who wish to enhance their careers.

3.2 Purpose

The OHA’s purpose is to competitively procure and implement a customizable web-based loan management system that will assist NHRLF and CMLP to:

- 1) Centralize its data systems;
- 2) Streamline operations;
- 3) Increase data accuracy, standardization and continuity;
- 4) Automate and standardize its reporting obligations to stakeholders; and
- 5) Efficiently capture, analyze and synthesize its data to drive more effective loan management and program operation.

3.3 Description of Goal and Objective(s)

A. Goal

Procure a state-of-the-art, customizable loan servicing software that meets the needs of NHRLF and CMLP.

B. Geographic Coverage of Service

Service area is statewide and includes the islands of Kaua‘i, O‘ahu, Maui, Moloka‘i, Lāna‘i, and Hawai‘i.

3.4 Statement of Work

The OHA desires to contract with an individual or organization (“Contractor”) that has the capability to develop, install, operate and maintain a comprehensive loan management software system, as well as provide training and technical support. This software will provide a single cost-effective loan management system (“System”) that should be user-friendly, flexible, customizable and comprehensive. The System will make available statewide online loan application, origination, servicing, collections and reporting. It is estimated that the proposed System will need to initially maintain and keep track of approximately 3,000 loans. While the Scope of Work and other sections herein detail the specific requirements needed, in general, the System must enable staff to effectively and efficiently provide for each of the following:

- 1) Contact management;
- 2) Online loan application intake;
- 3) Loan origination activities;
- 4) Loan servicing activities;
- 5) Traditional and custom reporting capability;
- 6) Workflow support and task alerts; and
- 7) Access to training and technical support services to use the System.

In addition, all proposals should include a minimum of two (2) in-person or online trainings to familiarize all staff with the System. As deemed necessary and appropriate, an annual training shall be held from FY 2017 thru FY 2021 as a refresher and to enhance the skills for previously trained staff and to train any new staff members.

The contract resulting from this RFP is intended to commence on May 18, 2015 and terminate on June 30, 2017, subject to the availability of funds and satisfactory performance. The contract will include the initial installation of the software system, as well as technical assistance, data maintenance and all software updates up through June 30, 2017.

Unless terminated, the contract may be extended for two (2) additional 24-month periods. The amount of money to be contracted under this contract may be adjusted at the beginning of each extension period and shall be subject to appropriation and availability of funds.

A working internet version of the loan servicing software will be installed and operational by the end of May 31, 2015, to allow training shortly thereafter. By July 1, 2015, the contractor shall have a draft beta System model on-line for all existing service providers to initiate data input into the System and provide documentation for all aspects of the System. Any and all customized reporting templates and/or other specialized modules developed specifically for the NHRLF must be integrated into the System and fully-operational by October 1, 2015. The OHA may enter into a contract for software and data maintenance as well as updates of software with the Offeror after the June 30, 2017 contract period.

The final System shall minimally meet or exceed the OHA requirements as presented in this RFP. The final software System shall be approved by the OHA. This RFP is subject to changes in state and federal requirements, including, but not limited to, those pertaining to data collection and reporting.

3.5 Scope of Work / Solutions Architecture

The following details the minimum capabilities of the ideal System being procured. The OHA remains open to any solution that meets the functionality, time, and budget requirements set forth in this RFP. While traditional purchased solutions are most directly addressed by this RFP, it is the desire of the OHA to receive proposals for alternative forms of delivery. Additional capabilities that provide for lower cost, more efficient operation, or improved customer service are always of interest. The OHA solicits information on product features and/or options that will assist them in meeting or exceeding these objectives and encourage bidders to highlight such aspects in their proposals.

Ultimately, the System should be able to offer the OHA a comprehensive, affordable, user-friendly, powerful, personalized loan servicing solution with ongoing best-in-service customer and technical support that include, but are not limited to, the following features and capabilities:

A. Overall System Features

1. Required Features

- a. Cloud-based / web-based deployment;
- b. Ability to apply online for a loan and check the status of an application;
- c. Workflow and task alert capability, i.e. “tickler” system to prompt for action on a loan via System message and E-mail/Text message;
- d. System automation features as able or appropriate (e.g., auto-calculations, nominal error checking, auto-fill data, etc.);
- e. Ability to upload documents and attach or link it to a particular loan in the System;
- f. Audit trail capability;
- g. Ability to import and export data via Microsoft Excel for further manipulation;
- h. Ability to migrate data in existing software into the System (often referred to as “data conversion” services);
- i. Other functions and services the Offeror deems necessary to improve the System; and
- j. Free or cost effective upgrades for up to six years as client services evolve.

Note: The cost for any upgrades during the initial and subsequent six year contract period, if any, shall be included as part of this initial bid or added to the annual maintenance/technical assistance fees that are part of this bid). OHA does not want to face escalating or hidden upgrade costs each year, once OHA has committed to purchasing and using the software. Software should be currently supported with no plans for phase-out. Thus, the system prevents unforeseen upgrade costs as well as obsolescence.

2. Preferred Features

- a. In-System technical assistance feature for loan officers (e.g., a “live chat” help/assistance capability or comparable feature);
- b. Vendor management features - vendor “portal” or similar capability for contractors to input their monthly report data directly into the System; and
- c. Accounting management.

B. Loan Origination

1. Required Features

- a. Contact management features to categorize contacts by type, island, and distinguish between an individual’s personal loan and business loan;
- b. Capture multiple borrowers, co-signors and/or guarantors for a single loan;
- c. Service multiple loan product types and terms within the System;

- d. In-system link to credit bureaus;
- e. Assign a loan rating to each loan at different points in time (e.g., performing, non-performing, collections, charge-off, paid-in-full, etc.);
- f. Track pertinent process-related milestone dates (e.g., date technical assistance was completed, check disbursement date, etc.);
- g. Document loan terms and interest;
- h. Categorize loans by various categories, characteristics or status;
- i. Create amortization schedules, including the ability to view past and present amortization schedules;
- j. Create non-amortized and renewal / refinance schedules; and
- k. Collateral tracking.

2. Preferred Features

- a. Automate debt-to-income ratio calculation;
- b. Auto-pull liabilities and/or other information direct from credit report;
- c. Enable the NHRLF Board of Directors to access limited parts of a loan application to render a funding decision; and
- d. Generate loan document forms using pre-loaded templates that may also be customizable to each loan.

C. Loan Servicing

1. Required Features

- a. Task and activity logs;
- b. Auto-calculate paid-thru date for loans;
- c. Transaction processing, including ACH payment processing and ability to electronically disburse loan amount;
- d. Fee management;
- e. Identify how a payment is distributed (principal, interest, fees);
- f. Auto-calculate and auto-process fees, including NSF fees when payments are reversed;
- g. Conduct loan reconciliation;
- h. Allow servicing staff to add in pertinent loan information via “Notes” feature; and
- i. Include other custom fields that may be deemed necessary.

2. Preferred Features

- a. Batch payments; and
- b. Ability to e-mail statement invoices and/or ability for borrower to check real-time loan balance.

D. Collection Requirements

1. Required Features

- a. General collections management capabilities;
- b. Easy accessibility to contact information including contact's references;
- c. Action planning; and
- d. Write-off, charge-off, cancellation tracking for both dates and amounts.

2. Preferred Features

None

E. Data Collection & Reporting Requirements

The reporting demands of the NHRLF program are particularly unique. In addition to many of the standard reporting needs typical of most loan programs, customized reporting is a critical need for the NHRLF and necessitates the capability to create customized data fields to capture and integrate needed information. The OHA is seeking a System that is able to meaningfully integrate custom fields with standard data fields to create a seamless customized user-experience. This same seamless integration should also be reflected in the System's ability to generate reports. Offeror should also demonstrate a willingness to work with the NHRLF to generate reports in a format that can be easily imported out of the System or be print-ready.

A copy of the major reports the NHRLF is required to develop on a quarterly, semi-annual, and annual basis are provided in **Section 7, Attachment 6** provides examples of the major reports the NHRLF is required to develop on a quarterly, semi-annual, or annual basis. These reports have been provided so that Offerors may better understand the reporting demands of the program, which not only report on current portfolio activity, but also include cumulative data from the inception of the program.

1. Required Features

- a. Ability to create report templates as shown in Section 7, Attachment 6;
- b. Ability to pull reports based on quarterly, semi-annually, cumulative and other time periods;
- c. Paid-thru date report;
- d. Ability to pull reports based on custom fields (e.g., by island, loan purpose, demographic information, etc.);
- e. Delinquency report based on ten (10) days and forty-five (45) days past due;

- f. Ability to capture and report out impact-type data (e.g., track credit score over time, number of jobs created over time, etc.);
- g. Retain both raw and refined reporting data for subsequent ad hoc analysis; and
- h. Contractor will agree to maintain storage data for a period of up to twelve (12) months after the voluntary or involuntary termination of the contract unless notified sooner by the OHA to discard. All data remains the property of the OHA as stated in the General Conditions attached to the RFP and later made part of the contract.

2. Preferred Features

While pre-loaded report customization is needed, the OHA prefers a System with a report-builder capability that loan officers can use to build their own reports. It should be flexible and easy to use (i.e., does not require computer coding knowledge to create). The interface should be simple, comprehensive and well-integrated across all System modules/components.

3.6 Technical Environment

A. Anticipated Network

The anticipated network of users is about fifteen (15) which at a minimal will include six (6) OHA loan staff members on Oahu from the OHA; seven (7) the NHRLF BOD members [one (1) on Kauai, one (1) on Maui, one (1) on Molokai, one (1) on Island of Hawaii, and three (3) from Oahu]. Maximum number of users at any given time will be fifteen (15) users. During a normal business day, there may be approximately five (5) to ten (10) users simultaneously logged on to the system.

The OHA NHRLF/CMLP server network consists of six (6) personal computers and one (1) network printers. All six (6) computers operate using Windows XP. Each PC uses a static, private IP address to allow internet access. The network server operating system uses the Windows environment.

The System will make available statewide, on-line loan servicing. It is estimated that the proposed System will need to initially maintain and keep track of approximately 3,000 loans.

B. System Hosting

The OHA is prepared to accept bids that include both remote-hosted (bidder-hosted or outsourced) and the OHA hosted systems. All proposals must clearly indicate if the system is to be hosted by the OHA, or by the bidder. If the system is to be hosted by the bidder, the proposal shall include the following:

1. Hosting/support cost on an annual and monthly basis;
2. Services provided at the hosting facility including:
 - a. Disaster recovery
 - b. Back-up and restore Service Level Agreements (“SLA”)
 - c. Security provisions
 - d. Physical facility features such as fire control, power generation, etc.
3. Required support windows;
4. SLAs for system; and
5. Remedies for failure to meet SLA.

For systems hosted by the OHA, the cost and services associated with such hosting will be considered part of the proposal for the purpose of scoring. The Offeror is responsible for determining the cost to the OHA should the OHA-hosted system be run on hardware of another State Department or Division. Additionally, Offerors proposing the OHA-hosted systems will be required to provide all installations include a delivery and installation schedule (upon contract execution) and shall be responsible for removing all packing material and associated install-waste from the OHA facilities.

3.7 Functional Specifications and Requirements

A. Functional Specifications

The work described in this RFP is comprised of those specifications that will aid the Offeror in preparing a proposal that will best meet the needs of the OHA. This section describes the specifications for an integrated System.

1. Offerors must respond and reference by section every functional, technical and performance requirement contained in this section using the following criteria:
 - a. “Fully Compliant” - Feature, function or product is fully operational using the version proposed and will be delivered as part of the total cost proposed.
 - b. “Non-Compliant” - Feature, function or product is not available, in development, or planned.
 - c. “Not Applicable” – Feature, function or product does not apply to the Offeror.

For any specification with “Non-Compliant” as response, the Offeror may describe how the specification might otherwise be met using alternative features, functions, and products, plus the associated costs.

B. Requirements

Where further explanations or descriptions are specified, the Offeror are expected to provide written narrative responses, supported by sample screen shots/printouts and/or other relevant materials.

3.8 General Software and Hardware Requirements

A. General Software Requirements

1. The System must be able to function efficiently with a minimal six (6) existing OHA users, but preferably for system integrity up to twenty (20) users and possible expanding number of future users.
2. The System must be operational 24 hours a day, 7 days a week, and 365 days a year, except for agreed upon periods for maintenance.
3. The System must communicate with users at reasonable response rates that are at least equal to existing response rates throughout the OHA. This is true for established web-based System software applications that may require Windows Citrix. Citrix Provisioning Server for Datacenters helps reduce total cost of ownership and improves both manageability and business agility by virtualizing the workload of a datacenter server – operating system, applications and configuration – and streaming the workload on-demand to physical or virtual servers from the network.
4. The System must be capable of storing the existing and expanding volume of loan data. The System must allow for the storage of data by additional providers without major modifications to the System. The system must maintain six (6) years of accessible data. Archived data must be stored indefinitely, with a minimum of ten (10) years for planned storage contained within proposal.
5. The System must have on-line technical documentation to assist users.
6. The System must include a test environment for testing future application and system upgrades.
7. The System must be compatible with the OHA existing network and computers.
8. The System must be web-based and compatible with Internet Explorer as well as other popular web browsers, e.g., Mozilla Firefox and Chrome.

B. Hardware Requirements

Application hardware must be up-to-date and efficient. All equipment used for the System must be in good condition.

1. The System must have a robust, scalable framework to allow for easy application customization. Using the built-in tools, application updates ranging from the addition of data elements to the creation of entire new screens and processes can be accomplished without the need for reprogramming.
2. The System must include a daily automated back-up and recovery system.
3. The System must include a power backup system to allow proper shutdown of the system. Proper documentation of the shutdown and power up of the system must be included.
4. The System must support networking protocols for connectivity with the OHA network environment (local and remote).
5. The System must be entirely compliant with confidentiality laws and protect borrowers' information.
6. The System must allow the OHA to define new activity and service types and funding and to associate these with the programs that are supported by the OHA.

3.9 Application Security Requirements

- A. The OHA wants to minimize undue access to sensitive data that is private and confidential. Each service provider will be responsible for their data and needs to work out the data security issues with the Contractor.
 1. The System must allow authorized users the ability to manage the security and access levels of users and report capabilities. Adequate security features that include:
 - a. Ability to set access controls at multiple levels;
 - b. Assignment of unique identification for each user;
 - c. Assignment of unique password for each user; and
 - d. Ability to apply and enforce password policies including complexity, change frequency, and re-use.
 2. The System must provide the ability to create custom workgroups within an organization that display only the tools needed to perform specific tasks based on user type and security levels.

3. The System must provide robust security architecture, such that users are allowed or disallowed access to screens, screen functions by role, provider, and site.
 4. Options such as data encryption must be provided to restrict access to data by specific organizations.
 5. The System must include internet security to protect from external attacks. The Offeror will assist service providers and the OHA to help insure internet security exists at each site. All user interfaces must be web-based and contain a firewall and up-to-date anti-virus protection.
- B. The OHA has sole ownership of its data and any customized code.

3.10 Documentation of the System

- A. The System must include system, data and user documentation. This includes documentation with online help, and printed user manuals.
- B. Offeror must make available to the OHA the source code for the System should the Offeror undergo corporate insolvency.

3.11 Service Provider Portal Requirements

- A. User portal preferably must be accessible to the service provider via the internet.
- B. The System works on single user Personal Computer, network Personal Computer, Local Area Network, Wide Area Network and Virtual Private Network.
- C. Web version that allows system access to Personal Computer/notebook/tablet with internet access, immediate start-up, and access by multiple locations to the same database.
- D. Enables case workers to do permission based login so that specific staff are permitted access only to specific modules of the software.

3.12 Benchmark Testing

Offeror shall identify a set of clearly defined measures of performance for the efficiency and accuracy of the System. The System shall benchmark against these measures and ensure that it has the mechanisms to track and report on these measures.

3.13 Acceptance Testing

Offeror shall provide a plan for acceptance testing. OHA requires that acceptance testing take place prior to the completion of the project.

- A. This testing will be conducted utilizing a checklist indicating whether the function are acceptable or not acceptable to verify the following functions:
 - 1. Verification of all functions as listed in the specification and requirements;
 - 2. Verification of System performance/benchmark testing;
 - 3. Verification of reporting and report generation;
 - 4. Verification of data storage; and
 - 5. Verification of System security.
- B. Any discrepancies noted in any of the tests will be corrected by the Offeror prior to the System acceptance.

3.14 Vendor Support and Maintenance

- A. Offeror shall provide a comprehensive description of their work plan for providing the requested services and examples of its ability to accomplish the tasks described herein, including a plan for development and installation, testing, and training.
- B. Offeror shall provide a plan for software maintenance and support to demonstrate the Offeror's ability to maintain the software that is a requirement of the RFP.
 - 1. The plan shall include a description and copy of any warranty for software maintenance.
 - 2. The plan also must address how the Offeror will patch, upgrade, and obtain other necessary fixes to the product(s), including those resulting from revised state reporting requirements.
 - 3. Offeror shall identify the circumstances under which additional charges will be assessed the OHA beyond that which is part of the maintenance services included as part of this proposal.
 - 4. Offeror shall submit documentation describing the warranty coverage for all services and equipment provided for this project and shall identify and explain circumstances under which additional charges will be assessed the OHA beyond that which is not part of the warranty offered.
 - 5. The plan must show how the Offeror will provide the necessary software maintenance for the contract period ending June 30, 2017 and for each subsequent year if the maintenance contract is extended.
- C. Offeror shall make changes and correct flaw(s), failure (s), and/or fault within the software program at no extra cost to the OHA. Offeror shall work with the OHA to prioritize the changes and flaw(s), failure (s), and/or fault and shall provide

documentation of the changes and corrections to the flaw(s), failure (s), and/or fault.

- D. Offeror shall provide live toll-free support by phone, electronic mail, remote diagnostics, or in person, Monday thru Friday from 7 a.m. – 1 p.m., Hawaii Standard Time, except for periods agreed upon by the OHA for maintenance.
- E. Offeror shall be responsible for properly announcing, dispatching, and explaining the effects and repercussions of software/hardware upgrades or revision recommendations as dictated by their company, and provide live support, if necessary, during the installation of such upgrades/revisions.

Offeror shall advise the OHA at least two (2) months ahead of making changes to its product, such as requiring changes in the operating system, of client or server, and/or hardware components that would affect the OHA's costs in providing and/or ability to provide the case management and tracking of services and performance outcomes.

- F. Offeror shall provide two (2) hands-on, on-site or online trainings during the first-year (one (1) annual training thereafter, as needed) at convenient locations in Hawaii for 15 - 20 the OHA staff and NHRLF BODs that will use the System. The following types of training and written manuals specific to each type of training must be provided prior to implementation of the System:
 - a. Staff who access the System (training should cover functions performed by authorized staff);
 - b. Administrators of the System; and
 - c. Training for technical support.

Per this RFP, training must be offered prior to implementation of the System, and, as appropriate, prior to any major software upgrades or changes. The OHA will consider either in-person or online training methods as a fulfillment of this requirement. In-person trainings must be held on the island of Oahu, provided the Offeror funds, all training, travel, and per diem costs for at least four (4) off-island NHRLF BOD staff.

3.15 Qualifications of Firm and Staff

- A. Licensing & Permits

The Successful Offeror shall hold all licenses, permits, and accreditations, and meet all standards required by applicable Federal, State and County laws, ordinances, codes and rules to provide services. The Successful Offeror shall also be in good standing with required licensing bodies, and in compliance with professional standards and requirements.

- B. The Successful Offeror shall have the proposed program in operation in the geographic areas(s) where the contract is awarded and be able to provide service beginning May 18, 2015 – June 30, 2017. The OHA’s decision shall prevail should a conflict arise between the OHA and the Successful Offeror regarding the performance of specific service activities by the Successful Offeror.

- C. Company Background & Minimum Experience
 - 1. A brief company background shall be included in the proposal to demonstrate sufficient experience and capability to meet the needs of this RFP.
 - 2. The Successful Offeror shall have a minimum of five (5) years of experience providing loan servicing software. An exception from this requirement maybe granted if the Successful Offeror has demonstrated the necessary experience in the program area.

- D. References for Similar Installations
 - 1. Offeror shall provide a list of similar installations (minimum of three (3) installations) successfully completed by the Offeror and available for inspection. Similar is intended to mean:
 - a. Equivalent or larger in size.
 - b. Utilization of the same or similar equipment as proposed in the Offeror’s response.
 - c. A system installation that is roughly equivalent to OHA’s requirements.
 - 2. The above references shall be included for contact:
 - a. Name of Company;
 - b. Address of Company;
 - c. Name of Contact;
 - d. Address;
 - e. Telephone Number;
 - f. E-Mail Address; and
 - g. Business Description
 - 3. The OHA may contact some or all of the references. Offeror shall clear such contact with the reference so as to avoid any communication problems or “proprietary information” problems with the reference. The OHA may wish to visit the Offeror’s office and/or one or more similar installations. Offeror shall, upon request, accompany the OHA personnel to these sites.

4. It is preferable that the Offeror has prior work experience working in the State of Hawai‘i.

E. Personnel

1. The Successful Offeror shall demonstrate that their personnel possess the necessary knowledge, skill and abilities to effectively deliver the proposed services. The Successful Offeror shall have written descriptions for each position, requirements and qualifications, and policies and procedure to ensure all employees are fully qualified to engage in activities and perform the services required. The Offeror shall provide this information upon the NHRLF/CMLP request.
2. The names and resumes of key personnel assigned to this project shall be submitted in the proposal. Substitute or additional personnel shall not be used until a resume is received and approved by the OHA. The OHA shall have the right to request the removal of personnel from all work on this project upon written notification to the Contractor.

F. Subcontractor(s)

If subcontractor(s) shall be used, a statement from each subcontractor shall be included in the proposal, signed by an individual authorized to legally bind the subcontractor, and stating the:

1. Subcontractor's name, contact person, mailing address, telephone number, and e-mail address;
2. General scope of work to be performed by the subcontractor; and
3. Subcontractor's willingness to perform the work indicated.

G. Administrative

The Successful Offeror shall have policies and procedures for all services including personnel standards, operating procedures, documentation, record keeping, data gathering, reporting, financial administration, quality assurance, monitoring and evaluation.

H. Quality Assurance

The Successful Offeror shall have a written quality assurance plan (“QA plan”) including, procedures to assure its services are provided in conformance with all Federal, State and County requirements as well as the requirements of this RFP. The QA plan shall include procedures on how the Offeror will monitor and manage fiscal and program operations for compliance with all requirements.

The QA plan shall also provide procedures to determine whether participants receive consistent, high quality services. The QA plan shall identify roles and responsibilities for on-going implementation. This will include a contingency plan to address potential problems or areas of risk associated with the project (i.e. time, cost, personnel).

I. Evaluation

The Successful Offeror shall have a written plan for evaluation of performance in providing the required services, including procedures and methodology to measure, monitor and collect data on outputs and outcomes, and to evaluate the outcomes and other results of its services. The evaluation plan should also include procedures to identify and resolve problems, and make improvements to the program as needed. The evaluation plan should identify staff roles and responsibilities for assuring on-going implementation. The Successful Offeror must also indicate the specific measurement tool(s) and/or procedures that will be utilized to document and verify that each proposed program output and outcome was accomplished.

The Successful Offeror must maintain throughout the term of the contract a system of self-appraisal and program evaluation to track and validate effectiveness of the activities provided. The evaluation process must include tools or instruments to identify barriers, which are relevant to program outcomes and include a process for making improvements or taking corrective action based upon the evaluation findings.

J. Monitoring

The Successful Offeror's performance under the contract will be monitored and evaluated by the Contract Administrator or his/her designated representative, the OHA's auditors, and/or other designated representatives. Annual program monitoring by the OHA may include on-site visits with comprehensive evaluation of several areas of performance. These may include review of conformance with standard program requirements, agency files, accounting practices, and case-record keeping. In addition, on-going program monitoring shall include a review of required reports and periodic assessment of program effectiveness.

Failure to comply with all material terms of the contract may be cause for suspension or termination, as provided in the General Conditions included as Exhibit "C" in this RFP. The Successful Offeror may be required to submit additional written reports, including a corrective action plan, in response to monitoring conducted by the OHA. These additional reports shall not be considered a change to the scope of work and shall continue for duration of time as deemed necessary by the OHA.

3.16 Price Structure

The OHA is requesting two (2) cost bids as part of the proposal application. This is to prevent a vendor from charging a low initial project fee, and then turning around and charging high exorbitant fees once the OHA is committed to a software solution. Vice versa, the OHA does not want to be charged a high initial fee where the vendor makes his money up front, but charge a lower fee second year on in the project just to win the contract award. In addition, the OHA wants to eliminate hidden costs during the term of the project. Each cost bid will be worth 25 points each and incorporate a formula in determining number of points to be awarded based on the lowest acceptable cost bid.

A. Bid One (1)

Funds will be used for the payment of loan servicing software; two (2) year data storage, two (2) year system maintenance, and any additional software licenses; required equipment; and two (2) initial trainings.

B. Bid Two (2)

There will be no monies taken away from program services and diverted to pay for loan servicing software. Funds will then be used to cover the costs for six (6) years data storage, six (6) years system maintenance, any additional software licenses over the six (6) year contract period, additional equipment, if any, and annual trainings.

C. Training Budget

There shall be two (2) trainings the first year to enhance chances for successful implementation of the software. As appropriate, an annual training shall be held from FY 2017 thru FY 2021 as a refresher and to enhance the skills for previously trained staff and to train any new staff members.

Costs associated with holding in-person or online trainings should be priced separately in order for the OHA to consider which training delivery method would be most reasonable and effective for its needs.

D. Budget Justification

The budget justification should be in narrative form and provide computations on how costs were determined. It evaluates the appropriateness and reasonableness of project costs in relation to anticipated program activities and planned outcomes. The Offeror shall explain why it considers its proposed services cost effective.

3.17 Other Qualifications & Requirements

- A. Reporting Requirements for Program and Fiscal Data – Quarterly and annual program progress and fiscal reports are required within thirty (30) calendar days after the last day of each month. The final report on the total contract period is required within sixty (60) calendar days after the last day for the contract period.
- B. The NHRLF progress reports shall consist of statements by the Successful Offeror relating to the work accomplished during the reporting period and shall include a statement of the nature of work performed, identification of any immediate problems encountered during the period, and any recommendations deemed pertinent by the Successful Offeror.
- C. Fiscal reports shall detail the expenditures made by the Offeror for compensation paid, pursuant to the contract. The fiscal report shall include, but not limited to outline the expenditures incurred, and shall be certified as to accuracy by the Offeror.
- D. The OHA funding must be acknowledged in this report and in all other publications based on the project results. The NHRLF reports and results are considered public property and cannot be patented, copyrighted or restricted in any manner unless specifically agreed to by both parties. Timely compliance with interim reporting requirements is required to continue to receive funding under the award.
- E. Other reports may be required.

END OF SECTION

SECTION 4

Proposal Format and Content

4.1 General Instructions for Completing Applications

- A. Proposal Application shall be submitted to the OHA using the prescribed format outlined in this section. The proposal shall be organized and presented in the sections and subsections designated in the RFP and with prescribed content for each section.
- B. The numerical outline for the application, the titles/subtitles, organization and RFP identification information on the top right hand corner of each page. The instructions for each section may be omitted.
- C. Proposal must be typed on plain, white, letter-size paper with one-inch margins on all sides in 12 point font size.
- D. Page numbering of the Proposal Application should be consecutive, beginning with page one (1) and continuing through the complete proposal.
- E. Proposals must be submitted bound by either in a three ring binder or spiral binding.
- F. Tabbing of sections is required.
- G. Offeror must submit the proposal application printed on one side only.
- H. Offerors must also include a Table of Contents with the Proposal Application. A sample format is in Section 7, Exhibit A of this RFP. Proposal Application should not exceed 80 pages of main text, not including appendices, attachments, identification form (and/or title page), required forms, and table of contents. Appendices, attachments, identification form (and/or title page), required forms, and table of contents should not exceed 70 pages. Total number of pages should not exceed 150 pages.
- I. One (1) original and four (4) copies of each proposal are required. Original shall be clearly marked "ORIGINAL" and copies shall be clearly marked "COPY" and include the proposal submit on a cd or flash drive with the complete proposal.
- J. Other supporting documents may be submitted in an Appendix, including visual aids to further explain specific points in the proposal; if used, they should be referenced.

4.2 Proposal Objective

- A. Proposals shall be prepared in a straightforward and concise manner, in a format that is reasonably consistent and appropriate for the purpose. Emphasis will be on completeness and clarity and content.
- B. When an Offeror submits a proposal, it shall be considered a complete plan for accomplishing the tasks described in this RFP and any supplemental tasks the Offeror has identified as necessary to successfully complete the obligations outlined in this RFP.
- C. The proposal shall describe in detail the Offeror's ability and availability of services to meet the goals and objectives of this RFP as stated in Section 3, Scope of Work.
- D. Offeror shall submit a proposal that includes an overall strategy, timeline and plan for the work proposed as well as expected results and possible shortfalls.

4.3 Proposal Application Sections & Content

The Offeror must prepare an application containing, in order, each of the following items listed in this section. For each section, additional information has been provided to help put together a complete and correct application. **Failure to complete any of the sections may result in a rejection of your proposal or will impact upon an applicant's score.**

Proposals must be organized in the following manner:

A. Administrative Requirements

Offer Forms Include completed offer forms OF-1 and OF-2. See Section 7, Attachments 1 and 2 for a copy of the forms.

1. Offer Form, OF-1 is required to be completed using Offeror's exact legal name as registered with the Department of Commerce and Consumer Affairs, if applicable, in the appropriate space on Offer Form, OF-1 (Section 7, Attachment 1). Failure to do so may delay proper execution of the Contract. The Offeror's authorized signature on the Offer Form, OF-1 shall be an original signature in ink, which shall be required before an award, if any, can be made. The submission of the proposal shall indicate Offeror's intent to be bound.
2. Offer Form, Page OF-2. Pricing shall be submitted on Offer Form OF-2 (Section 7, Attachment 2). The price shall be the all-inclusive cost, including the GET, to OHA. No other costs will be honored. Any unit prices shall be inclusive.

3. Executive Summary

Include an Executive Summary, signed by an officer of the company, describing the Offeror and providing a brief synopsis of the proposal, including benefits to OHA-NHRLF if accepted and a brief description of the company. This synopsis should be two (2) pages or less in length and easily understood. The applicant shall also give a clear and concise brief overview to highlight and summarize the content of the proposal to orient the evaluators to the program/services being offered.

B. Proposal Application Requirement

1. Table of Contents

A table of contents should list the individual sections of the Proposal and their corresponding page numbers. Tabs should separate each of the individual sections. See Section 7 for Sample Attachments and Exhibits.

2. Section 1: Solutions Architecture

Complete all parts of FORM OF-3, which lists (in abbreviated form) the characteristics described in Section 3.5 Scope of Work. This form must be completed in its entirety and accompanied with appropriate documentation and explanation for each item listed on the form.

3. Section 2: Functionality

- a. Describe how the proposal will accommodate the NHRLF and CMLP's Technical Environment described in Section 3.6 Technical Environment, including items related to system hosting (as appropriate).
- b. Describe how the proposal addresses all requirements specified in Section 3.7 Functional Specifications and Requirements (this includes subsections 3.7.1 through 3.7.6). For each requirement, Offeror must indicate whether it is "Fully Compliant", "Non-Compliant", or "Not Applicable".

4. Section 3: Vendor Support and Maintenance

In this section, Offeror will provide information to substantiate compliance with requirements of Section 3.8 of this RFP.

5. Section 4: Qualifications of Firm and Staff

In this section, Offeror will provide information to substantiate compliance with requirements of Section 3.9 of this RFP.

6. Section 5: Price Structure

Establish a price structure for the listed requirements as explained in Section 3.10 of this RFP.

7. Section 6: Technical Information

Offeror shall place in this section any technical information, product brochures, descriptions, literature, or other materials required by this RFP or referenced in their proposal.

Other brochures and/or specification literature not otherwise required by this RFP shall be submitted upon request. If requested, such brochures and/or specifications shall be delivered within seven (7) business days of the request.

8. Section 7: Appendix

- a. Required Certifications;
- b. Federal Certifications;3. Litigation (See Section 4.11);
- c. Confidential Information (See Section 4.12); and
- d. Exceptions (See Section 4.13)

4.4 Economy of Presentation

Proposals shall be prepared in a straightforward and concise manner, and describe the offering(s) and capabilities in a format that is reasonably consistent and appropriate to the purpose. Emphasis shall be on completeness and clarity of content. If any additional information is required by the OHA regarding any aspect of the Offeror's proposal, it shall be provided within seven (7) business days after request.

4.5 Oral Presentation

Respondents to this RFP may be required to make an oral presentation of their proposal to ensure a thorough and mutual understanding. The OHA shall schedule the time and location for these presentations (if required) normally within ten (10) days following the Proposals Due date.

Failure to provide an oral presentation of their proposal to the OHA will result in the Offeror's proposal being rejected without further consideration.

4.6 Offeror's Authority to Submit an Offer

The OHA will not participate in determinations regarding an Offeror's authority to sell a product or service. If there is a question or doubt regarding an Offeror's right or ability to obtain and sell a product or service, the Offeror shall resolve that question prior to submitting an offer.

4.7 Required Review

Before submitting a proposal, each Offeror must thoroughly and carefully examine this RFP, any attachment, addendum, and other relevant document, to ensure Offeror understands the requirements of the RFP. Offeror must also become familiar with State, local and Federal laws, statutes, ordinances, rules, and regulations that may in any manner affect cost, progress, or performance of the work required.

Should Offeror find defects and questionable or objectionable items in the RFP, Offeror shall notify the OHA's Procurement Unit in writing prior to the deadline for written questions as stated in the RFP Schedule and Significant Dates, as amended. This will allow the issuance of any necessary corrections and/or amendments to the RFP by addendum, and mitigate reliance of a defective solicitation and exposure of proposal(s) upon which award could not be made.

4.8 Proposal Preparation Costs

Any and all costs incurred by the Offeror in preparing or submitting a proposal shall be the Offeror's sole responsibility whether or not any award results from this RFP. The OHA shall not reimburse such costs.

4.9 Tax Liability

Work to be performed under this solicitation is a business activity taxable under HRS Chapter 237, and if applicable, taxable under HRS Chapter 238. Contractor is advised that they are liable for the Hawai'i GET at the current 4.5% for sales made on O'ahu, and at the 4% rate for the islands of Hawai'i, Maui, Moloka'i, and Kaua'i. If, however, an Offeror is a person exempt by the HRS from paying the GET and therefore not liable for the taxes on this solicitation, Offeror shall state its tax exempt status and cite the HRS chapter or section allowing the exemption.

Federal I.D. Number and Hawai'i General Excise Tax License I.D. Offeror shall submit its current Federal I.D. No. and Hawai'i General Excise Tax License I.D. number in the space provided on Offer Form, page OF-1, thereby attesting that the Offeror is doing business in the State and that Offeror will pay such taxes on all sales made to the OHA.

4.10 Property of OHA

All proposals become the property of the OHA.

4.11 Litigation

A summary listing of judgments or pending lawsuits or actions against; adverse contract actions, including termination(s), suspension, imposition of penalties, or other actions relating to failure to perform or deficiencies in fulfilling contractual obligations against your firm. If none, so state.

4.12 Confidential Information

If an Offeror believes that any portion of a proposal, offer, specification, protest, or correspondence contains information that should be withheld from disclosure as confidential, then the Offeror shall inform the RFP Coordinator in writing and provided with justification to support the Offeror's confidentiality claim. Price is not considered confidential and will not be withheld.

An Offeror shall request in writing nondisclosure of information such as designated trade secrets or other proprietary data Offeror considers to be confidential. Such requests for nondisclosure shall accompany the proposal, be clearly marked, and shall be readily separable from the proposal in order to facilitate eventual public inspection of the non-confidential portion of the proposal.

Offeror shall place all Confidential Information in this tabbed section with a request in writing for nondisclosure of designated trade secrets or other proprietary data. Refer to Section 4.12, Confidential Information and Section 4.13, Exceptions.

4.13 Exceptions

Should Offeror take any exception to the terms, conditions, specifications, or other requirements listed in the RFP, Offeror shall list such exceptions in this section of the Offeror's proposal. Offeror shall reference the RFP section where exception is taken, a description of the exception taken, and the proposed alternative, if any. The OHA reserves the right to accept or not accept any exceptions.

Offeror shall list any exceptions taken to the terms, conditions, specifications, or other requirements listed herein. Offeror shall reference the RFP section where exception is taken, a description of the exception taken, and the proposed alternative, if any. The absence of any exception by the Offeror represents compliance with every requirement of this RFP.

Offeror shall not submit their organization's terms and conditions, standard contracts, or other agreements unless requested by OHA. General references to such items or attempts at complete substitution of such items may result in disqualification of Offeror's proposal. Offeror's are encouraged to submit specific alternate language to the OHA's terms and conditions if such changes are desired. The decision to accept or reject any exceptions taken shall be at the discretion of OHA and its decision shall be final.

No exceptions to statutory requirements of the OHA General Conditions shall be considered.

4.14 Receipt and Register of Proposals

Proposals will be received and receipt verified by two (2) or more procurement officials on or after the date and time specified in Section 1, or as amended.

The register of proposals and proposals of the Offeror(s) shall be open to public inspection upon posting of award pursuant to section 103D-701, HRS.

4.15 Best and Final Offer (BAFO)

If the OHA determines a BAFO is necessary, it shall request one from the Offeror. The Offeror shall submit its BAFO and any BAFO received after the deadline or not received shall not be considered.

4.16 Modification Prior to Submittal Deadline or Withdrawal of Offers

The Offeror may modify or withdraw a proposal before the proposal due date and time.

Any change, addition, deletion of attachment(s) or data entry of an Offer may be made prior to the deadline for submittal of offers.

4.17 Mistakes in Proposals

Mistakes shall not be corrected after award of contract.

When the RFP Coordinator knows or has reason to conclude before award that a mistake has been made, the RFP Coordinator should request the Offeror to confirm the proposal. If the Offeror alleges mistake, the proposal may be corrected or withdrawn pursuant to this section.

Once discussions are commenced or after best and final offers are requested, any priority-listed Offeror may freely correct any mistake by modifying or withdrawing the proposal until the time and date set for receipt of best and final offers.

If discussions are not held, or if the best and final offers upon which award will be made have been received, mistakes shall be corrected to the intended correct offer whenever the mistake and the intended correct offer are clearly evident on the face of the proposal, in which event the proposal may not be withdrawn.

If discussions are not held, or if the best and final offers upon which award will be made have been received, an Offeror alleging a material mistake of fact which makes a proposal non-responsive may be permitted to withdraw the proposal if: the mistake is clearly evident on the face of the proposal but the intended correct offer is not; or the

Offeror submits evidence which clearly and convincingly demonstrates that a mistake was made.

Technical irregularities are matters of form rather than substance evident from the proposal document, or insignificant mistakes that can be waived or corrected without prejudice to other Offerors; that is, when there is no effect on price, quality, or quantity. If discussions are not held or if best and final offers upon which award will be made have been received, the Procurement Officer may waive such irregularities or allow an Offeror to correct them if either is in the best interest of the OHA. Examples include the failure of an Offeror to: return the number of signed proposals required by the request for proposals; sign the proposal, but only if the unsigned proposal is accompanied by other material indicating the Offeror's intent to be bound; or to acknowledge receipt of an amendment to the request for proposal, but only if it is clear from the proposal that the Offeror received the amendment and intended to be bound by its terms; or the amendment involved had no effect on price, quality or quantity.

END OF SECTION

SECTION 5

Evaluation Criteria

5.1 Evaluation of Proposals

An evaluation committee approved by the OHA's Ka Pouhana/Chief Executive Officer or designee will evaluate all responsive and responsible proposals. The evaluation of such proposals will be based solely on the evaluation criteria set out in in this RFP. The evaluation committee will be composed of individuals with experience in, knowledge of and program responsibility for the requirements identified in this RFP. The OHA reserves the right to request information from the Offeror(s) to clarify the Offeror's proposal.

Prior to holding any discussion, a priority list shall be generated consisting of offers determined to be acceptable or potentially acceptable. However, proposals may be accepted without such discussions.

If numerous acceptable and potentially acceptable proposals are submitted, the evaluation committee may limit the priority list to the three (3) highest ranked, responsible Offerors.

5.2 Discussion with Priority Listed Offerors

The OHA invites priority listed Offerors to discuss their proposals to ensure thorough, mutual understanding. The OHA in its sole discretion shall schedule the time and location for these discussions, generally within the timeframe indicated in the RFP Schedule and Significant Dates. The OHA will also conduct discussions with priority listed Offerors to clarify issues regarding the proposals before requesting BAFOs, if necessary.

5.3 RFP Conditions

The following conditions apply to this RFP:

1. Proposals must be valid and irrevocable for sixty (60) days after the due date and time to allow the OHA time for adequate evaluations.
2. The OHA shall award the contract to the firm whose proposal is most advantageous to the OHA, based on the evaluation criteria listed below.
3. The OHA is committed to making a fair and impartial evaluation of all proposals received.

5.4 Evaluation Process

The evaluation will be conducted in three phases as follows:

- Phase 1 - Evaluation of Proposal Requirements
- Phase 2 - Evaluation of Proposal Application
- Phase 3 - Recommendation for Award

5.5 Evaluation Phases

Phase 1 - Evaluation of Proposal Requirements

1. Administrative Requirements
 - a. Offer Forms OF-1 & OF-2
 - b. Proposal Check list
 - c. Executive summary (Program Overview)
2. Proposal Application Requirements
 - a. Table of Contents
 - b. Section 1 – Experience and Capability
 - c. Section 2 – Project Staffing and Organization
 - d. Section 3 – Service Delivery
 - e. Section 4 – Program Cost
 - f. Section 5 – Appendices (Tabbed)
 - 1) Required Certification
 - 2) Federal Certificates
 - 3) Resumes
 - 4) Confidential Information
 - 5) Exceptions

Phase 2 – Evaluation of Proposal Application

Evaluation criteria and the associated points are listed below. The award will be made to the responsible Offeror whose proposal is determined to be the most advantageous to OHA based on the evaluation criteria listed in this section. The total number of points used to score this RFP is 100.

Evaluation Categories and Thresholds

Evaluation Categories

Possible Points

Administrative Requirements

Offer Form OF-1

0 points

Offer Form OF-2

0 points

0 Points

Executive Summary	<u>0 points</u>	
<i>Proposal Application</i>		100 Points
Solutions Architecture	30 points	
Functionality	20 points	
Vendor Support & Maintenance	10 points	
Qualifications of Firm and Staff	15 points	
Price Structure	<u>25 points</u>	
TOTAL POSSIBLE POINTS		100 POINTS

5.6 Executive Summary

Include an Executive Summary, signed by an officer of the company, describing the Offeror and providing a brief synopsis of the proposal, including benefits to the OHA-NHRLF if accepted and a brief description of the company. This synopsis should be two (2) pages or less in length and easily understood. The applicant shall also give a clear and concise brief overview to highlight and summarize the content of the proposal to orient the evaluators to the program/services being offered.

5.7 Solutions Architecture (30 POINTS)

Each of the major sections listed in Section 3.5 are listed below. The total possible number of points awarded per sub-section is 6 points. The maximum number of points that will be awarded for this section is 30 points.

Scoring Criteria	Points Possible
Overall System Features	6
Loan Origination	6
Loan Servicing	6
Collection Requirements	6
Data Collection & Reporting Requirements	<u>6</u>
Total Points Possible	30

Points are awarded based on the quality and comprehensiveness of the System features. The OHA will award points using the following assessment guidelines:

- A. Degree to which the Offeror describes its' ability to meet the requirements of the System as stated in the RFP.
- B. Quantity of features and characteristic the System is robust capable of providing, particularly those features that are unique to the needs of the NHRLF and CMLP programs.

- C. Quality of available features and characteristics the System is capable of providing, particularly those features that are unique to the needs of the NHRLF and CMLP programs.
- D. Range and quality of customization capabilities of the System.
- E. Range and quality of integration, automation (to the extent possible) and user friendliness of the features provided by the System.

5.8 Functionality (20 POINTS)

Emphasis will be placed on System effectiveness and reliability as described in Section 3.7 of this RFP. Each criterion below is weighted differently. The maximum number of points possible for this section is 20 points.

Scoring Criteria	Points Possible
General Software / Hardware Requirements	5
Application Security Requirements	5
Documentation of the System	2
Service Provider Portal Requirements	4
Benchmark Testing	2
Acceptance Testing	<u>2</u>
Total Points Possible	20

5.9 Vendor Support and Maintenance (10 POINTS)

Emphasis will be placed on Offeror's services regarding System maintenance, warranty and client technical assistance as described in Section 3.8 of this RFP. Each criterion below is weighted differently. The maximum number of points possible for this section is 20 points.

Scoring Criteria	Points Possible
Software Maintenance & Support	3
Warranty Coverage	1
Correction of Bugs	1
Software Upgrades	3
Live Support	<u>2</u>
Total Points Possible	10

5.10 Qualifications of Firm and Staff (15 POINTS)

Emphasis will be placed on Offeror's demonstrated experience, skill, staffing level and capability to meet the requirements as outlined in Section 3.9 and deliver best-in-class

service to OHA. Each criterion below is weighted differently. The maximum number of points possible for this section is 20 points.

Scoring Criteria	Points Possible
Staff Qualification & Necessary Skills	3
Proposed Staffing	2
Experience	<u>10</u>
Total Points Possible	15

5.11 Price Structure (25 POINTS)

Each criterion below is weighted differently. The maximum number of points possible for this section is 25 points.

Scoring Criteria	Points Possible
Bid 1	10
Bid 2	10
Reasonable and Necessary Costs	4
Fiscal Reporting	<u>1</u>
Total Points Possible	25

A. Bid One (1)

Initial cost of the proposal. Bid 1 – Mixed ANA and OHA funding monies will be used to fund initial project period from May 18, 2015 through and including June 2017. Mixed funds will be advanced for the payment of loan servicing software; first year data storage, first year system maintenance, and any additional software licenses; required equipment; and two (2) initial trainings. In compliance with Chapter 103D, the points allocated to higher-priced proposals must be equal to the lowest proposal price multiplied by the maximum points available for price, divided by the higher price proposal.

The point allocations for cost on the other proposals will be determined through the method set out as follows:

$$[\text{Lowest Cost Proposal} \times 10 \text{ Points (maximum)}] / \text{Offeror's Proposal Cost} = \text{Points.}$$

B. Bid Two (2).

Subsequent project costs for the period from FB 2018-2019 thru FB 2020-2021. Bid 2 - To cover the costs for six (6) years data storage, six (6) years system maintenance, any additional software licenses over the six (6) year contract period, additional equipment, if any, and annual trainings. The points allocated to

higher-priced proposals must be equal to the lowest proposal price multiplied by the maximum points available for price, divided by the higher price proposal.

The point allocations for cost on the other proposals will be determined through the method set out as follows:

$$[\text{Lowest Cost Proposal} \times 10 \text{ Points (maximum)}] / \text{Offeror's Proposal Cost} = \text{Points.}$$

C. Reasonable and Necessary Costs.

Demonstrates the Offeror's proposed costs are reasonable and necessary by providing adequate information and justification for all cost items. Demonstrates that the Offeror has a need for the amount requested for the proposed services. The reasonableness of the cost, considering: (1) effectiveness and reliability of the Offeror's System; (2) qualifications of the Offeror's agency and staff; (3) Offeror's ability or inability to service as well as maintain and support the System; and (4) overall and annual cost to maintain the System.

D. Fiscal Reporting

Proposal explains in sufficient detail Offeror's ability to provide complete, accurate and timely fiscal reports.

END OF SECTION

SECTION 6

Contractor Selection and Contract Award

6.1 Award of Contract

Method of Award. Award will be made to the responsible and responsive Offeror whose proposal is determined to be the most advantageous to the OHA based on the evaluation criteria set forth in the RFP.

6.2 Proposal as Part of the Contract

This RFP and all or part of the successful proposal may be incorporated into the contract.

6.3 Public Examination of Proposals

Except for confidential portions, the proposals shall be made available for public inspection upon posting of award pursuant to HRS §103D-701.

If a person is denied access to a State procurement record, the person may appeal the denial to the office of information practices in accordance with HRS §92F-42(12).

6.4 Debriefing

Pursuant to HAR §3-122-60, a non-selected Offeror may request a debriefing to understand the basis for award.

A written request for debriefing shall be made within three (3) working days after the posting of the award of the contract. The Procurement Officer or designee shall hold the debriefing within seven (7) working days to the extent practicable from the receipt date of written request.

Any protest by the requestor following a debriefing, shall be filed within five (5) working days, as specified in HAR §103D-303(h).

6.5 Approvals

Any Contract arising out of this offer may be subject to the approval of the OHA, and to all further approvals, including any the approval of the Governor, as required by statute, regulation, rule, order, or other directive.

6.6 Contract Execution

The Successful Offeror receiving award shall enter into a formal written contract in the form as in Exhibit B. No performance or payment bond is required for this contract.

No work is to be undertaken by the Contractor prior to the effective date of contract. The OHA is not liable for any work, contract, costs, expenses, loss of profits, or any damages whatsoever incurred by the Contractor prior to the official starting date.

If an option to extend is mutually agreed upon, the Contractor shall be required to execute a supplement to the contract for the additional extension period.

6.7 Payment

Incremental payments shall be made to the awarded Contractor on a quarterly basis, upon receipt of reports that meet the expectations of the RFP. The receipt of quarterly reports shall be due based on the timeline submitted by the Contractor in the proposal, or as amended.

6.8 Contract Invalidation

If any provision of this contract is found to be invalid, such invalidation will not be construed to invalidate the entire contract.

END OF SECTION

SECTION 7

Attachments and Exhibits

- Attachment 1: OFFER FORM, OF-1
- Attachment 2: OFFER FORM, OF-2
- Attachment 3: FEATURES & SERVICES CHECKLIST
- Attachment 4: CERTIFICATIONS
 - DEBARMENT & SUSPENSION
 - DRUG FREE WORKPLACE
 - LOBBYING
 - PROGRAM FRAUD CIVIL REMEDIES ACT
 - ENVIRONMENTAL TOBACCO SMOKE
- Attachment 5: SAMPLE NHRLF REPORT TEMPLATES
- Exhibit A: SAMPLE TABLE OF CONTENTS
- Exhibit B: SAMPLE CONTRACT FORM
- Exhibit C: GENERAL CONDITIONS

**ATTACHMENT 1
OFFER FORM, OF-1**

FROM: _____

TO: OHA Procurement Officer:
Kamana‘opono Crabbe, Ph.D.
Ka Pouhana, Chief Executive Officer
Office of Hawaiian Affairs, State of Hawai‘i
560 N. Nimitz Highway, Suite 200
Honolulu, Hawai‘i 96817

RE: OFFICE OF HAWAIIAN AFFAIRS, STATE OF HAWAI‘I
RFP NO. NHRLF 2015-06
Loan Servicing Software

Dear Dr. Crabbe,

The undersigned has carefully read and understands the terms and conditions specified in the Specifications and Special Provisions attached hereto, and in the General Conditions, by reference made a part hereof and available upon request; and hereby submits the following offer to perform the work specified herein, all in accordance with the true intent and meaning thereof. The undersigned further understands and agrees that by submitting this offer, 1) he/she is declaring his/her offer is not in violation of Chapter 84, Hawai‘i Revised Statutes, concerning prohibited State contracts, and 2) he/she is certifying that the price(s) submitted was (were) independently arrived at without collusion.

Offeror is:

☐ Sole Proprietor ☐ Partnership ☐ *Corporation ☐ Joint Venture

*State of incorporation: _____

☐ Other _____

Hawai‘i General Excise Tax License I.D. No. _____

Federal I.D. No. _____

**ATTACHMENT 1:
OFFER FORM, OF-1
(CONTINUED)**

Payment address (other than street address below):

Business address (street address):

Respectfully submitted:

Exact Legal Name of Company (Offeror)**

Authorized (Original) Signature

Name & Title: _____

Date: _____

Telephone No.: _____

Fax No.: _____

E-mail Address: _____

**If Offeror is a “dba” or a “division” of a corporation, furnish the exact legal name of the corporation under which the awarded contract will be executed:

**ATTACHMENT 2:
OFFER FORM, OF-2**

Total contract cost for accomplishing the development and delivery of the services	\$ _____
Contract period:	_____ to _____

Note: Pricing shall include labor, materials, supplies, all applicable taxes, and any other costs incurred to provide the specified services.

The contract for the proposed services may be extended without the necessity of re-soliciting or solicitation, subject to appropriation and availability of funds to the OHA, continued need for the services, and the OHA's determination of satisfactory performance of the contracted organization, or unless this Contract is terminated. The option to extend the service shall be offered in writing by the OHA prior to the expiration of the contract. No contract or amendment to a contract shall be binding upon the OHA until the contract has been fully and properly executed by all parties thereto prior to the start date of the contract. The contracted organization shall not provide any services until the contract is fully and properly executed.

Offeror

Name of Company

ATTACHMENT 3 - FEATURES & SERVICES CHECKLIST

Place a checkmark (✓) or 'x' symbol (✗) in the appropriate column for each feature listed below. Due to limited space on the form, some of the features listed have been shortened. Please be sure to refer to **Section 3.5 Scope of Work** in this RFP for the extended description. A blank entry will be automatically considered NON-compliant. You must attach documentation for **each item** either through screenshots or narrative to demonstrate sufficient capability to meet these features and services.

Features and Characteristic	Fully Compliant	NON-Compliant	Not Applicable
Overall System Features			
<i>Required Features</i>			
1) Cloud-based / web-based deployment			
2) Ability to apply online for a loan and check the status of an application			
3) Workflow and task alert capability			
4) System automation features			
5) Ability to upload documents to a particular loan			
6) Audit trail capability			
7) Import and export data via Microsoft Excel			
8) Data conversion services			
9) Other functions and services the Offeror deems necessary to improve the System			
10) Free or cost effective upgrades for up to six years as client services evolve			
<i>Preferred Features</i>			
11) In-System technical assistance support			
12) Vendor management			
13) Accounting management			
Loan Origination			
<i>Required Features</i>			
1) Contact management			

Features and Characteristics (cont'd)	Fully Compliant	NON-Compliant	Not Applicable
2) Capture multiple borrowers, co-signors and/or guarantors			
3) Service multiple loan product types and terms within the System			
4) In-system link to credit bureaus			
5) Assign a loan rating to each loan at different points in time			
6) Track pertinent process-related milestone dates			
7) Document loan terms and interest			
8) Categorize loans by various categories, characteristics or status			
9) Create amortization schedules, including the ability to view past and present amortization schedules			
10) Create non-amortized and renewal/refinance schedules			
11) Collateral tracking			
<i>Preferred Features</i>			
12) Automate debt-to-income ratio calculation			
13) Auto-pull liabilities (and/or other information) direct from credit report			
14) Capability to enable NHRLF Board of Directors to access limited parts of a loan application to render a funding decision			
15) Capability to generate loan document forms using pre-loaded templates that may also be customizable for each loan			
Loan Servicing			
<i>Required Features</i>			
1) Task and activity logs			
2) Ability to auto-calculate paid-thru date for loans			
3) Transaction processing, including ACH payment processing and ability to electronically disburse loan amount			
4) Fee Management			
5) Ability to identify how a payment is distributed (principal, interest, fees)			

Features and Characteristics (cont'd)	Fully Compliant	NON-Compliant	Not Applicable
6) Auto-calculate and auto-process fees, including NSF fees when payments are reversed			
7) Capability to conduct loan reconciliation			
8) "Notes" feature to allow servicing staff to add in pertinent loan information			
9) Capability to include other custom fields that may be deemed necessary			
<i>Preferred Features</i>			
10) Ability to batch payments			
11) Ability to email statement invoices and/or ability for borrowers to check real-time loan balance			
Collection Requirements			
<i>Required Features</i>			
1) General collections management capabilities			
2) Easy accessibility to contact information including contact's references			
3) Action planning			
4) Write-off, charge-off, cancellation tracking for both dates and amounts			
Data Collection & Reporting Requirements			
<i>Required Features</i>			
1) Able to create report templates similar to forms in Section 7, Attachment 6			
2) Ability to pull reports based on multiple timeframes			
3) Paid-thru date report			
4) Custom data reports			
5) Delinquency report based on 10- and 45-days past due			
6) Capture and report out impact data (e.g., track credit score over time, etc.)			
7) Retain both raw and refined reporting data for subsequent ad hoc analysis			
8) Storage data maintenance of up to twelve (12) months			
<i>Preferred Features</i>			
9) User-friendly, in-system custom report-builder feature			

ATTACHMENT 4 - CERTIFICATIONS

CERTIFICATIONS

1. CERTIFICATION REGARDING DEBARMENT AND SUSPENSION

The undersigned (authorized official signing for the applicant organization) certifies to the best of his or her knowledge and belief, that the applicant, defined as the primary participant in accordance with 45 CFR Part 76, and its principals:

- (a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal Department or agency;
- (b) have not within a 3-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- (c) are not presently indicted or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (b) of this certification; and
- (d) have not within a 3-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.

Should the applicant not be able to provide this certification, an explanation as to why should be placed after the assurances page in the application package.

The applicant agrees by submitting this proposal that it will include, without modification, the clause titled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion--Lower Tier Covered Transactions" in all lower tier covered transactions (i.e., transactions with sub-grantees and/or contractors) and in all solicitations for lower tier covered transactions in accordance with 45 CFR Part 76.

2. CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

The undersigned (authorized official signing for the applicant organization) certifies that the applicant will, or will continue to, provide a drug-free workplace in accordance with 45 CFR Part 76 by:

- (a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
- (b) Establishing an ongoing drug-free awareness program to inform employees about--
 - (1) The dangers of drug abuse in the workplace;
 - (2) The grantee's policy of maintaining a drug-free workplace;
 - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- (c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a) above;
- (d) Notifying the employee in the statement required by paragraph (a), above, that, as a condition of employment under the grant, the employee will--
 - (1) Abide by the terms of the statement; and
 - (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
- (e) Notifying the agency in writing within ten calendar days after receiving notice under paragraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central

ATTACHMENT 4 - CERTIFICATIONS

point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

- (f) Taking one of the following actions, within 30 calendar days of receiving notice under paragraph (d) (2), with respect to any employee who is so convicted--
 - (1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
- (g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).

For purposes of paragraph (e) regarding agency notification of criminal drug convictions, the DHHS has designated the following central point for receipt of such notices:

Office of Grants and Acquisition Management
Office of Grants Management
Office of the Assistant Secretary for Management and Budget
Department of Health and Human Services
200 Independence Avenue, S.W., Room 517-D
Washington, D.C. 20201

3. CERTIFICATION REGARDING LOBBYING

Title 31, United States Code, Section 1352, entitled "Limitation on use of appropriated funds to influence certain Federal contracting and financial transactions," generally prohibits recipients of Federal grants and cooperative agreements from using Federal (appropriated) funds for lobbying the Executive or Legislative Branches of the Federal Government in connection with a SPECIFIC grant or cooperative agreement. Section 1352 also requires that each person who requests or receives a Federal grant or cooperative agreement must disclose lobbying undertaken with non-Federal (non-appropriated) funds. These requirements apply to grants and cooperative agreements EXCEEDING \$100,000 in total costs (45 CFR Part 93).

The undersigned (authorized official signing for the applicant organization) certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the under-

signed, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

- (2) If any funds other than Federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions. (If needed, Standard Form-LLL, "Disclosure of Lobbying Activities," its instructions, and continuation sheet are included at the end of this application form.)
- (3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

4. CERTIFICATION REGARDING PROGRAM FRAUD CIVIL REMEDIES ACT (PFCRA)

The undersigned (authorized official signing for the applicant organization) certifies that the statements herein are true, complete, and accurate to the best of his or her knowledge, and that he or she is aware that any false, fictitious, or fraudulent statements or claims may subject him or her to criminal, civil, or administrative penalties. The undersigned agrees that the applicant organization will comply with the Public Health Service terms and conditions of award if a grant is awarded as a result of this application.

ATTACHMENT 4 - CERTIFICATIONS

5. CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

Public Law 103-227, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, early childhood development services, education or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed, operated, or maintained with such Federal funds. The law does not apply to children's services provided in private residence, portions of facilities used for inpatient drug or alcohol treatment, service providers whose sole source of applicable Federal funds is Medicare or Medicaid, or facilities where WIC coupons are redeemed.

Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1,000 for each violation and/or the imposition of an administrative compliance order on the responsible entity.

By signing the certification, the undersigned certifies that the applicant organization will comply with the requirements of the Act and will not allow smoking within any portion of any indoor facility used for the provision of services for children as defined by the Act.

The applicant organization agrees that it will require that the language of this certification be included in any subawards which contain provisions for children's services and that all subrecipients shall certify accordingly.

The Public Health Services strongly encourages all grant recipients to provide a smoke-free workplace and promote the non-use of tobacco products. This is consistent with the PHS mission to protect and advance the physical and mental health of the American people.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	TITLE	
APPLICANT ORGANIZATION		DATE SUBMITTED

Performance Measure 1: Geographic Disbursement of Loans to Native Hawaiians

	Inception to Previous Semi-Annual Report	July to December		January to June		Comprehensive Total	
Goals	Number of Loans Disbursed	Number of Loans Disbursed	% to Total	Number of Loans Disbursed	% to Total	Number of Loans Disbursed	% to Total
Hawaii (13.8% - 16.8%)	265	10	13.0%	9	18.4%	284	14.2%
Maui (10.5% - 12.9%)	202	7	9.1%	4	8.2%	213	10.7%
Kauai (6.5% - 8.0%)	89	3	3.9%	3	6.1%	95	4.8%
Oahu (63.1% - 67.1%)	1278	56	72.7%	31	63.3%	1365	68.3%
Molokai (0.4% - 0.6%)	10	0	0.0%	2	4.1%	12	0.6%
Lanai (0.1% - 0.3%)	30	1	1.3%	0	0.0%	31	1.6%
Total	1874	77	100.0%	49	100.0%	2000	100.0%
Performance measure #1 determines if the NHRLF program is meeting the geographic disbursement goals for each county. During the 2nd semi-annual period (January 1 - June 30, 2014), Maui, Kauai, and Lanai missed their percentage goals. NHRLF is still feeling the impact of low disbursements as the SLP amendment was not executed until late January and the program did not resume loan issuances until the end of February 2014. Comprehensively, all islands except for Kauai are achieving the stated distribution goals.							

Performance Measure 2: Timely Processing from Application to Disbursement

Goals	July to December Average	January to June	Year-To-Date Average
Percentage of Debt Consolidation loans disbursed within 45 calendar days: Goal is 100%	0%	96%	96%
	No loans were closed; debt consolidation loan product was suspended.	(23 of 24 debt consolidation loans closed within 45 days)	(23 of 24 debt consolidation loans closed within 45 days)
Percentage of Tier 1 Unsecured loans disbursed within 15 calendar days: Goal is 100%	80%	57%	73%
	(44 of 55 Tier 1 Unsecured loans closed within 15 days of application)	(13 of 23 Tier 1 loans closed within 15 days)	(57 of 78 Tier 1 Unsecured loans closed within 15 days of application)
Percentage of Tier 1 Secured loans disbursed within 60 calendar days: Goal is 100%	100%	0%	100%
	(8 of 8 Tier 1 Secured loans closed within 60 days of application)	No secured loans were closed.	(8 of 8 Tier 1 Secured loans closed within 60 days of application)
Percentage of Tier 2 Unsecured loans disbursed within 45 calendar days: Goal is 100%	79%	100%	81%
	(11 of 14 Tier 2 Unsecured loans closed within 45 days of application)	(All 2 loans closed within 45 days)	(13 of 16 Tier 2 Unsecured loans closed within 45 days of application)
Percentage of Tier 2 Secured loans disbursed within 75 calendar days: Goal is 100%	0%	0%	0%
	No Tier 2 secured loans were closed.	No secured loans were closed.	No Tier 2 secured loans were closed.

Performance Measure #2 illustrates the percentage of loans that close within a specified amount of time based on Tier, secured or unsecured, and debt consolidation. The breakdown provides a better analysis of how the process is doing with regards to closing on time.

- 96% of debt consolidation borrowers closed within 45 days of application submittal. This is a positive sign given these borrowers still must meet with the TA Provider although they are Tier 1.

- 57% of Tier 1 unsecured borrowers closed within 15 days of submitting their application. The 10 borrowers who fell outside the goal completed their loan in an average of 30 days.

- No Tier 1 secured loans closed during this period. Due to new federal guidelines, the SLP returned all of the secured loans over to OHA. OHA is now servicing these loans.

- 100% of Tier 2 unsecured loans closed within 45 days of submitting their application.

- No Tier 2 secured loans closed during this period. Due to new federal guidelines, the SLP returned all of the secured loans over to OHA. OHA is now servicing these loans.

Performance Measure 3: Percentage of Tier 2 Loans Disbursed

	Inception to Previous Semi-Annual Report	July to December	January to June	Cumulative Since Restructuring
Total Number of Tier 1 Loans Disbursed	1668	63	47	1778
Total Number of Tier 2 Loans Disbursed	206	14	2	222
Total	1874	77	49	2000
Tier 2 Loans % of Total: Goal is 20%	11%	18%	4%	11%
Performance Measure #3 determines the percentage of loans that have been disbursed to Tier 2 (credit score between 600 and 649) borrowers. For the period, 18% of disbursed loans were issued to Tier 2 borrowers, which is the first time the Tier 2 disbursements were close to the measure goal. However, cumulatively only 11% of loans were being disbursed to Tier 2 borrowers.				
For the 2nd half of FY 2014, NHRLF issued only 2 Tier 2 loans, which represents 4% of the loans disbursed. The cumulative percentage remained at 11%.				

Performance Measure 4: Increase Loan Disbursement for New or Expanding Native Hawaiian-owned Businesses

	Inception to Previous Semi-Annual Report	July to December	January to June	Cumulative Since Restructuring
Total Number of OHA Malama Business Loans Disbursed Goal: \$494,000	6,367,862	561,193	111,537	7,040,592
Total Number of OHA Hua Kanu Business Loans Disbursed Goal: \$2.6 million	1,050,000	-	-	1,050,000
Total Business Disbursement	7,417,862	561,193	111,537	8,090,592
Performance Measure #4 amount of business loans closed during the semi-annual period.				
- The goal of \$494,000 in Malama business loans was exceeded as \$561,193 business loans were closed in the first half of FY 2014. An additional \$111,537 was disbursed in the 2nd half of FY 2014.				
- The demand for Hua Kanu is very slow. A \$400,000 loan was approved in September 2013 still has yet to close and was required to resubmit his application for review. The applicant has moved out of his original space into a larger space in the same vicinity of the original store location.				

Performance Measure 5: Increase Loan Disbursement to Native Hawaiians seeking to improve the condition of their residence and provide opportunities to improve their financial health

	Inception to Previous Semi-Annual Report	July to December	January to June	Cumulative Since Restructuring
Total Number of OHA Malama Home Improvement Loans Disbursed Goal: \$2.6 million	14,625,334	511,490	200,030	15,336,854
Total Number of OHA Malama Education Loans Disbursed Goal: \$353,000	3,973,919	414,148	70,058	4,458,125
Total Number of OHA Malama Debt Consolidation Loans Disbursed Goal: \$1,000,000	9,361,256	-	344,026	9,705,282
Total Disbursements	27,960,509	925,638	614,114	29,500,261
Performance Measure #5 analyzes the amount of debt consolidation, education, and home improvement loans that have been closed during the semi-annual period.				
- With the suspension of the Malama loan program and the delay in executing the SLP amendment, disbursements were extremely low. Home Improvement failed to reach \$750,000 for the first time since the Malama loan program was initiated.				
- Education loans did exceed their anticipated disbursement goal by over \$100,000.				
- Debt consolidation, although the loan product had the largest disbursement totals, it failed to meet the projected goal.				
The low disbursement could be attributed to the high interest rate of 6.25% as borrowers are more sensitive to higher rates, the delay in executing the SLP amendment which ultimately resulted in the suspension of the loan program. These combined factors impacted the disbursement levels.				

Performance Measure 6: Hua Kanu and OHA Malama Tier 1 Default Rate is Less Than 6%		
	Previous Semi-Annual Period	Current Semi-Annual Period
\$ Value of Hua Kanu Defaults	-	-
\$ Value of Hua Kanu Outstanding Loan Balance	991,689	964,116
% of Hua Kanu Default Rate: Goal is < 6%	0.00%	0.00%
\$ Value of Tier 1 Defaults	\$ 476,466	\$ 509,837
\$ Value of Tier 1 Outstanding Loan Balance	\$ 14,818,683	\$ 13,247,950
% of Tier 1 Default Rate: Goal is < 6%	3.22%	3.85%
Performance Measure #6 determines the default rate of the portfolio for Hua Kanu and Tier 1 OHA Malama borrowers. - Hua Kanu remains with none of the borrowers in default. - The default rate for Tier 1 borrowers have increased slightly from 3.22% to 3.85% during this period. NHRLF staff is more diligent with collections and with recommending charge-offs when there is no realistic chance to collect.		

Performance Measure 7: OHA Malama Tier 2 Default Rate is Less Than 26%		
	Previous Semi-Annual Period	Current Semi-Annual Period
\$ Value of Tier 2 Defaults	\$ 282,456	\$ 253,853
\$ Value of Tier 2 Outstanding Loan Balance	\$ 1,507,191	\$ 1,228,131
% of Tier 2 Default Rate: Goal is < 26%	18.74%	20.67%
Performance Measure #7 determines the default rate of the portfolio for Tier 2 OHA Malama borrowers. - The default rate for Tier 2 also experienced an increase from 18.74% to 20.67%. With a low number of Tier 2 borrowers, any new defaulted borrower greatly impacts the		

Performance Measure 8: Cumulative Charge Offs on Tier 1 Loans is Less Than 2.0%

	Inception to Previous Semi-Annual Report	July to December	January to June	Cumulative Since Restructuring
\$ Value of Tier 1 Charge Off Loans	\$ 651,650	\$ 49,335	\$ 70,860	\$ 971,845
\$ Value of Tier 1 Loans Disbursed	\$ 30,994,021	\$ 1,258,935	\$ 696,652	\$ 32,949,608
Tier 1 Charge Off Rate %: Goal is < 2.0%	2.75%	3.92%	10.17%	2.95%
Performance Measure #8 monitors the charge off rate of Tier 1 OHA Malama Loans to ensure the overall rate is equal to or lesser than 2%. - Despite large charge-offs in FY 2012 and FY 2013, NHRLF is still experiencing charge-offs that amount to more than the 2% measure goal.				

Performance Measure 9: Cumulative Charge Offs on Tier 2 Loans is Less Than 3%

	Inception to Previous Semi-Annual Report	July to December	January to June	Cumulative Since Restructuring
\$ Value of Tier 2 Charge Off Loans	\$ 551,754	\$ 17,050	\$ 37,463	\$ 606,268
\$ Value of Tier 2 Loans Disbursed	\$ 3,344,018	\$ 227,896	\$ 28,999	\$ 3,600,913
Tier 2 Charge Off Rate %: Goal is < 3%	16.50%	7.48%	129.19%	16.84%
Performance Measure #9 monitors the charge off rate of Tier 2 OHA Malama Loans to ensure the overall rate is equal to or lesser than 2.6%. - With Tier 2 loans representing only 11% of the portfolio, any negative borrower is magnified thus we have a high default rate that exceeds the measure's goal.				

Performance Measure 10: Cumulative Charge Offs on Hua Kanu Loans is Less Than 3%

	Inception to Previous Semi-Annual Report	July to December	January to June	Cumulative Since Restructuring
\$ Value of Hua Kanu Charge Off Loans		\$ -	\$ -	\$ -
\$ Value of Hua Kanu Loans Disbursed	\$ 1,050,000	\$ -	\$ -	\$ 1,050,000
Hua Kanu Charge Off Rate %: Goal is < 3%				0.00%
Performance Measure #10 monitors the charge-off rate of Hua Kanu Business Loan to ensure the overall rate is equal to or lesser than 3%.				
- No charge-offs for Hua Kanu have occurred.				

Performance Measure 11: NHRLF Operating Income greater than \$0.00

	July to December	January to June	Year-To-Date
Operating Income greater than \$0.00	98,026.52	45,756.57	143,783
Charge-off	66,384.90	137,545.48	203,930
Total Operating Income	31,641.62	(91,788.91)	(60,147)
Performance Measure #11 monitors the income level of the NHRLF program since it should be self-sustaining. - To more accurately depict the income level of the NHRLF program, OHA included the charge-off amounts for the period. - For FY 2014, the program experienced a loss of \$60,147. The positive is that this is the closest the NHRLF program has been to self-sufficiency since 2009.			

Performance Measure 12: Capital Available for New Loans

		This Reporting Period
Beginning Capital Available (Note H)		11,116,422
Dollar Value of Loans Disbursed		725,651
Ending Capital Available for New Loans		10,390,771
Performance Measure #12 analyzes the capital available for new loans. There is sufficient capital available for new loans.		

(Note H: Derived from the Financial status report's "Status of NHRLF Capital" of the quarter's beginning balance.)

General Overview:

1. NHRLF is completing a three year business plan that will detail the program becoming self-sufficient.
2. FY 2015, OHA will issue a new RFP for an Strategic Lending Partner.

Native Hawaiian Revolving Loan Fund
Quarterly Borrower and Financial Status Report
As of September 30, 2014

Financial Status (in dollars)					
Program Income:	1 st Qtr	2 nd Qtr	3 rd Qtr	4 th Qtr	Year-to-Date
Earnings from Investments	4,383				4,383
Net Increase of Fair Value of Investments	(5,321)				(5,321)
Interest Earned on Loans	152,763				152,763
Other Revenue	4,172				4,172
Income Total	155,997	-	-	-	155,997
Expenditures:	1 st Qtr	2 nd Qtr	3 rd Qtr	4 th Qtr	Year-to-Date
Salaries and benefits	103,392				103,392
Supplies	39				39
Loan Processing Fees (Note C)	22,254				22,254
Training (Note D)	1,125				1,125
Travel (Note D)	368				368
Fee for Services	-				-
Other Expenses	299				299
Insurance	-				-
Repairs and Maintenance	-				-
Rent	4,571				4,571
Charge-offs	47,955				47,955
T&TA Expense	9,240				9,240
Investment Management Fees	4,104				4,104
Expense Total	193,348	-	-	-	193,348
Net Operating Income	\$ (37,351)	\$ -	\$ -	\$ -	\$ (37,351)

Note C: Bank Fees have been included in Loan Processing Fees

Note D: Travel will reflect charges incurred for all non-training related expenses.

**Amounts are from an Unaudited Trial Balance and NHRLF Staff Estimates

Borrower Monitoring

Native Hawaiian Revolving Loan Fund
Quarterly Borrower and Financial Status Report
As of September 30, 2014

	1 st Qtr	2 nd Qtr	3 rd Qtr	4 th Qtr
Number of Loans > or = \$25,000	0			
Number Goal of site visits (20% of loans)	0			
Number of NHRLF borrower site visits	2			

Native Hawaiian Revolving Loan Fund
Quarterly Borrower and Financial Status Report
As of September 30, 2014

SLP Monitoring

	1 st Qtr	2 nd Qtr	3 rd Qtr	4 th Qtr
Number of Loans Disbursed by SLP	31			
Number Goal of credit files audited (20% of loans)	6			
Number of SLP credit files audited	10			

TA Provider Monitoring

	1 st Qtr	2 nd Qtr	3 rd Qtr	4 th Qtr
Number of outreach sessions	0			
Number of clients referred to TA Provider	12			
Number of hours of technical assistance provided	122			
Average days between conditional loan approval and TA Provider referral to NHRLF	11			
Cumulative Default Rate for Borrowers Assisted Cumulative Defaulted Loans/Cumulative Tier 2 Loans Disbursed)	12%			

Number applicants/borrowers successfully completing a TA Task Plan	1 st Qtr	2 nd Qtr	3 rd Qtr	4 th Qtr
Oahu	7			
Hawaii	2			
Maui	1			
Kauai	0			
Molokai	1			
Lanai	0			
Total Successfully Completing TA Task Plan	11			

NHRLF Staff Training				
Describe NHRLF staff compliance with training requirements for most recent quarter:				
Professional Development Courses	Manager*	Finance & Operations Officer*	Senior Technical Assistance Specialist	Technical Assistance Specialist
NA	None	None	None	None

Comments:

Proposal Application
SAMPLE Table of Contents

1.0	Executive Summary	1
2.0	Solutions Architecture	1
	A. FEATURES AND SERVICES CHECKLIST	2
	B. Description of Features	4
3.0	Functionality.....	7
	A. Technical Environment & System Hosting	7
	B. Functional Specifications & Requirements	7
4.0	Vendor Support & Maintenance	12
5.0	Qualifications of Firm & Staff.....	20
6.0	Price Structure	20
7.0	Technical Information	20
8.0	Appendix	
	A. Required Certifications	
	B. Federal Certifications	
	C. Resumes	
	D. Confidential Information	
	E. Exceptions	
	F. Other	

SAMPLE CONTRACT

OFFICE OF HAWAIIAN AFFAIRS

CONTRACT NUMBER _____

REQUEST FOR PROPOSALS

PURCHASE OF GOODS AND SERVICES

CONTRACT BETWEEN

OFFICE OF HAWAIIAN AFFAIRS

AND

This Agreement, executed and entered into as of this _____ day of _____, 2015, by and between, the Office of Hawaiian Affairs (“OHA”), a body corporate under the Constitution of State of Hawai‘i, by its Ka Pouhana, Chief Executive Officer (“CEO”), acting by and on behalf of the Board of Trustees, whose principal place of business and mailing address is 560 North Nimitz Highway, Suite 200, Honolulu, Hawai‘i 96817, and **[NAME OF CONTRACTOR]** (“CONTRACTOR”), a Hawai‘i corporation, by its President, whose principal place of business and mailing address is **[XXXXXX], Honolulu, Hawai‘i 96[XXX], Federal Tax ID No. [99 – XXXXXX]**

W I T N E S S E T H:

WHEREAS, OHA was established to better the conditions of native Hawaiians and Hawaiians as defined in Hawai‘i Revised Statutes (“HRS”) sections 10-2, 10-4(4), 10-4(6) and 10-4(8), and other applicable law(s), as amended; and

WHEREAS, OHA is in need of services for “Loan Servicing Software to Address Native Hawaiian Access to Credit and Capital ” as described in this Agreement and its attachments; and

WHEREAS, OHA has awarded this Agreement through competitive sealed proposals submitted for RFP No. NHRLF 2015-0__ pursuant to HRS Chapter 103D of the Hawai‘i Public Procurement Code; and

WHEREAS, the CONTRACTOR has been evaluated as a responsible and responsive offeror whose proposal is advantageous for OHA, such evaluation factors as capacity, qualifications, and resources to perform the terms and conditions agreed to under this Agreement.

NOW, THEREFORE, the parties hereto mutually agree as follows:

1. Scope of Services. The CONTRACTOR shall, in a proper and satisfactory

manner as determined by OHA, provide all the goods and services set forth in Attachment – S 1, which is hereby made a part of this Agreement.

2. Time of Performance. The performance required of the CONTRACTOR under this Agreement shall be completed in accordance with the Time Schedule set forth in Attachment – S 2, which is hereby made a part of this Agreement.

3. Compensation. The CONTRACTOR shall be compensated according to the Compensation provision set forth in Attachment – S 3, which is hereby made a part of this Agreement.

4. Standards of Conduct Declaration. The Standards of Conduct Declaration of the CONTRACTOR is attached and is made a part of this Agreement.

5. CONTRACTOR's Acknowledgment Statement. The CONTRACTOR's Acknowledgment Statement is attached and is made a part of this Agreement.

6. Other Terms and Conditions. The General Conditions and any Special Conditions are attached hereto as and made a part of this Agreement. In the event of a conflict between the General Conditions and the Special Conditions, the Special Conditions shall control.

7. Notices. Any written notice required to be given by any party to this Agreement shall be (a) delivered personally, or (b) sent by United States first class mail, postage prepaid. Notice required to be given to the CEO shall be sent to the CEO's business and mailing address as set forth in the first paragraph of this Agreement. Notice to the CONTRACTOR shall be sent to the CONTRACTOR's business and mailing address as set forth in the first paragraph of this Agreement. A notice shall be deemed to have been received three (3) days after mailing or at the time or actual receipt, whichever is earlier. The CONTRACTOR is responsible for notifying OHA in writing of any change of address.

IN VIEW OF THE ABOVE, the parties execute this Agreement by their signatures, on the dates below, to be effective as of the date first above written.

OFFICE OF HAWAIIAN AFFAIRS

Date: _____, 2015

By _____

KAMANA'OPONO CRABBE, Ph.D.
Its Ka Pouhana, Chief Executive Officer

"OHA"

[NAME OF CONTRACTOR]

Date: _____, 2015

By _____

[NAME]
Its [TITLE]

"CONTRACTOR"

APPROVED AS TO FORM:

ERNEST M. KIMOTO
Ka Paepae, Corporate Counsel

Date: _____, 2015

CONTRACTOR'S ACKNOWLEDGEMENT

STATE OF HAWAI'I)
) SS.
CITY AND COUNTY OF HONOLULU)
)
)
)

On this _____ day of _____, 20____, before me personally appeared **[SIGNER'S NAME]**, to me personally known, who, being by me duly sworn, did say that such person is the President of **[NAME OF CONTRACTOR]**, the CONTRACTOR, named in the foregoing instrument, and that he/she/they is/are authorized to sign said instrument on behalf of the CONTRACTOR, and acknowledges that he/she/they executed said instrument as the free act and deed of the CONTRACTOR.

(Notary signature)

(print name) Notary Public, State of Hawai'i
(Official Stamp or Seal)
My commission expires: _____

NOTARY CERTIFICATION STATEMENT

Document Identification or Description:

☐ Doc. Date: _____ OR ☐ Undated at time of notarization

No. of Pages: _____ Jurisdiction: _____ Circuit
(in which notary act is performed)

Signature of Notary

Date of notarization

Printed Name of Notary

(Official Stamp or Seal)

STANDARDS OF CONDUCT DECLARATION

For the purposes of this declaration:

“Controlling interest” means an interest in a business or other undertaking which is sufficient in fact to control, whether the interest is greater or less than fifty percent (50%).

“Employee” means any nominated, appointed, or elected officer or employee of the State or OHA, including members of boards, commissions, and committees, and employees under contract to the State or of the constitutional convention, but excluding legislators, delegates to the constitutional convention, justices, and judges.

On behalf CONTRACTOR’S NAME, CONTRACTOR, the undersigned does declare, under penalty of perjury, as follows:

1. CONTRACTOR (is) (is not) a legislator or an employee or a business in which a legislator or an employee has a controlling interest.*
2. CONTRACTOR has not been assisted or represented by a legislator or employee for a fee or other compensation to obtain this Agreement and will not be assisted or represented by a legislator or employee for a fee or other compensation in the performance of the Agreement, if the legislator or employee had been involved in the development or award of the Agreement.
3. CONTRACTOR has not been assisted or represented for a fee or other compensation in the award of this Agreement by a State or OHA employee or, in the case of the Legislature, by a legislator.
4. CONTRACTOR has not been represented or assisted personally on matters related to the Agreement by a person who has been an employee of the State or OHA within the preceding two (2) years and who participated while in state office or employment on the matter with which the Agreement is directly concerned.
5. CONTRACTOR has not been represented or assisted on matters related to this Agreement, for a fee or other consideration by an individual who, within the past twelve (12) months, has been a State or OHA employee, or in the case of the Legislature, a legislator.
6. CONTRACTOR has not been represented or assisted in the award of this Agreement for a fee or other consideration by an individual who, 1) within the past twelve (12) months, served as a State or OHA employee or in the case of the Legislature, a legislator, and b) participated while an employee or legislator on matters related to this Agreement.

CONTRACTOR understands that the Agreement to which this document is attached is voidable on behalf of the State or OHA if this Agreement was entered into in violation of any provision of chapter 84, Hawaii Revised Statutes, commonly referred to as the Code of Ethics, including the provisions which are the source of the declarations above. Additionally, any fee, compensation, gift, or profit received by any person as a result of a violation of the Code of Ethics may be recovered by the State or OHA.

CONTRACTOR

By: _____

Title: _____

Date: _____

SCOPE OF SERVICES

The CONTRACTOR agrees to satisfactorily provide the services hereinafter set forth which includes, by may not be necessarily limited to, the following:

[SCOPE FROM RFP, SEC. 3 TO BE INCLUDED DURING CONTRACTING PHASE]

For questions, please contact:

(Name)

(Position Title)

Telephone: (808) XXX-XXXX

Fax: (808) XXX-XXXX

E-mail: XXXXX@oha.org

THIS SPACE INTENTIONALLY LEFT BLANK

TIME OF PERFORMANCE

The CONTRACTOR shall render the services required under this Agreement from the effective date of _____, 2015 through and including _____, 2016, unless this Agreement is sooner terminated as provided hereafter in this Agreement, commencing upon execution of this Agreement.

The manner in which the services are to be performed and the specific hours to be worked by the CONTRACTOR shall be determined by the CONTRACTOR, limited, however, to the maximum amount payable as specified in this Agreement.

Option to Extend: The Time of Performance of this Agreement may be extended at negotiated fees, upon mutual agreement in writing prior to the end of the current Agreement. It is understood that a Supplemental Agreement (Amendment) will be executed by both the CONTRACTOR and OHA to exercise any and all extensions.

THIS SPACE INTENTIONALLY LEFT BLANK

COMPENSATION

OHA agrees to compensate CONTRACTOR, subject to the availability of funds, a maximum amount not to exceed [ZERO THOUSAND AND/100 DOLLARS (\$XXX,000.00)] inclusive of all actual reasonable ordinary necessary costs and expenses for services satisfactorily rendered under this Agreement.

OHA agrees to pay CONTRACTOR in the following manner:

1. [ZERO AND NO/100 DOLLARS (\$XXX,000.00)] upon invoice submitted by CONTRACTOR;
2. [ZERO AND NO/100 DOLLARS (\$XXX,000.00)] upon invoice submitted by CONTRACTOR;
3. Upon satisfactory completion of all work, a final payment of [ZERO AND NO/100 DOLLARS (\$XXX,000.00)] representing FIVE PERCENT (5%) of total contract cost upon invoice submitted by CONTRACTOR;
4. OHA's Coordinator, who is identified in Section Four of this Agreement, that the services rendered have been satisfactorily performed in conformance with this Agreement.

THIS SPACE INTENTIONALLY LEFT BLANK

SPECIAL CONDITIONS

(CONTRACT BETWEEN OHA AND [CONTRACTOR'S NAME])

OHA and The CONTRACTOR mutually agree to.... (If Applicable)

All other Conditions shall remain in full force and effect.

SAMPLE

Office of Hawaiian Affairs
GENERAL CONDITIONS
(NON-GRANT GOODS AND SERVICES)
--- Table of Contents ---

	<u>PAGE(S)</u>
1. COORDINATION AND REPORTS	II
2. RECORDS MAINTENANCE, RETENTION, AND ACCESS	II
3. ADDITIONAL COMPENSATION AND PAYMENTS	II
4. OTHER CONDITIONS OF USE OF FUNDS	III
5. RESPONSIBILITY FOR ACCURACY, COMPLETENESS, AND ADEQUACY	IV
6. INDEPENDENT CONTRACTOR.....	IV
7. SUBCONTRACTS AND ASSIGNMENTS.....	V
8. INDEMNIFICATION AND INJURIES	V
9. INSURANCE.....	V
10. CONFIDENTIALITY OF MATERIAL	VIII
11. CONFLICT OF INTEREST AND DISCLOSURE	VIII
12. RETURN OF RECORDS/PROPERTY OF OHA	IX
13. DISPUTES	IX
14. TERMINATION OF AGREEMENT	X
15. WAIVER OF VIOLATIONS	XI
16. SEVERABILITY	XI
17. WAIVER OF CONTRACTUAL RIGHT	XI
18. AMENDMENT	XI
19. ENTIRE AGREEMENT	XI
20. APPLICABLE LAW	XI

1. COORDINATION AND REPORTS

The work performed under this Agreement shall be coordinated with OHA's "head of purchasing agency" or Designee as listed in the Scope of Services (Attachment S 1) hereinafter referred to as "Coordinator", who will act as the contract monitor and principal liaison between the CONTRACTOR and OHA and who will assist in resolving policy questions, expediting decisions, and the review of the work performed.

It shall be the responsibility of the CONTRACTOR to maintain close and frequent communication with the Coordinator at all stages of the work required under this Agreement. The CONTRACTOR shall inform the Coordinator of all scheduled contacts made by the CONTRACTOR with public agencies or individuals on matters relating to work performed under this Agreement.

The CONTRACTOR shall submit to the Coordinator upon request written progress reports on the performance of services, expenditure reports, and/or any other information required by Coordinator. The CONTRACTOR shall submit these reports in the appropriate formats and within the deadlines specified by the Coordinator.

The CONTRACTOR may be requested to discuss any work or reports with OHA's Board of Trustees or Chief Executive Officer.

2. RECORDS MAINTENANCE, RETENTION, AND ACCESS

The CONTRACTOR shall, in accordance with generally acceptable accounting practices, maintain fiscal records and supporting documents and related files, papers and reports that adequately reflect all direct and indirect expenditures and management and fiscal practices related to the CONTRACTOR's performance of services under this Agreement. OHA, the comptroller of the State of Hawai'i, and any of its authorized representatives, the committees (and their staff) of the Legislature of the State of Hawai'i, and the Legislative Auditor of the State of Hawai'i shall have the right of access to any book, document, paper, file or other record of the CONTRACTOR (and of any of its subcontractors) that is related to the performance of services under this Agreement in order to conduct an audit or other examination or to make excerpts and transcripts for the purposes of monitoring and evaluating the CONTRACTOR's performance of services and the CONTRACTOR's program, management and fiscal practices to assure the proper and effective expenditure of funds under this Agreement.

The right of access shall not be limited to the required retention period but shall last as long as the records are retained. The CONTRACTOR shall retain all records related to the CONTRACTOR's performance of services under this Agreement at least THREE (3) years after the date of submission of the CONTRACTOR's final expenditure report, except that if any litigation, claim, negotiation, investigation, audit or other action involving the records has been started before the expiration of the THREE (3) year period, the CONTRACTOR shall retain the

records until completion of the action and resolution of all issues that arise from it, or until the end of the regular three-year retention period, whichever occurs later.

3. ADDITIONAL COMPENSATION AND PAYMENT TERMS

All costs and expenses shall be actual reasonable ordinary necessary costs and/or expenses incurred in conjunction with the services provided under SCOPE OF SERVICES herein and shall be approved by the Coordinator. The Coordinator's approval shall also be required prior to the CONTRACTOR incurring any exceptional costs and/or expenses.

Should inter-island or out-of-state travel be required, the CONTRACTOR shall obtain advance written approval from the Coordinator for such travel. Travel shall be by the most economical means consistent with time available and the urgency of the trip. Travel accommodations (airfare, subsistence and lodging) shall be reasonable considering all relevant circumstances. The CONTRACTOR shall be entitled to reimbursement for air fare and stipend for meals and lodging at a rate not to exceed the current per diem rates afforded State employees for similar type travel and shall be uniform and equitable for all travelers in all cases. Subject to the approval of the Coordinator, other necessary reasonable expenses which meet certain stipulated conditions which OHA shall make known to the CONTRACTOR and are supported by receipts issued in the normal course of business may be allowed in addition to airfare and stipend. The CONTRACTOR shall submit a written reimbursement request, certified by the CONTRACTOR to be the actual travel costs and expenses incurred in conjunction with the Scope of Services herein, to the Coordinator for Coordinator's review and approval. Each reimbursement request shall be accompanied by original receipts/invoices evidencing the actual expenditures incurred for which reimbursement is being claimed. Photocopies or faxed copies of receipts or invoices may be acceptable in exceptional circumstances when properly justified in writing. Credit card receipts are unacceptable for purposes of reimbursement herein.

Fees shall be payable as described in this section with incremental payments and final payment to be made upon presentment of original invoices specifying to the satisfaction of OHA's Coordinator, who is identified in Scope of Services (Attachment S 1) of this Agreement, the amount due and owing and certifying that the services requested under the Agreement have been satisfactorily performed in conformance with this Agreement. Each invoice shall include a detailed breakdown of the CONTRACTOR's time charges attributable to the particular billing period and shall be accompanied by a written activity report as required by OHA identifying the type of work activities, tasks, and/or work product completed. Original receipts evidencing actual costs and expenditures shall accompany each monthly invoice⁸ presented for payment whenever possible. Expenditure details and related original receipts for any travel shall be for actual travel expenses incurred and shall also accompany monthly invoices presented for payment.

All payments shall be made in accordance with and subject to Chapter 40, HRS, which specifies the accounting procedures and controls applicable to payments out of the Treasury of the State of Hawai'i. Final payment in final settlement of this Agreement shall be subject to §103-53 and 103D-328, Hawai'i Revised Statutes (HRS), as amended, respectively which requires a tax clearance from the Director of Taxation, State of Hawai'i, stating that all delinquent taxes, if any levied or accrued under state statutes against the CONTRACTOR has been paid.

Upon termination of this Agreement, payments under this section shall cease, provided however, that the CONTRACTOR shall be entitled to payments for work performed prior to the date of termination, provided hereinafter, and for which the CONTRACTOR has not yet been paid.

4. OTHER CONDITIONS OF USE OF FUNDS

The CONTRACTOR shall not use any funds involved in this Agreement for purposes of entertainment or perquisites and shall comply with any and all conditions applicable to the funds to be paid under this Agreement, including those conditions made applicable by provisions of appropriation acts of the Legislature or by administrative rules adopted pursuant to law.

5. RESPONSIBILITY FOR ACCURACY, COMPLETENESS, AND ADEQUACY

The CONTRACTOR shall be responsible and accountable for accuracy, completeness, clarity, and adequacy of the work performed including work performed by agents and employees and any subcontractors the CONTRACTOR may retain with OHA's approval. The CONTRACTOR agrees to perform the work in a professional manner with a professional attitude that shall involve a personal desire to place the OHA's interest above other considerations and to accept the professional responsibility for the services to be rendered.

6. INDEPENDENT CONTRACTOR STATUS AND RESPONSIBILITIES, INCLUDING TAX RESPONSIBILITIES.

In the performance of the services required under this Agreement, the CONTRACTOR shall be an "independent contractor" with the authority to control and direct the performance and details of the work and services required under this Agreement; however, OHA shall have a general right to inspect the work in progress to determine whether, in OHA's opinion, the services are being performed by the CONTRACTOR in accordance with the provisions of this Agreement. The CONTRACTOR shall insure that all person(s) hired or used by the CONTRACTOR as agents and employees are experienced and fully qualified to engage in the activity and services in which they participate. The CONTRACTOR's agents and employees

shall also be bound by the provisions of this Agreement. At the request of OHA, the CONTRACTOR shall provide adequate evidence that such persons are the CONTRACTOR's agents or employees.

Any work under this Agreement shall not be construed as employment with OHA and shall not entitle the CONTRACTOR or the CONTRACTOR's agents and employees to vacation, sick leave, retirement, or other benefits afforded OHA employees.

The CONTRACTOR shall insure that all applicable licensing and operating requirements of the State, Federal, City and County governments and all applicable accreditation and other standards of quality generally accepted in the field of the CONTRACTOR's business activities are complied with and satisfactorily met.

The CONTRACTOR shall also be responsible for payment of all applicable federal, state, city and county taxes and fees which may become due and owing by the CONTRACTOR by reason of this Agreement, including but not limited to, (i) income taxes, (ii) employment related fees, assessments, and taxes, and (iii) general excise taxes. The CONTRACTOR also is responsible for obtaining all licenses, permits, and certificates that may be required in order to perform this Agreement.

The CONTRACTOR shall also be responsible for securing all employee-related insurance coverage for the CONTRACTOR and the CONTRACTOR's employees and agents that is or may be required by law, and for payment of all premiums, costs, and other liabilities associated with securing the insurance coverage.

The CONTRACTOR shall obtain a general excise tax license from the Department of Taxation, State of Hawai'i, in accordance with section 237-9, HRS, and shall comply with all requirements thereof. The CONTRACTOR shall obtain a tax clearance certificate from the Director of Taxation, State of Hawai'i, and the Internal Revenue Service, U. S. Department of the Treasury, showing that all delinquent taxes, if any, levied or accrued under state law and the Internal Revenue Code of 1986, as amended, against the CONTRACTOR have been paid and submit the same to OHA prior to commencing any performance under this Agreement. The CONTRACTOR shall also be solely responsible for meeting all requirements necessary to obtain the tax clearance certificate required for final payment under sections 103-53 and 103D-328, HRS, and paragraph 3 of these General Conditions.

The CONTRACTOR shall also obtain a certificate of compliance issued by the Department of Labor and Industrial Relations, State of Hawai'i and a certificate of good standing issued by the Department of Commerce and Consumer Affairs, State of Hawai'i, in accordance with section 103D-310, HRS, and section 3-122-112, Hawai'i Administrative Rules (HAR),

respectively, that is current within six months (two months for final payment) of the date of issuance.

In lieu of the above certificates from the Department of Taxation, the Department of Labor and Industrial Relations, and the Department of Commerce and Consumer Affairs, the CONTRACTOR may submit proof of compliance through the State Procurement Office's designated certification process, Hawaii Compliance Express.

7. SUBCONTRACTS AND ASSIGNMENTS

The CONTRACTOR shall not subcontract, assign, or transfer any right, title, interest, duties or obligations or any services to be performed under this Agreement, in whole or in part, without prior written consent and approval of OHA. OHA may condition any consent and approval upon such terms and provisions that OHA may deem necessary. Furthermore, no assignment of claims for money due or to become due to the CONTRACTOR under this Agreement shall be effective unless such assignment is first approved by OHA.

8. INDEMNIFICATION AND INJURIES

The CONTRACTOR shall defend, indemnify and hold harmless OHA, its Trustees, officers, employees and agents, from and against any and all liability, loss, damage, cost, expense, including all attorneys' fees, claims, suits, demands and judgments arising, either directly or indirectly, out of or resulting from the errors, omissions or acts of CONTRACTOR or CONTRACTOR's officers, employees, agents or subcontractors occurring during or in connection with the performance of CONTRACTOR's services under this Agreement. Furthermore, nothing herein contained shall excuse the CONTRACTOR from compliance with any State, Federal or County law, rule, regulation, or ordinance. The provisions of this paragraph shall remain in full force and effect notwithstanding the expiration or early termination of this Agreement.

The CONTRACTOR intentionally, voluntarily, and knowingly assumes the sole and entire liability for any of its agents and employees, and to third parties for all loss, cost, damage, or injury caused, either directly or indirectly, by CONTRACTOR or CONTRACTOR's agents and employees in the course of their employment.

The CONTRACTOR waives any rights to recovery from OHA for any injuries that the CONTRACTOR or CONTRACTOR's employees or agents may sustain while performing services under this Agreement and that are a result of the negligence of CONTRACTOR or CONTRACTOR's employees or agents.

Should OHA, without any fault on its part, be made a party to any litigation commenced by or against the CONTRACTOR, the CONTRACTOR shall, in connection with this Agreement, pay all costs and expenses incurred by or imposed on OHA, including attorneys' fees.

9. INSURANCE REQUIREMENT

At all times during the term of this Agreement, CONTRACTOR shall obtain and maintain in full force and effect, any and all insurance to cover CONTRACTOR's operations under this Agreement that may be required under all applicable federal, state, and city laws and ordinances including, but not limited to, worker's compensation coverage, commercial general liability insurance, and automobile liability insurance coverage.

Prior to commencing work pursuant to this Agreement, the CONTRACTOR shall provide evidence that the CONTRACTOR has in full force and affect the following policies:

1. Commercial Liability Insurance: The CONTRACTOR shall maintain commercial general liability (CGL) and if necessary commercial umbrella insurance with a limit of not less than \$1,000,000.00 per occurrence and \$ 2,000,000.00 general aggregate. OHA shall be included as an insured under the CGL, using ISO additional insured endorsement CG 20 10 (or equivalent), and under the commercial umbrella, if any. Policy shall be an "Occurrence" form of policy, unless otherwise specifically approved by OHA.

2. Automobile Liability Insurance: Automobile Liability Policy shall have a combined single limit of \$1,000,000.00 for each accident or equivalent and shall cover owned, hired, and non-owned vehicles.

3. Workmen's Compensation Coverage: Policy shall include coverage required by State of Hawai'i and include Part B coverage as follows: Employers Liability with limits of \$100,000.00 for each accident, \$500,000.00 disease policy limit, and \$100,000.00 disease policy limit per employee.

4. Professional Liability Insurance: CONTRACTOR shall maintain professional liability insurance (PU) with a limit of not less than \$1,000,000.00 per occurrence and \$2,000,000.00 general aggregate which shall provide coverage for losses as a result of the CONTRACTOR's negligent acts, errors or omissions.

5. Other insurance as required by OHA.

B. OTHER TERMS. All policies of insurance described above shall:

1. Name the State of Hawai'i, OHA and its Trustees, OHA's employees, representatives and agents as Additional Insureds, by endorsement.
2. Provide that the insurance is Primary with respect to all insureds for claims arising out of the CONTRACTOR's negligent acts and/or omissions or misconduct, and that any insurance (or self-insurance) carried by OHA or the State of Hawai'i shall be excess and non-contributing.
3. Be provided by insurers authorized to do business in the State of Hawai'i, and with a current Best's rating of not less than A-VII, or otherwise as approved by OHA.

C. EVIDENCE OF INSURANCE: The CONTRACTOR shall provide to OHA and maintain current certificates of insurance, prepared by a duly authorized agent, and copies of the policies, evidencing the insurance in effect at all times during the term of this Agreement. OHA shall be listed as the Certificate Holder on all such certificates.

D. NOTICE OF CANCELLATION: The CONTRACTOR, through its insurance broker, will provide OHA with THIRTY (30) days written notice prior to cancellation, termination, lapse, non-renewal or material change to the insurance policy.

E. Should any of the insurance required above be cancelled before the CONTRACTOR's work under this Agreement is complete as determined by OHA, the CONTRACTOR shall immediately procure replacement insurance that complies in all respects to the requirements of this section.

F. Nothing in the insurance requirements of this Agreement shall be construed as limiting the extent of CONTRACTOR's responsibility for payment of damages resulting from its operations under this Agreement including the CONTRACTOR's separate and independent duty to defend, indemnify, and hold OHA, its Trustees, officers, employees and agents harmless pursuant to other provisions of this Agreement.

10. CONFIDENTIALITY OF MATERIAL

Any information, data, report, record or material given to or prepared or assembled by CONTRACTOR under this Agreement shall be confidential and shall not be made available to any individual or organization by CONTRACTOR without prior written approval of OHA. This shall also include requests tendered to CONTRACTOR by individuals and organizations pursuant to Chapter 92F, Uniform Information Practices Act, Hawai'i Revised Statutes, as amended; provided however, that such documents that are otherwise by law made public, shall not be subject to this provision. In addition, no information data, report, record or material given to or prepared or assembled by CONTRACTOR shall be used by the CONTRACTOR for his or

her personal gain and/or for any other purposes, except those purposes explicitly stated in this Agreement. A violation of this Section shall be a material violation of this Agreement.

If it appears that CONTRACTOR has disclosed (or has threatened to disclose) information and or has used such information for purposes in violation of this Agreement, OHA shall be entitled to an injunction to restrain CONTRACTOR from disclosing and/or using, in whole or in part, such information, or from providing any services to any party to whom such information has been disclosed or may be disclosed. OHA shall not be prohibited by this provision from pursuing other remedies, including a claim for losses and damages.

The confidentiality provisions of this Agreement shall remain in full force and effect after termination of this Agreement.

11. CONFLICT OF INTEREST AND DISCLOSURE

The CONTRACTOR represents that the CONTRACTOR or any employee or agent of the CONTRACTOR presently has no interest and/or has no interest in another company, corporation, partnership, joint venture, organization, or entity of similar type and nature, direct or indirect, that would conflict in any manner or degree with the performance of the services under this Agreement. The CONTRACTOR promises that he/she shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of the services under this Agreement.

The CONTRACTOR is required to disclose any outside activities or interests, including ownership or participation in any activity that conflict or may conflict with the best interest of OHA. Prompt disclosure is required under this section if the activity or interest is related, directly or indirectly, to any activity that the CONTRACTOR may be involved with on behalf of OHA.

The conflict of interest/disclosure provisions of this Agreement shall remain in full force and effect for the entire duration of this Agreement and/or extensions under this Agreement.

12. RETURN OF RECORDS/PROPERTY OF OHA

Upon expiration or termination of this Agreement, as provided hereinafter, the CONTRACTOR shall deliver and/or surrender all finished or unfinished documents, reports, summaries, lists, charts, graphs, maps, records, notes, data, memorandum, photographs, photographic negatives, videos, or other materials prepared by the CONTRACTOR and any discoveries, inventions or developments produced in whole or in part under this Agreement (which shall become OHA's property) together with all information, data, reports, records, maps, and other materials provided to the CONTRACTOR by OHA, to OHA on or before the

expiration date or date of sooner termination. OHA shall have complete ownership of all material, both finished and unfinished that is developed, prepared, assembled, or conceived by the CONTRACTOR pursuant to this Agreement, and all such material shall be considered "works made for hire." OHA, in its sole discretion, shall have the exclusive right to copyright any product, concept, or material developed, prepared, assembled, or conceived by the CONTRACTOR pursuant to this Agreement. The CONTRACTOR shall not be required, however, to deliver or surrender any licenses to proprietary software used in CONTRACTOR's normal course of business.

13. DISPUTES

Disputes shall be resolved in accordance with section I03D-703, HRS, and chapter 3126, HAR, as the same may be amended from time to time. To the extent not inconsistent with the above, the CONTRACTOR and OHA also agree to the following:

NEGOTIATION. In the event of any dispute, claim, question, or disagreement arising out of or relating to this Agreement or the breach, termination, or validity thereof, OHA and the CONTRACTOR agree to use their best efforts to settle such dispute, claim, question, or disagreement. To this effect, upon notice of the dispute, claim, question or disagreement, OHA and the CONTRACTOR agree to consult and negotiate with each other in good faith to reach a just and mutually satisfactory solution.

MEDIATION. If OHA and the CONTRACTOR do not reach a negotiated solution within TWENTY -ONE (21) days of written notice of the dispute, claim, question or disagreement, OHA and the CONTRACTOR agree next to try in good faith to settle the dispute by mediation before resorting to arbitration. The mediation shall be administered by a mediator mutually agreed upon by OHA and the CONTRACTOR in accordance with the Dispute Prevention and Resolution, Inc., Mediation Rules and Guidelines.

ARBITRATION. Thereafter, any unresolved dispute, claim, question or disagreement arising out of or relating to this Agreement (including whether such dispute, claim, question or disagreement is arbitral), or breach, termination or validity thereof, shall be settled by binding arbitration before one arbitrator, and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The arbitration shall be administered and conducted in accordance with the Dispute Prevention and Resolution, Inc., Arbitration Rules and Guidelines in effect at the time a request for arbitration of the dispute is made. A decision and award of the arbitration made under the said rules shall be exclusive, final, and binding upon all parties, their agents, employees, successors, and assigns. The costs and expenses of the arbitration shall be borne equally by the parties. Pending final decision of a dispute hereunder, the CONTRACTOR shall proceed diligently with the performance of services under this Agreement. The selection of the arbitrator shall be mutually agreed to by OHA and the

CONTRACTOR. OHA and the CONTRACTOR understand that by choosing arbitration for its dispute, OHA and CONTRACTOR are waiving its right to trial by jury.

The negotiation, mediation, or arbitration shall be conducted in Honolulu, Hawai'i.

14. TERMINATION OF AGREEMENT

If, for cause, the CONTRACTOR fails to satisfactorily fulfill in a timely and proper manner the CONTRACTOR's obligation under this Agreement or breaches any promises, terms or conditions of this Agreement and having been given reasonable notice of an opportunity to cure any such default and not having taken satisfactory corrective action with the time specified by OHA, OHA shall have the right to terminate this Agreement by giving written notice to the CONTRACTOR of such termination at least SEVEN (7) calendar days before the effective date of such termination. The particular acts which shall constitute cause and justify termination include but are not limited to poor performance, disloyalty or self-dealing, disclosure of confidential information, or other acts of similar kind and nature. Furthermore, OHA may terminate this Agreement in whole or in part, for the convenience of OHA without statement of cause at any time by giving written notice to the CONTRACTOR of such termination and the effective date of the termination.

In the final settlement of this Agreement, OHA shall determine the amount of unexpended and unobligated funds to be refunded to OHA by the CONTRACTOR. If the termination is for cause, any other provision to the contrary notwithstanding, the CONTRACTOR shall not be relieved of liability to OHA for damages sustained because of any breach of this Agreement by the CONTRACTOR.

15. WAIVER OF VIOLATIONS

It is expressly understood and agreed that no waiver granted by OHA on account of any violation of any promise, term, or condition of this Agreement shall constitute or be construed in any manner as a waiver of the promise, term, or condition or of the right to enforce the same as to any other or further violation.

16. SEVERABILITY

If any provision of this Agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Agreement is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed and enforced as so limited.

17. WAIVER OF CONTRACTUAL RIGHT

The failure of either party to enforce, or the granting of a waiver of, any provision of this Agreement shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Agreement.

18. AMENDMENT

This Agreement may be modified, amended or extended, if the amendment is made in writing and is signed by both parties. This Agreement may be extended on condition of satisfactory performance by the CONTRACTOR as determined by the Coordinator and shall be contingent upon the availability of funds for compensation payable for services performed and for cost and expenses incurred beyond the initial term of this Agreement.

19. ENTIRE AGREEMENT

This Agreement contains the entire agreement of the parties and there are no other promises or conditions in any other Agreement whether oral or written relative to this Agreement. This Agreement supersedes any prior written or oral agreements, conditions, understandings, promises, warranties or representations whether express or implied between parties.

20. APPLICABLE LAW

This Agreement shall be governed by the laws of the State of Hawai'i. Any action at law or in equity to enforce or interpret the provisions of this Agreement shall be brought in a state court of competent jurisdiction in Honolulu, Hawai'i.