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**Request for Proposals**

**Consulting Services to assist in obtaining a new Loan  
Servicing System**

**Due Date: October 16, 2009**

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1111 East Main Street · Suite 1920 · Richmond · Virginia 23219 · (804) 644-3100

Notice: VRA does not discriminate on the basis of race, color, religion, sex, age, national origin, familial status, handicap or disability. VRA does not discriminate against faith-based organizations.

**REQUEST FOR PROPOSALS (RFP)**

**Issuing Authority:** Virginia Resources Authority (VRA)  
 1111 E. Main Street, Suite 1920  
 Richmond, VA 23219

**Sealed Proposals Will Be Received Until:** Monday, October 16, 2009, at 5:00 pm., Richmond Time, for the services described herein.

**All Inquiries For Information Should Be Directed To:** Christopher J. Carey  
 (804) 644-3100, ext. 115

**This Entire Proposal Package Should Be Mailed To Or Hand Delivered To:** Virginia Resources Authority  
 Attn: Christopher J. Carey  
 1111 E. Main Street, Suite 1920  
 Richmond, VA 23219

In Compliance With This Request For Proposals And To All The Conditions Imposed Therein And Hereby Incorporated By Reference, The Undersigned Offers And Agrees To Furnish The Services In Accordance With The Attached Signed Proposal Or As Mutually Agreed Upon By Subsequent Negotiation.

	<b>Date:</b>	
<b>Name of Firm (“Offeror”):</b>		
<b>Address:</b>		
<b>City, State, Zip Code:</b>		
<b>Phone No.:</b>		
<b>Fax No.:</b>		
<b>Email:</b>		
<b>By and Title:</b>		
<b>Signature:</b>		
<b>FEI/FIN No.</b>		

PLEASE COMPLETE AND RETURN THIS PAGE WITH YOUR PROPOSAL.

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## **REQUEST FOR PROPOSALS**

### **I. Purpose/Background.**

The Virginia Resources Authority ("VRA") is seeking a qualified consultant to prepare a request for proposal for new loan servicing system using our statement of needs (see Section II), set criteria for the evaluation of proposal responses, and make a recommendation for contract award from the responses received.

VRA was created in 1984 as a political subdivision of the Commonwealth of Virginia pursuant to the Virginia Resources Authority Act, being Chapter 21 of Title 62.1 of the Code of Virginia of 1950, as amended. VRA is governed by a Board of Directors (the "Board"), appointed by the Governor of Virginia. VRA's Executive Director (the "Executive Director"), who is also appointed by the Governor of Virginia, administers, manages and directs the affairs of VRA, subject to the policies, control and direction of the Board.

VRA works with the cities, towns, counties and service authorities, to provide low cost and custom-tailored loans for public safety, transportation, dam safety, wastewater, drinking water, solid waste, storm water drainage, federal facility development, and brownfield remediation projects. In FY 2009, VRA provided over \$837 million in investment through loans and grants that impacted 61 communities across the Commonwealth. Since its creation by the General Assembly in 1984, VRA has funded more than 879 critical projects across the Commonwealth, representing more than \$4.2 billion of investment in Virginia's communities.

Several times a year VRA issues bonds and lends the proceeds to local governments. VRA also serves as the financial administrator of three revolving loan funds: (1) Water Facilities Revolving Fund, (2) Water Supply Revolving Fund, and (3) Airports Revolving Fund (collectively, the "RLFs"). These programs are funded from federal grants with a state match or state appropriations. These state and federal funds are used to make loans or buy down interest rates and craft below-market rate loans, some at 0%, in revolving loan funds. VRA pays its expenses from the income generated from its operations and programs.

## II. Statement of Needs.

***Integrated Loan Servicing system:*** The Authority seeks to acquire a loan servicing system to that fully integrates with our Great Plains general ledger system. The Authority's financial functions currently are not integrated and as a result there are redundant tasks necessary to record and report loan activity. It is vital that we have a fully integrated system that automatically updates the Great Plains v9.0 general ledger each month, making our processes more effective and efficient from an internal control perspective. We desire a web-based loan servicing system that will allow our borrowers and Agency partners to access the system. The loan servicing system should meet the following requirements.

- General Servicing:
  - Provide read/write access controls that limit user access within the tool.
  - Integrate with VRA's Great Plains financial system including generating journal entries with proper account coding.
  - Support all of VRA's loan programs (Clean water State Revolving Fund, Drinking water state revolving fund, Combined sewer overflow, Virginia pooled financing program, Virginia Aviation revolving loan fund, Dam Safety and flood prevention fund, Equipment term fund etc.).
  - Flexibility to handle additional future programs.
  - Accommodate loans funded through a variety of sources (Bonds, leveraged bonds, federal and state grants, and ARRA stimulus funds etc.).
  - Automate financial reporting for CAFR and annual reports to EPA.
  - Handle complex loan structures and refundings during the loan term.
  - Handle variable rate loans.
  - Integrate system with ACH disbursement process.
- Web-based functionality:
  - Secure web-based system that can be accessed by our agency partners and borrowers.
  - Create on-line electronic application submission.
  - Create borrower user interface screen for loan disbursement request with routing to third party for approval (DEQ and VDH), with approval flowing through the system for processing.
  - Attach scanned documents to facilitate the review and approval process.
  - Electronic invoicing
  - Disbursement letters can be sent to the borrower directly from the system through e-mail.
- Other Loan servicing:
  - Support uploading loan documents into database to support a paperless system.
  - Track loan monitoring, compliance, credit worthiness, and risk management functions.
  - Categorize invoices by program (Different payment instructions for each program).
  - Combine loan payments due on the same date within the same program on one invoice.
  - Report total outstanding liability by locality.

- Report for different loan programs.
- Report writer design capability to tailor reports to our ongoing needs.
- Track grants and equivalency projects
- Accommodate a construction draw schedule for cash flow tracking and analysis on projects.
- Track bond issues related to loans, as well as separate admin fees from interest payments (We need the ability to enter different admin fee rates in the system).

### **III. Proposal Preparation and Submission Instructions.**

#### **A. General Requirements.**

To be considered, proposals must be received by VRA no later than 5:00 p.m. EST, on Friday, October 16, 2009. Interested parties should submit proposals to:

Virginia Resources Authority  
Christopher J. Carey, Director of Finance and Administration  
1111 East Main Street, Suite 1920  
Richmond, VA 23219

VRA requests that each Offeror submit one original and two copies of its proposal. Interested parties may submit written comments or questions on any aspect of this Request for Proposals on or before 5:00 p.m., EST, on Friday, October 16, 2009. Such comments or questions shall be submitted to Christopher J. Carey by e-mail at [information@VirginiaResources.org](mailto:information@VirginiaResources.org) or by fax at 804-644-3109. VRA reserves the right to extend either of the foregoing deadlines or to issue addenda modifying this Request for Proposals, as it deems necessary. Notice of such extensions and/or modifications, as well as answers to questions or comments, will be provided on VRA's website at [www.VirginiaResources.org](http://www.VirginiaResources.org) under "For Our Customers," then "Consulting Services for New Loan Servicing System RFP" <http://www.virginiaresources.org/customers/index.html>.

VRA shall have the sole right to determine whether any noncompliance by a proposal with any of the requirements herein is substantial in nature, to reject any proposal deemed by VRA in its discretion not to be in substantial compliance with the requirements herein, and to waive (or to allow an Offeror to correct) any noncompliance determined by VRA in its discretion not to be substantial in nature. VRA reserves the right not to select any proposal.

By submitting their proposals all Offerors are deemed to certify that they are not currently barred from submitting bids/proposals on contracts by any agency of the Commonwealth of Virginia.

All proposals shall become the property of VRA and will not be returned to the Offerors.

**B. Specific Proposal Instructions.**

The proposals must provide the following information and documents:

(1) A complete detailed resume of the Offeror (including, but not limited to, a summary of the staff members and consulting capabilities of the Offeror and a description of the principal clients of the Offeror with particular emphasis on clients who are similar to VRA and for whom the Offeror has performed services of the type described above) and other relevant information which would demonstrate the capacity, resources, experience and expertise of the Offeror in performing the above described services;

(2) A listing and a description of the education, experience, knowledge, skill, and qualifications of the staff in the firm who are to be assigned to VRA's account, their respective responsibilities for the above described services to be performed under the contract, and the estimated percentage of such services to be performed by each such staff in the firm;

(3) A list of at least five references (including the names and addresses of specific individuals who may be contacted) from Offeror's clients, which are similar to VRA and for whom the Offeror provides services of the types described above;

(4) A certificate of insurance (or other evidence of insurance satisfactory to VRA) as to the professional liability insurance described below; and

(5) Non-binding estimates of fees, based upon the Offeror's proposed fee structure, as described below.

**IV. Evaluation and Award Criteria.**

**A. Evaluation Criteria.**

The Offerors submitting proposals must have the capabilities and qualifications described below:

1. Timing and completion of RFP. The Offeror must have the capacity and resources to perform all of the above described services in a prompt, responsive manner and with excellent quality of work in the timeframe needed.

2. Expertise and Experience. The Offeror's staff must have demonstrated expertise and significant experience in serving clients (such as

governmental agencies and authorities) similar to VRA and in providing services of the type described in Part II above.

3. Record of Performance. The Offeror and its staff must have a record of highly satisfactory performance in providing prompt, effective and responsive services of the type described above to clients similar to VRA.

4. Staff Qualifications. The Offeror's staff who will be assigned responsibilities for the performance of any of the above described services under the contract must have the education, experience, knowledge, skill and qualifications necessary to perform properly the services for which they will be responsible.

5. Fees. The Offeror must propose a fee structure, which is fair and reasonable for the services to be performed. Such estimates and fee structure shall be based upon a fixed schedule of fees for years one, two and three of the initial three-year term of the contract. Offeror must also propose fixed schedule of fees for each of the two additional annual terms.

6. Professional Liability Insurance. The Offeror must have in full force and effect professional liability insurance with an insurance company rated at least B+ in Best's Guide in an amount not less than \$10,000,000, which liability insurance shall not be subject to a deductible in excess of \$1,000,000.

**B. Award of Contract.**

1. Evaluation Factors.

The Offerors will be evaluated by VRA based on the evaluation criteria listed above, including the Professional Liability Insurance requirement.

2. Selection Process.

VRA shall rank each of the Offerors in accordance with a weighting system that corresponds to each of the evaluation criteria listed above. Based upon such ranking, VRA shall select a an Offeror deemed fully qualified, responsible and suitable on the basis of the proposals to provide the above described services.

3. Accept and/or Reject In Whole or In Part.

VRA reserves the right to accept and/or reject any proposal in whole or in part.

4. Approval of Subcontractors

VRA reserves the right to approve any subcontractors.

**V. General Terms and Conditions.**

Each Offeror agrees to the following terms and conditions:

1. The solicitation and any resulting contract shall be governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect thereto shall be brought in the courts of the Commonwealth.
2. By submitting its proposal, each Offeror certifies that its proposal is made without collusion or fraud and that it has not offered or received any kickbacks or inducements from any other Offeror in connection with its proposal and that it has not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged.
4. The term of the contract shall be three years with VRA to have the option to extend the contract for two additional terms of one year each. The contract may be terminated by either party, with or without cause, upon 30 days' advance written notice.
5. The contract shall specify the fee structure (including reimbursable expenses) agreed to by VRA and the Offeror and the manner and timing for the submission of bills. In the contract, the Offeror must agree to maintain the above described professional liability insurance during the term of the contract. The contract shall require the prior approval of VRA for any change in the individuals or subcontractors who are designated in the proposal to serve on the VRA account or any change in their respective responsibilities. The contract shall provide that the contract shall not be assigned, and the performance of any services thereunder shall not be subcontracted, without the prior written approval of VRA. The Offeror's proposal and any modifications thereto required or approved by VRA will be incorporated into the contract. All other terms and conditions of the contract must be satisfactory to VRA.
6. The following provisions shall be included in the contract:

**Non-Discrimination Against Faith-Based Organizations**

VRA does not discriminate against faith-based organizations.

**Immigration Reform**

The Offeror, by signing the bid or proposal, certifies that it does not and

will not during the performance of this contract violate the provisions of the Federal Immigration Reform and Control Act of 1986, which prohibits employment of illegal aliens.

**Payment**

(a) If work hereunder is performed by a subcontractor, then, within seven days after receipt of amounts paid to Offeror by VRA for work performed by the subcontractor, Offeror must either (i) pay the subcontractor for the proportionate share of the total payment received from VRA attributable to the work performed by the subcontractor under this contract, or (ii) notify VRA and the subcontractor, in writing, of its intention to withhold all or a part of the subcontractor's payment with the reason for nonpayment.

(b) Offeror must provide its social security number or its federal employer identification number. (Complete one of the following.)

Offeror's social security number:

Offeror's federal employer identification number: \_\_\_\_\_

(c) Offeror must pay interest to all subcontractors on all amounts owed by Offeror that remain unpaid after seven days following receipt by Offeror of payment from VRA for work performed by any subcontractors under this contract, except for amounts withheld as allowed in subsection (a) (ii).

(d) Unless otherwise provided under the terms of this contract, interest shall accrue at the rate of one percent per month.

(e) Offeror must include in each of its subcontracts a provision requiring each subcontractor to include or otherwise be subject to the same payment and interest requirements as are set forth in this Section with respect to each lower-tier subcontractor.

**Procedures for Consideration of Contractual Claims/Administrative Dispute Resolution**

**VRA and the Offeror will attempt in good faith to resolve any claim or dispute arising out of or in connection with this Contract by using an alternative dispute resolution proceeding as authorized by the Virginia Administrative Dispute Resolution Act, Code of Virginia §§ 2.2-4415 et seq.**

(a) In the event of a claim by Offeror arising out of the performance of this contract, the Offeror shall submit to VRA, no later than 60 days after final payment to the Offeror under the procurement contract, a written claim (hereinafter the "Written Claim") for money or other appropriate relief stating the

facts and circumstances upon which the claim is based and the nature of the relief sought; provided, however, that unless the Offeror filed with VRA a written notice of intention (hereinafter "Notice of Intent") to file such Written Claim at the time of the occurrence or at the beginning of the work upon which the claim is based, then the Offeror shall be deemed to have waived his claim. For purposes of this paragraph, the phrase "at the beginning of the work" shall mean within 7 days after any goods or services are first provided pursuant to the procurement contract, and the phrase "at the time of the occurrence" shall mean within 7 days of the first event giving rise to the claim; provided, however, that in instances where the event giving rise to the claim is an alleged wrongful omission or wrongful failure to act, the 7 day time period shall begin to run from the time that duty to act arose. For purposes of this Exhibit, a Written Claim and a Notice of Intent shall be deemed filed when it is received by VRA.

(b) Within 90 days of the filing of the Written Claim, VRA shall conduct an initial meeting with the Offeror who shall have the right to have his attorneys present. VRA shall establish the date, time and place of such initial meeting and shall give notice to the Offeror of such meeting at least 17 days prior thereto. (Such notice may be written or oral and shall be deemed to be given when received by the Offeror.) Failure by VRA to initially meet with the Offeror within said 90 days shall be deemed a denial of the Offeror's claim. If deemed necessary by VRA, additional meetings with the Offeror shall be held by VRA subsequent to said initial meeting. Such additional meetings may be held after the expiration of the above-described 90 day period. Failure by the Offeror to attend any meetings under this paragraph (b) shall be deemed a waiver of the Offeror's claim. The Offeror shall have the burden of proof with regard to the claim. The Offeror and his attorneys shall have the right to present witnesses, documents and other evidence in support of the claim. At each such meeting, VRA shall be represented by the Executive Director or a person appointed by the Executive Director. VRA shall also have the right to have its attorneys present at each meeting and to present witnesses, documents and other evidence.

(c) All such meetings shall be conducted on an informal basis, and the rules of evidence shall not apply. Witnesses shall not be sworn, nor shall recordings or transcripts be taken or made of any meeting. VRA and the Offeror may agree, pursuant to paragraph (f), to record or transcribe any meeting, however, such recording or transcript shall not be admissible in any court or any other tribunal unless the written agreement shall expressly so provide.

(d) Within 60 days after all such meetings have been completed, the Executive Director, or any person appointed by the Executive Director, shall present his/her recommendation regarding such claim in writing to the Board. The Offeror shall have the right to receive a copy of said recommendation. Within 75 days after the Executive Director or the Executive Director's appointee submits said recommendation to the Board, the Board shall render its decision in writing with regard to the claim. In the event that the Executive Director, or any person

appointed by the Executive Director, does not present his/her recommendations within said 60-day period or in the event that the Board does not render such decision within said 75-day period, the Offeror's claim shall be deemed to have been denied. Nothing herein shall preclude the Executive Director or any person appointed by the Executive Director from conducting informal negotiations with the Offeror on the claim or from settling the claim.

(e) The decision of the Board shall be final and conclusive unless the Offeror appeals within six months of the final decision on the claim by the Board by instituting legal action as provided in Section 2.2-4364 of the Virginia Code.

(f) The provisions and procedures set forth in this section may be modified or amended by written agreement between the Offeror and VRA.

(g) Procedures set forth herein shall apply only to disputes arising out of the performance of a procurement contract and of a contractual nature. They shall not apply to disputes arising out of or relating to any other matters, including but not limited to, any of the following:

- (1) Disqualification of Offerors from participation in the competitive negotiation process;
- (2) Withdrawal of proposals; or
- (3) Disputes concerning the award or proposed award of contracts.

**Non-Discrimination by Persons Contracting with VRA**

During the performance of this contract, the Offeror agrees as follows:

(a) The Offeror will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability or any other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the Offeror. The Offeror agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause.

(b) The Offeror, in all solicitations or advertisements for employees placed by or on behalf of the Offeror, will state that such Offeror is an equal opportunity employer.

(c) Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements set forth herein. The Offeror will include the provisions of the foregoing paragraphs (a), (b) and (c) in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

**Drug-Free Workplace**

During the performance of this contract, the Offeror agrees to (i) provide a drug-free workplace for the Offeror's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the Offeror's workplace and specifying the actions that will be taken against employees for violations for such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the Offeror that the Offeror maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

For the purposes of this section, "drug-free workplace" means a site for the performance of work done in connection this contract by the Offeror, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of this contract.

VRA does not discriminate on the basis of race, color, religion, sex, age, national origin, familial status, handicap or disability. VRA does not discriminate against faith-based organizations.