



Wyoming Community  
Development Authority

**Loan Servicing System  
Request for Proposal**

January 17, 2024

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# Project Overview

## Introduction

As a Housing Finance Agency, Wyoming Community Development Authority (“Organization,” “WCDA”) in Casper, WY is working through an assessment of our current mortgage loan servicing system, product and service requirements, and the selection of our future system and partnership. WCDA seeks a vendor that aligns with its needs from a strategic, economic, operational, functional, and technical perspective.

This request represents the needs and requirements explicitly expressed by WCDA’s Selection Committee and should be used as the basis for your preparation of a proposal. It is your responsibility to coordinate all responses and ensure a complete solution is presented. We request your response no later than February 09, 2024.

Response instructions are contained within the document. Please direct any questions related to this request, or completion of your response to the contacts listed below. We look forward to reviewing your proposal. Thank you for your time and consideration.

Christopher Volzke  
Deputy Executive Director  
WCDA  
[volzke@wyomingcda.com](mailto:volzke@wyomingcda.com)  
307.265.0603

Michael Holliday  
Director of Finance and Administration  
WCDA  
[holliday@wyomingcda.com](mailto:holliday@wyomingcda.com)  
307.265.0603

# General Information

## Purpose

The purpose of this document is to define the current and anticipated mortgage loan servicing system requirements for WCDA. This information has been developed in a format to facilitate the preparation of a proposal and the subsequent evaluation of potential loan servicing systems for WCDA. Specific methods and systems will be evaluated, including benefits and related costs.

## Objective

The objective of this request is to evaluate several solutions to identify a vendor/system that can provide an overall solution resulting in a contract aligned with the comprehensive needs of WCDA to meet their objectives. A few of the objectives that are motivating WCDA to search for an alternative solution include, but are not limited to, the following:

- Increased operational efficiency through integration, process automation, streamlined workflows, and improved functionality
- Innovative and customizable system that is easy to navigate and allows for both the expansion of current programs and the addition of new programs
- Increased productivity and enhanced decision-making with access to key metrics in real time
- Economically feasible pricing representative of the overall relationship, future growth, and cost containment
- Proactive, knowledgeable, responsive service and support which consistently promotes system utilization, encourages development of staff system knowledge, and considers suggestions for changes/additions from WCDA and its other customers

## Due Date of Proposal

The deadline for receipt of proposals is February 09, 2024. In fairness to all participants, time extensions should not be requested. If your company decides not to respond to this RFP, please inform WCDA of your decision, indicating the reason for your decision not to participate.

## Confidentiality and Non-Disclosure

This document in its entirety remains the property of WCDA. The information provided within this, or any other document supplied, is strictly confidential and proprietary to WCDA. This information is not to be shared with individuals outside of your organization unless WCDA has specifically provided written consent allowing said individuals access to this information. You agree to hold the existence of this document, and all related information communicated to you, in strict confidence. Further, you agree to not disclose, distribute, or disseminate the information or documents to any individuals outside of your organization unless WCDA has specifically provided written consent allowing said individuals access to this information, specifically including, but not limited to, potential or actual members, and not to use the information for your own benefit or the benefit of others, except as authorized in writing.

## Acceptance/Rejection

Issuance of this RFP does not obligate WCDA to contract, in whole or in part, for services specified herein. WCDA reserves the right to cancel this solicitation, in whole or in part, or to reject in whole or in part, any and all proposals. No minimum purchase will be committed to under this RFP. The proposed solutions should be

submitted on the most favorable terms. Subsequent to the receipt of the proposed solution, WCDA may schedule discussions with you if it becomes necessary to clarify elements of your proposed solution. Proposed solutions will be reviewed for support of the objectives defined in the RFP. Continued participation by submitting vendors in this project will be based upon the proposed solution that best satisfies WCDA's requirements as outlined within the RFP. WCDA reserves the right to reject any and/or all proposed solutions received.

## Client Overview

### Selection Committee

- Scott Hoversland, Executive Director
- Christopher Volzke, Deputy Executive Director
- Michael Holliday, Director of Finance and Administration
- Travis Fegler, Controller
- Charles Nutter, Director of Mortgage Servicing
- Scott Radley, IT Director
- Kathy Swanson, Director of Legal & Compliance

### History & Background

Since 1975, Wyoming Community Development Authority (WCDA) has been making it easier for people across Wyoming to finance their first home.

We provide low-interest single family mortgages and education to help our customers buy and retain their homes. We also offer special programs to aid in the sustainability of homeownership from our down payment assistance program, to homebuyer education and counseling, to our partnerships with developers and our work with non-profit community organizations, WCDA is the state's leading resource for housing finance.

In 1975, WCDA was created by state statute, as an instrumentality of the state, for the purpose of raising capital to finance affordable housing. WCDA receives no state funding. WCDA's largest housing program is the Single-Family Mortgage Purchase Program for first-time homebuyers. In order to fund this program, WCDA raises capital by selling tax-exempt mortgage revenue bonds to investors. Since the interest on the bonds is tax exempt, the investors accept a lower rate of return. The savings is passed through to homebuyers in the form of lower interest rates on mortgages.

In 2012, WCDA began offering additional financing programs for homebuyers by taking advantage of special mortgage purchase programs offered through the federal government for Housing Finance Agencies (HFAs). These programs are called the HFA Preferred Programs and are not limited to first-time homebuyers.

In addition to its single-family programs, WCDA currently administers five major affordable rental housing development programs: the Low-income Housing Tax Credit (LIHTC) Program, the National Housing Trust Fund (NHTF) Program, the HOME Investment Partnerships Program (HOME), the Community Development Block Grant Program (CDBG), and the HOME Investment Partnerships American Rescue Plan Program (HOME-ARP). Together, these five federal programs have funded more than 5,500 units of affordable rental and homeownership housing across the state, along with dozens of water, sewer, and other public infrastructure projects, and have provided one-time funding to HOME participating jurisdictions, such as WCDA, to reduce homelessness and increase housing stability across the state.

## Key Business Initiatives

WCDA's mortgage programs are used to assist Wyoming first time homebuyers, and other low- and moderate-income homebuyers, by providing competitive fixed-rate first mortgage products as well as downpayment assistance loans. WCDA also purchases FNMA secondary market servicing rights from a network of Wyoming-based lenders in order to provide local servicing to those Wyoming borrowers. In order to provide the highest level of service to Wyomingites WCDA services all of these mortgage loans in-house.

WCDA also is the allocating agency for a variety of federal multifamily production and rehabilitation projects. There are certain loans, such as the HUD HOME program that are held and serviced within WCDA. These loans are commercial in nature and cover loan types from amortized to fully deferred.

### System

WCDA's current system is a lightly customized, server-based system that helps WCDA to administer its mortgage programs. The system is used to interface with loan origination and to perform loan review, closing, and funding. Additionally, the system contains a significant amount of data that is used for tracking and reporting.

The software was introduced many years ago and is built upon an aging platform. WCDA seeks an innovative system offering the ability to customize functionality and make minor system changes which will allow them to achieve and support their initiatives to accommodate a growing suite of programs and products. Additionally, process automation, streamlined workflows, and expanded functionality will increase operational efficiency and allow staff to focus on other tasks.

WCDA would also like to utilize a system that allows for electronic document signing and offers document capture and storage.

### Integration

Full integration between the loan origination & servicing system and ancillary systems, and/or the ability to utilize file extracts to import and export data is critical. Ancillary systems that will need to integrate include accounting and financial management systems, financial planning and budgeting systems and our Trustee's financial system.

### Reporting & Analysis

Ease of access to data and reporting including extensive and effective standard reports, the ability to easily view, export, and analyze data, and create custom reports without needing assistance is essential. We also seek real time data and synchronization capabilities, analytical tools for trend analysis, and robust data security measures which include encryption and access controls.

# Functional Requirements

Specific requirements were documented for key functional areas. These requirements will be used as a basis of the evaluation. Functional areas to be evaluated include the categories listed below.

- Integration with other agency systems
- Reporting & Analysis
- System

## Existing Environment

### Processing Overview

Below is a summary of the current processing environment.

Loan Processing and Servicing	
# of 1st Mortgage Loans Originated Per Month	50-100
# of WCDA Mortgage Loans Currently Serviced Per Month (includes 2 <sup>nds</sup> )	10.4k
# of FNMA Mortgage Loans Currently Serviced Per Month	3.4k
# of GNMA Mortgage Loans Currently Serviced Per Month	0.8k

Escrow Activity	
\$ Dollars Disbursed Annually	\$35.8M
# Invoice Keyed Annually	12.6k
# Checks Cut Annually	6.8k

Processing of Non-ACH / Coupon Transactions	
# of Pay by Phones Monthly	1.1k
# of Online Payments Monthly	4.1k

Portfolio Performance	
% Delinquent for WCDA portfolio	6.1%
% Delinquent for FNMA portfolio	1.4%
% Delinquent for GNMA portfolio	8.3%

# Proposal Expectations

## Anticipated Project Timeline and Instructions

Planned completion dates for important project activities are listed below:

Activity	Anticipated Timeline
1. RFP Posting <sup>1</sup>	January 17, 2024
2. Vendor Discovery Calls <sup>2</sup>	Week of February 5, 2024
3. Vendor Proposals Due <sup>3</sup>	February 9, 2024
4. Proposal Review <sup>4</sup>	February-March 2024
5. Vendor Demos <sup>5</sup>	March 2024
6. Due Diligence & Negotiations	2024
7. Final Agreement(s) Signed	TBD
8. Implementation Consideration	Six to Ten Months after final Agreement signed.

## Project Timeline Instructions

1. Confirmation of your intention to participate in the RFP process must be provided to Christopher Volzke and Michael Holliday via email.
2. Discovery calls will be scheduled individually for all vendors who confirm their intention to participate and will be scheduled once confirmation of intention to participate has been received. The discovery calls will be limited to 30 minutes each and provide vendors with the opportunity to talk with WCDA's selection committee and to answer questions in response to this RFP prior to proposal submission. **Note:** *WCDA will make the final determination on dates and times for the calls, and notification will be provided.*
3. A response to this RFP, in its entirety, is due no later than close of business on **February 09, 2024**.
4. Following receipt of responses to the RFP, WCDA's Selection Committee will review content to validate its inclusiveness. Responses will be evaluated based upon the criteria outlined within this RFP.
5. Selected vendors will be invited to demonstrate their proposed system. Demonstrations will be limited to two (2) hours each, unless otherwise agreed upon. **Note:** *WCDA will make the final determination on dates for demos, and notification will be provided. Follow-up demonstrations to explore for nuanced areas of the software may be requested as deemed necessary by internal subject matter experts.*
6. WCDA requests an implementation date **to complete within six to ten months after signing of contract**. If unable to accommodate this timing, a suggested alternative must be provided.



## Response Evaluation Criteria

The following criteria will be used to evaluate the responses:

1. Response to the RFP, including the amount of detailed information, overall completeness, and timeliness of the response per the instructions
2. Inclusion of attachments per the instructions (see section below)
3. Company business plan as it relates to technology, market penetration, client retention, service level agreements, performance reporting, and financial stability. For data hosted in a cloud environment, explanation as to whether it is SOC2 compliant.
4. Fees that are economically feasible and aligned with current market trends, organization growth expectations, and solution inclusions
5. Ability to demonstrate recognizable, knowledgeable, and responsive service and support that helps promote utilization, addresses service issues, and increases staff knowledge and awareness
6. Service and performance commitments that provide WCDA with confidence in the products and services they have invested in, with tangible restitution when critical circumstances arise
7. Provide three to five references from other customers, including at least one customer that is an HFA. Preference for more recent conversions, if possible.

The following pages contain more details regarding the attachments.

## Vendor Evaluation Criteria

The criteria included below will be used to evaluate vendors.

WCDA is seeking a vendor that:

- Provides recognized experience and success in implementation and ongoing support
- Demonstrates a strong history of providing timely enhancements and changes. Vendor supported patching and regular maintenance update schedule.
- Demonstrates financial stability, experience, and approach
- Provides vendor personnel with strong industry knowledge
- Has the ability to meet WCDA's defined timeline
- Proactively shares communication regarding system upgrades that do not require additional costs. Preference for a continuous improvement methodology with a focus on industry compliance.
- Demonstrates proactive financial investment to ensure timely delivery of services consistent with industry trends
- Offers a comprehensive solution that meets WCDA's initiatives including integration to key ancillary systems and the ability to maximize operating efficiencies through the automation of manual processes
- Proactive compliance with all state, federal and regulatory requirements

WCDA is seeking a long-term partnership that:

- Allows WCDA to maintain the same level of service, commitment, and dedication that WCDA has been providing to its borrowers
- Helps WCDA centralize and analyze data to make strategic business decisions
- Provides WCDA with opportunities for training, education and system utilization without restrictive costs
- Provides SLAs including uptime, response time, and service and escalation procedures
- Offers access to vendor support staff to report issues and obtain assistance with acknowledgement of requests for support, and cases opened for requests that cannot be immediately resolved
- Remains proactive in working with WCDA to understand, challenge, and support their strategic planning
- Provides industry knowledge, trends, and market data including information on best practices and trends within the industry
- Provides account management experienced in working with organizations of comparable size, portfolio, and strategies, and is accountable for the overall relationship
- Provides system, technical, and user documentation that is current, comprehensive, well-written, procedure-oriented, and easy to understand

Before awarding a contract, WCDA shall review the proposed vendor's ability to perform the contract successfully, considering factors such as the vendor's integrity (including a review of the List of Parties Excluded from Federal Procurement and Non-Procurement Programs published by the U.S. General Services Administration), compliance with public policy, record of past performance (including contacting previous clients of the vendor), and financial, administrative, and technical capability to perform contract work of the size and type involved and within the time provided under the contract. Contracts shall not be awarded to debarred, suspended, or ineligible vendors.

## Response Inclusions

WCDA expects all responses to be completed per this RFP and to include the following:

### Attachments:

1. **Proposal:** Include a pricing proposal.
2. **Implementation:** Include the anticipated implementation timeline if WCDA decides to implement the proposed system, information on implementation training and support, and a sample implementation plan.
3. **Due Diligence Package:** Include a Due Diligence package containing the following:
  - Business Continuity/Disaster Recovery/Incident Response Programs and Test Results
  - Annual Report, Balance Sheet, or other Financial Information for the past three years
  - SSAE18 or other Report of Systems or Controls
  - Proof of Insurance
  - Technical/Security Test Results for External Network, Internal Network, and Social Engineering Testing
  - Legal and Regulatory Compliance/Actions
  - Contract, Service, and Performance Fulfillment
  - User Group Feedback
  - Organizational/Business Relationships
4. **Sample Contract:** Include a sample contract with standard terms and conditions.
5. **Sample Service Level Agreements:** Include sample service level agreements.
6. **Technical Specifications:** Include any necessary technical specifications, hardware and software requirements, and supported devices for the proposed system.
7. **Product Roadmaps:** Include a product roadmap for the next 12 months for the proposed system.
8. **Technology and Strategic Plan:** Include a summary of the company's technology plan and overall strategic plan for the next 1-2 years including an overview of the company's strategic and growth initiatives, and plans related to R&D.

## Vendor Responses

Any Proposal must include information related to:

1. **Functional Requirements:** Provide responses to each of the three functional requirements outlined in the RFP. Include how your proposed solution can interface with HFA specific criteria for mortgage revenue bonds which requires a hierarchy of Bond Indenture / Bond Series / Individual Loans.
2. **Vendor Profile:** Include relevant information about your company such as history and organizational structure.
3. **Client Base and Implementation:** Provide information on the total number of current clients on the proposed system and implementation-related information. Do not include clients who have not yet implemented the proposed system.
4. **Support Services:** Provide information on your service and support structure including staff and positions, service request process, reporting and monitoring, and information on training. Support hours that align with the business hours of WCDA. Additionally, explain in service level agreements the support standards and response times for software issues identified.
5. **System and Technology:** Provide information on the proposed environment including history, enhancements, future expectations, and security measures in place to offset risk and to address compliance requirements. Include SOC2 data center requirements for hosted environment.
6. **Pricing Detail:** Provide responses for each of the products and services identified, based upon the desired action, and include a detailed breakdown of costs. Include a breakdown of pricing for standard package versus costs for custom programming needs.

## Instructions for Responses to the RFP

A response is requested, including all necessary items addressed in the current systems overview above, to perform functions as outlined in the instructions.

1. Pricing proposals should include both a three-year (3) and a five-year (5) term option.
2. All communication related to this request should be directed to WCDA and an electronic copy of the response sent to the following:

Christopher Volzke  
Deputy Executive Director  
WCDA  
[volzke@wyomingcda.com](mailto:volzke@wyomingcda.com)  
307.265.0603

AND

Michael Holliday  
Director of Finance and Administration  
WCDA  
[holliday@wyomingcda.com](mailto:holliday@wyomingcda.com)  
307.265.0603

3. Electronic copies must be sent securely. If secure email is not available, WCDA can provide you with instructions for submission.