

Request for Action

By

Board of Commissioners

Approval of Engagement of Financial Education Services Provider

1. Summary of Request

This Request for Action is for approval to engage, EVERFI, Inc. (“EVERFI”), a provider of financial services solutions to assist the Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) in providing web-based financial education to borrowers.

In February 2020, RIHousing issued a Request for Proposals (“RFP”) seeking qualified vendors. In addition, RIHousing directly solicited proposals from three financial education providers. One responsive proposal was received from EVERFI, an education technology company based in Washington, DC.

A committee consisting of the Assistant Deputy Director of Loan Servicing, the Assistant Deputy Director of External Affairs, Policy and Research, and staff from the Homeownership Division and Communications Department reviewed the proposal in accordance with the ranking criteria set forth in the RFP. The committee is recommending the engagement of EVERFI.

2. Discussion

In an effort to proactively address early payment defaults and foreclosures, staff is seeking to expand efforts to provide financial literacy education to borrowers. While RIHousing currently requires first time homebuyers to take a homebuyer education class prior to closing on a loan, we do not offer ongoing education for those who would benefit from additional assistance after purchase.

EVERFI works with a range of organizations to provide a variety of scalable educational platforms. EVERFI provides financial skill-building services to employers and their employees and/or customers, including in the banking, higher education, and non-profit sectors.

EVERFI is prepared to provide a web-based platform for delivering post-purchase financial education to RIHousing’s borrowers that would include a financial literacy curriculum geared toward single family borrowers, testing to gauge borrowers’ financial literacy/homeownership knowledge, RIHousing custom content, and a connection to one-to-one resources for those seeking in-depth financial coaching. The platform would also support data analysis and reporting; compliance reviews; and tools for trainers. The proposed terms of the engagement involve a two-year contract, with the option to renew, at RIHousing’s discretion, for two additional one-year terms. The estimated cost for year one is \$70,200; a 5% increase is expected in year two.

3. Recommendation

Staff recommends that the Board of Commissioners approve the resolution set forth in Attachment A authorizing the engagement of EVERFI.

4. Attachments

A. Resolution

Attachment A

**Resolution of the Board of Commissioners
of
Rhode Island Housing and Mortgage Finance Corporation**

- Whereas:** the enabling act of Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) provides it with all the powers to make and execute contracts necessary for the exercise of powers and functions provided to it under the Rhode Island Housing and Mortgage Finance Corporation Act, R.I. Gen. Laws §42-55-5(6); and
- Whereas:** RIHousing has determined that providing post-purchase financial educational services to customers is important to the continued financial well-being of its business and its borrowers; and
- Whereas:** RIHousing issued a Request for Proposals to seek a vendor to provide high quality, professional, customizable financial education services; and
- Whereas:** staff reviewed the sole proposal received and have determined that the professional services offered by EVERFI, Inc. will uniquely support RIHousing’s efforts to deliver on-line financial literacy services to meet the needs of its borrowers.

NOW, THEREFORE, IT IS HEREBY:

- Resolved:** that RIHousing be, and hereby is authorized, to engage EVERFI, Inc. to provide a web-based financial education solution under a two-year contract in the approximate annual amount of \$70,200 for year one, with an increase of up to 5% for year two; and
- Resolved:** that the Executive Director, Deputy Executive Director, Chief Financial Officer and Chief Operating Officer, each acting singly, be, and hereby are, authorized and empowered to take any and all actions necessary or desirable to carry out the foregoing resolution, including without limitation the authority to negotiate terms and fees of the engagement as he or she may determine are in the best interests of RIHousing, to execute any and all agreements or documents as he or she deems necessary to carry out the foregoing.