

**Request for Action  
By  
Board of Commissioners**

**Approval of Quality Control Software License**

**I. SUMMARY**

This Request for Action (“REA”) seeks authorization for Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) to enter into a multi-year license of quality control software.

**II. DISCUSSION**

To comply with investor and insurer requirements, RIHousing performs quality control audits of the single-family loans in its servicing and subservicing loan portfolios. These services are currently performed by a third party vendor.

In an effort to increase efficiencies in its processes, in December 2020, RIHousing issued a Request for Proposal (“RFP”) seeking responses from qualified vendors to provide it with the aforementioned services. The RFP was posted on RIHousing’s website and the website maintained by the State of Rhode Island Department of Administration, Division of Purchases. Two (2) vendors submitted proposals in response to the RFP.

A selection committee comprised of the Assistant Directors of Loan Servicing, the Senior Manager of the Quality Control department, and the Quality Control Manager reviewed and evaluated the written proposals in accordance with the criteria set forth in the RFP. The committee assigned TENA Companies, Inc.’s (“TENA”) proposal a weighted average score of 8.3 out of 10.

TENA’s SecondLook Audit Software includes test scripts that meet the requirements of FHA, VA, USDA-RD, Fannie Mae, Freddie Mac, and state and federal regulatory bodies. TENA updates its test scripts regularly to ensure that content reflects current regulatory requirements, and also maintains a resource center with representatives who are available to handle client inquiries.

Additionally, because of the effort needed to onboard new software and train RIHousing’s quality control staff, RIHousing seeks to enter into a three (3) year license with TENA, with an option to renew for an additional two (2) year term.

**2. RECOMMENDATION**


The attached resolution for purchase of a quality control software license is recommended for approval by the Board of Commissioners.

### **3. ATTACHMENTS**

- A. Quality Control Vendors Scoring and Analysis
- B. Resolution

## ATTACHMENT A

### Quality Control Software Vendors Scoring and Analysis

 <b>Evaluation &amp; Selection Criteria</b> <i>Scoring 1 (Low) -10 (High)</i>	Weight	TENA		ACES	
		Score	Weighted Score	Score	Weighted Score
Scope of Work	25%	9	2.3	8	2.0
Professional capacity to undertake scope of work	25%	9	2.2	8	1.9
Fee Structure	20%	7	1.5	4	0.8
Evaluation of reporting capabilities	15%	8	1.2	6	0.9
Firm minority status and affirmative action programs or activities	5%	7	0.4	7	0.4
Previous work experience and performance with RIH and/or similar organizations	5%	9	0.4	3	0.1
Recommendation by references	5%	9	0.5	2	0.1
	100%	<b>58</b>	<b>8.3</b>	<b>37.5</b>	<b>6.2</b>

## ATTACHMENT B

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

- Whereas:** Rhode Island Housing and Mortgage Finance Corporation's ("RIHousing") enabling act provides it with all of the power to make and execute contracts for the exercise of the powers and functions provided to it under the act (R.I. Gen. Laws §42-55-5(6)); and
- Whereas:** RIHousing seeks to license quality control software to perform loan servicing and subservicing quality control reviews; and
- Whereas:** in December 2020, RIHousing issued a Request for Proposals ("RFP") for quality control software; and
- Whereas:** a selection committee comprised of RIHousing staff reviewed the proposal and evaluated it in accordance with criteria outlined in the RFP.

#### **NOW THEREFORE, IT IS HEREBY:**

- Resolved:** That RIHousing be, and hereby is authorized, to license quality control software from TENA Companies, Inc.; and
- Resolved:** That the Executive Director, Deputy Executive Director, 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 resolutions, including without limitation the authority to negotiate terms of the license and approve change orders as he or she may determine are in the best interests of RIHousing, and to execute any and all agreements or documents as he or she deems necessary to carry out the foregoing.