



REQUEST FOR PROPOSALS

DATE OF ISSUE: **August 2, 2021**

TO: Potential Providers of Services

RE: Request for Proposals (“RFP”) for **Housing Choice Voucher Administration 2022 and 2023.**

Quick Reference

	Date	Time
Deadline to submit questions about this RFP:	August 13, 2021	4 PM Eastern (Detroit, MI)
Anticipated date Authority will post answers to questions:	August 19, 2021	
Proposal deadline:	September 13, 2021	4 PM Eastern (Detroit, MI)
Anticipated contract begin date:	January 1, 2022	

I. Services Sought by Authority:

The Michigan State Housing Development Authority ***Division of Rental Assistance and Homeless Solutions*** (“Authority” or “MSHDA”) is seeking an organization authorized to do business in Michigan to ***successfully administer federal Housing Choice Vouchers awarded by the U.S. Department of Housing and Urban Development (“HUD”)***. A detailed description of the work is described in the Scope of Work attached and incorporated into this Request for Proposals (“RFP”) as Exhibit A.

The Authority is anticipating awarding a two-year contract with an option of three one-year extensions at the Authority’s sole discretion. The determination whether to exercise the option will be made at a later date.

Two categories of proposals are being considered pursuant to this RFP: (1) Proposals for HCV Agent; and (2) Proposals for HCV Probationary Agent. Bidders seeking consideration as a HCV Probationary Agent will be awarded a contract with additional consultation requirements as described below in Exhibit A.

Firms must indicate whether they are submitting a proposal for consideration as a HCV Agent, HCV Probationary Agent, or both. Please refer to Exhibit A – Scope of Work for additional details.

II. Contents of this RFP

- Overview of services sought, and bidder requirements
- Exhibit A – Scope of Work
- Exhibit B – Proposal Instructions and Selection Criteria
- Exhibit C-1 – Payment to Contractor
- Exhibit C-2 – Performance Measures and Incentive Pay
- Exhibit C-3 – State of Michigan Prosperity Regions Map
- Exhibit C-4 – HCV Program County and Regional Based Allocations Chart
- Exhibit C-5 – Security Requirements
- Exhibit D – Certificate Verifying Key Persons
- Exhibit E – Organization Background Checklist
- Exhibit F – Certifications Regarding Debarment, Suspension, and Other Matters
- Exhibit G – W-9 Request for Taxpayer Identification Number and Certification
- Exhibit H – Contract Terms and Conditions Template

III. Bidder's Authorized Signatory:

An official authorized to commit the Bidder to the terms and conditions of the proposal must sign the proposal being submitted. The Bidder must clearly identify the full title and authorization of the designated official and provide a statement of bid commitment with the accompanying signature of the official. Attach any resolutions authorizing the approved signatory with the proposal. Include the name and telephone number of person(s) in your organization authorized to expedite any proposed contract with the Authority.

Proposals from Sole Proprietors Will Not be Accepted

Women-owned, minority-owned, and small businesses are encouraged to submit proposals for consideration.

IV. Required Qualifications:

The Authority has identified the following qualifications that it believes are necessary for the successful performance and completion of the services described in Exhibit A - Scope of Work. The Bidder must:

- A.** Have experience in either providing the services described in the Scope of Work or experience providing similar services. Firms deficient in the full qualifications or experience to provide HCV Agent services may choose to apply as a HCV Probationary Agent. Firms wishing to be considered under the criteria as both a HCV Agent and a HCV Probationary Agent should indicate both in the submitted proposal.

Note that the HCV Probationary Agent program is NOT a ground-up or startup training regimen for entities with little to no experience in public housing programs; it is instead intended for those entities with relatable experience (e.g., Section 8; HUD Compliance, etc.) to gain direct experience with managing and administering the Housing Choice Voucher Program for the Authority.

- B.** Assign experienced personnel to perform the services or have personnel supervised by experienced staff.

- C. Be a Michigan entity (limited partnership, limited liability company, for-profit corporation or non-profit corporation), authorized to do business in the State of Michigan. Provide organizational documents, including all certificates and amendments. For non-profits, provide evidence of 501(c)(3) status from the IRS. The Bidder will be required to submit the following forms based on the type of entity:
1. A foreign (non-Michigan) or domestic corporation or limited liability company must be licensed to do business in Michigan. The firm must submit with the proposal a *Certificate of Good Standing* issued by the Department of Licensing and Regulatory Affairs that is dated no earlier than 30 days prior to the submittal date of the proposal. Provide address of registered agent or office. (Reference Exhibit E, attached and incorporated into this RFP).
 2. A foreign (non-Michigan) or domestic limited partnership must be licensed to do business in Michigan. The firm must submit with the proposal a *Certificate of Fact – Not Cancelled* issued by the Department of Licensing and Regulatory Affairs that is dated no earlier than 30 days prior to the submittal date of the proposal. Provide address of registered agent or office. (Reference Exhibit E, attached and incorporated into this RFP).
- E. Have an office in the State of Michigan. This office must be open to the public and within each Prosperity Region awarded. Refer to Exhibit C-3 – State of Michigan Prosperity Regions Chart.
- F. Have phone, internet, and e-mail access. Internet and e-mail access must be adequate enough to allow the Bidder to receive, download and upload data, files and attachments from Authority staff. Current state standards are approximately 20 MB.
- G. Agree to satisfy the following requirements prior to the execution a contract with the Authority:
1. Indemnify, defend and hold harmless the Authority, its Board, officers, employees and agents, from and against all losses, liabilities, penalties, fines, damages and claims (including taxes), and all related costs and expenses (including reasonable attorneys' fees and disbursements and costs of investigation, litigation, settlement, judgments, interest and penalties), arising from or in connection with any of the following:
 - a. any claim, demand, action, citation or legal proceeding against the Authority, its employees and agents arising out of or resulting from (1) the services provided ("Services") or (2) performance of the Services, duties, responsibilities, actions or omissions of the Bidder or any of its subcontractors under an awarded contract.
 - b. any claim, demand, action, citation or legal proceeding against the Authority, its employees and agents arising out of or resulting from a breach by the Bidder of any representation or warranty made by the Bidder in an awarded contract.

- c. any claim, demand, action, citation or legal proceeding against the Authority, its employees and agents arising out of or related to occurrences that the Bidder is required to insure against as provided for in an awarded contract.
 - d. any claim, demand, action, citation or legal proceeding against the Authority, its employees and agents arising out of or resulting from the death or bodily injury of any person, or the damage, loss or destruction of any real or tangible personal property, in connection with the performance of services by the Bidder, by any of its subcontractors, by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable; provided, however, that this indemnification obligation shall not apply to the extent, if any, that such death, bodily injury or property damage is caused solely by the negligence or reckless or intentional wrongful conduct of the Authority.
 - e. any claim, demand, action, citation or legal proceeding against the Authority, its employees and agents which results from an act or omission of the Bidder or any of its subcontractors in its or their capacity as an employer of a person.
 - f. any action or proceeding threatened or brought against the Authority to the extent that such action or proceeding is based on a claim that any piece of equipment, software, commodity or service supplied by the Bidder or its subcontractors, or the operation of such equipment, software, commodity or service, or the use or reproduction of any documentation provided with such equipment, software, commodity or service infringes any United States or foreign patent, copyright, trade secret or other proprietary right of any person or entity, which right is enforceable under the laws of the United States.
2. Maintain and provide evidence, satisfactory to the Authority, of the following insurance coverage:
- a. Errors and Omissions Insurance for \$1,000,000 for each occurrence and \$1,000,000 annual aggregate; and
 - b. Worker's Compensation Insurance (if required under state law). Any citing of a policy of insurance must include a listing of the States where that policy's coverage is applicable.
 - c. Cyber Security Insurance for \$1,000,000 for each occurrence and \$1,000,000 annual aggregate.

V. Submitting Proposal:

Bidders wishing to submit proposals must submit **one (1) .pdf** copy of a proposal to provide the services described in Exhibit A - Scope of Work attached and incorporated into this RFP. Submitted proposals must respond to and address the questions listed in Exhibit B - Proposal Instructions and Selection Criteria.

Firms wishing to submit proposals must also submit the Certificate Verifying Key Persons attached and incorporated into this RFP as Exhibit D, as well as the documentary information outlined in the Organization Background Checklist attached to this RFP as Exhibit E.

The due date for the Authority's receipt of the proposals responding to this RFP is **September 13, 2021** at 4 p.m., Michigan time (EST).

The Authority shall not be liable for any costs that a firm or individual may incur while preparing a proposal. The Authority shall not be liable for any costs that a firm or individual may incur prior to the complete execution of a contract. If the Authority enters into a contract, the Authority's consideration (payment) shall be limited to the term of the contract.

VI. Questions Regarding RFP

Questions raised by Bidders concerning the RFP must be submitted in writing via email. To ensure a fair and impartial process, the Authority will only address those questions concerning the RFP submitted in writing via email.

Phone calls involving the RFP or related questions will not be accepted.

Firms submitting bids shall not contact any Board members or Authority staff related to this RFP.

Submit questions using the subject line ***2022 HCV Administration RFP Question*** to the attention of:

MSHDA Procurement Office

E-mail: MSHDA-Procurement@michigan.gov

Questions must be received in writing by August 13, 2021 at 4 p.m., Michigan time (EST) The Authority will answer all questions received by **August 19, 2021 at 4 p.m., Michigan time (EST)**., The Authority will hold no question sessions or bidder's conferences. All questions and answers related to this RFP will be supplied to firms providing *the MSHDA Procurement Office* with notification of intent to submit a proposal.

If, prior to the proposal deadline, the Authority deems it necessary to provide additional clarifying information, or to revise any part of the RFP, supplements or revisions will be provided to all firms who have indicated they will submit a proposal. Proposals will then be evaluated based on the terms and conditions of the RFP, any supplements or revisions to the RFP, and the answers to any written questions.

VII. Selection of Proposal:

The Authority will select the proposal based on the Proposal Instructions and Selection Criteria set forth in Exhibit B attached and incorporated into this RFP.

VIII. Processing Required Forms & Contract Execution:

The required forms will be submitted to Civil Service for approval **prior** to the Authority's Board approval. Contracts that equal or exceed \$45,000 must be approved by the Authority's Board. Thereafter, a contract will be forwarded to the selected Bidder with instructions to execute and return two copies. Upon receiving the executed copies, the Legal Affairs Division will submit the executed copies to a duly authorized Authority signatory for execution on behalf of the Authority.

IX. Michigan Freedom of Information Act

All documents submitted to the Authority are subject to the Michigan Freedom of Information Act ("FOIA"). In the event a request for submitted documents is made to the Authority, the Authority's FOIA Coordinator will redact or withhold information and/or documents that are exempt from disclosure under FOIA. See *MCL 15.243 et seq.* Please note that any requests by non-MSHDA personnel to review proposals will be denied until the deadline for submission of the bids has expired. See *MCL 15.243(1)(i)*.

Please submit FOIA requests to the Authority as follows:

**MSHDA FOIA Coordinator
c/o Legal Affairs
Email: MSHDA-FOIA@michigan.gov**

X. Payments to Pensioned Retirees

2007 PA 95, MCL 38.68c requires retirees of the State Employees Retirement System ("Pensioned Retirees") who become employed by the State either directly or indirectly through a contractual arrangement with another party on or after October 1, 2007 to forfeit their respective state pensions for the duration of their reemployment. Accordingly, any pensioned retiree who provides or renders services pursuant to the contract for which bids will be made under this RFP shall be required to forfeit his or her pension during the term of the contract.

Proposals must acknowledge and confirm whether pensioned retirees will render services under the contract being sought through this RFP. If the Bidder intends to use a pensioned retiree, the Bidder must submit written confirmation from the pensioned retiree that he or she agrees to forfeit his or her pension during the term of the contract, if awarded. If awarded a contract, the Bidder must submit a copy of the pensioned retiree's directions to the State of Michigan's Office of Retirement Services ("ORS") to withhold the retiree's pension payments until the end of the contract term.

XI. Key Persons

Bids must acknowledge and identify certain key persons who will be performing services pursuant to an awarded contract and (a) sign the contract on behalf of the contractor and/or (b) are listed in the form attached and incorporated into this RFP as Exhibit D.

XII. Preferences. Michigan law accommodates some bidder preferences:

1. Michigan Based Business
All other things being equal, the state of Michigan must give preference to products manufactured or services offered by Michigan-based firms. See MCL

Section 18.1261 (<http://legislature.mi.gov/doc.aspx?mcl-18-1261>) and Section 18.1268 (<http://legislature.mi.gov/doc.aspx?mcl-18-1268>).

2. Geographically-Disadvantaged Business

All other things being equal, the state of Michigan must give preference to products manufactured or services offered by a Geographically-Disadvantaged Business Enterprise. It is the goal of the State that 3% or more of contract payments each state fiscal year will be made to certified Geographically-Disadvantaged Business Enterprises by the 2022-23 fiscal year. See Executive Directive 2019-08 (https://www.michigan.gov/whitmer/0,9309,7387-90499_90704-486613--,00.html).

3. Qualified Service-Disabled Veteran-Owned Businesses

It is the goal of the State to award 5% of total state expenditures for construction, goods, and services to qualified service-disabled veteran-owned businesses. The State provides a 10% pricing preference for businesses owned by qualified-disabled veterans. See MCL Section 18.1241 (<http://legislature.mi.gov/doc.aspx?mcl-18-1241>) and Section 18.1261 (<http://legislature.mi.gov/doc.aspx?mcl-18-1261>).

**MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
REQUEST FOR PROPOSAL**

EXHIBIT A

SCOPE OF WORK

I. Overview

2022-2023 Housing Choice Voucher Service and Administration

The Michigan State Housing Development Authority, Division of Rental Assistance and Homeless Solutions ("Authority" or "MSHDA") is seeking firms to administer and provide Housing Choice Voucher ("HCV") services to the HCV Applicants and Participants, Landlords, Authority staff and Community Service Providers. Services shall be provided according to the guidelines of the Department of Housing and Urban Development ("HUD"), the Authority's Standard Operating Procedures ("SOP"), as amended, as well as the Administrative and Public Housing Authority Plans.

The Authority seeks the services to meet the comprehensive needs of HCV Applicants and Participants as set forth in: (i) this *Scope of Work*, (ii) the Exhibit C-1 *Payment to Contractor*, and (iii) Exhibit C-2 *Performance Measures and Incentive Pay*, attached and incorporated into this RFP.

Bidders may choose, and must indicate in their proposals, whether they wish to be considered for HCV Agent (see Section II below), HCV Probationary Agent (see Section III below), or both.

Changes to Scope of Work Required by HUD or the Authority

The selected Contractor acknowledges that new, revised, or amended policies, mandates, procedures, requirements or programs imposed by HUD or adopted by the Authority may require the revision or amendment of the Services described in this RFP Exhibits, as well as any awarded contract. Such changes shall be deemed to be within the Scope of Work and shall not result in an increase in fees if the Authority reasonably determines that changes to the Scope of Work are required by HUD or arise from programs or initiatives adopted by the Authority.

II. HCV AGENT: Objectives, Tasks & Activities, and Deadlines

A. Objectives. To successfully perform the services described in Section I above, the selected Contractor must provide the Services described in this Scope of Work, Exhibit C-1 *Payment to Contractor* and Exhibit C-2 *Performance Measures and Incentive Pay* attached and incorporated into this RFP, while ensuring quality customer service. Specifically, the selected Contractor must satisfy the following objectives:

1. Provide quality and necessary services to the HCV Applicants and Participants and other Community Partners including, but not limited to, Authority staff, Landlords, Continuums of Care (“COCs”), and Service Providers.
2. Provide those above-mentioned Services at a high performing level based on Exhibit C-2 Performance Measures and Incentive Pay attached and incorporated into this RFP.

B. Activities/Responsibilities Necessary to Complete Scope of Work. To achieve the objectives, the selected Contractor shall perform the following activities:

The selected Contractor shall perform all tasks and services as indicated in the Authority’s SOP for the Division of Rental Assistance and Homeless Solutions located at the Program Portal found at

https://stateofmichigan.sharepoint.com/teams/MSHDA/RAHS_HCV_01/SitePages/Home.aspx

1. Log-in and password to be provided by Authority staff at the time of contract execution.
2. **Office Requirements and Required Hours.** The selected Contractor must maintain a business office open to the public in one of the two counties with the largest number of vouchers allocated to the selected Contractor within a Prosperity Region. The business office must be open to the public for a minimum of 20 hours per week during normal business hours to address walk-ins and scheduled appointments. The business office must be open to receive and return phone calls 40 hours per week during normal business hours. The selected Contractor must be available to Authority staff by cell phone or direct phone line a minimum of four (4) hours per day Monday through Friday for Authority use only. The selected Contractor must provide Authority staff with the cell phone or direct line number no later than January 1, 2022.

Proposed business office locations, and any subsequent office location changes, are to be submitted for Authority review and approval. The Authority reserves the right to approve business office locations and public meeting spaces. The Authority will consider exceptions to the business office location requirements based on the following criteria:

- a. Selected contractor has a current office within the Prosperity Region and is bound by a long-term lease; or
- b. The county the selected Contractor is requesting for its office location has a voucher allocation that is close in number to the counties with its two largest voucher allocations; or
- c. If the selected Contractor has one or two counties in an adjacent Prosperity Region, an additional office may not be required; or

- d. Other circumstances as approved by the Authority.
- e. A business office is defined as:
 - i. an office open to the public for a minimum of 20 business hours per week in which the selected Contractor and/or selected Contractor's staff is readily accessible by phone and to walk-in traffic;
 - ii. staffed by personnel knowledgeable of the HCV Program;
 - iii. includes a private meeting space;
 - iv. complies with all applicable American with Disabilities Act requirements, including but not limited to those identified in [PIH Notice 2003-31](#);
 - v. complies with all applicable federal, state and local requirements by authorities with jurisdiction; and
 - vi. Residential business offices must meet all of the above criteria as well as contain an office entrance separate from the private residence and meet all local home business zoning requirements. A local zoning official must verify in writing that the office meets home business zoning requirements.
- f. The original participant files must be housed in one or more of the selected Contractor's business offices.
 - i. All original participant files must be stored in fireproof cabinets (Underwriters Laboratories - UL rated file cabinets) and/or the selected Contractor must have a fire suppression system in place; Selected office must be compliant with requirements outlined in Exhibit C-5;
 - ii. Selected contractors operating in multiple Prosperity Regions may designate one central business office to maintain all original participant files; and
 - iii. Business offices not containing files must be staffed with personnel knowledgeable about the HCV Program, and have technology suitable to access the tenant file at the central office.
- g. The selected Contractor is required to arrange public meeting space in all counties in which vouchers are awarded and no business office is maintained. Appropriate public meeting spaces could include, but are not limited to: libraries, DHS office, or Michigan Works offices.
 - i. The public meeting location must be available to meet applicants, participants, landlords and Authority staff by appointment in a timely manner and must include a private meeting space.

- ii. The selected Contractor must submit the location, to include physical address, for each public meeting space by March 1, 2022 for the Authority's review and approval and promptly notify the Authority of any subsequent changes.
 - h. The Authority and the selected Contractor will acknowledge that the establishment, confirmation, and approval of office hours are required to address HUD's concerns that those administering the Program shall be accessible to Applicants, Participants, Landlords, and Authority Staff. **The Authority reserves the right to approve business office locations and public meeting spaces.**
- 3. The following activities and tasks shall be provided to HCV Applicants and Participants and other partners in accordance with the SOP, as well as the Administrative and Public Housing Authority Plans. Activities and tasks include but are not limited to:
 - a. Maintaining Project Based Waiting Lists (if the Region selected for administers Project Based Developments).
 - b. Verifying eligibility of Waiting List Applicants. When the Applicant's name is selected from the Waiting List, the selected Contractor shall determine HCV program eligibility.
 - c. Briefing Applicants and issuing Vouchers by following HCV guidelines. This includes:
 - i. Explaining the HCV program and its benefits to HCV Applicants;
 - ii. Having the proper paperwork required for Applicants to complete;
 - iii. Answering any questions from Applicants; and
 - iv. Issuing Vouchers to begin the leasing process.
 - d. Executing a Housing Assistance Payment ("HAP") Contract between the Authority and Landlord by following the HCV program guidelines. This includes but is not limited to:
 - i. Verifying 40% affordability is met;
 - ii. Inspecting the unit per the Housing Quality Standard ("HQS") guidelines, and re-inspecting if necessary;
 - iii. Entering data into the Authority's database software system; and
 - iv. Generating and executing all required forms for a HAP contract while meeting Authority established deadlines.

- e. Perform a yearly Annual Re-Examination for each active, assigned Participant by following HCV program guidelines as established below:
 - i. Satisfy the conditions and requirements to re-qualify the Participant for the HCV program by using current verification processes to determine continued eligibility;
 - ii. Enter data of Annual Re-Examination into the database software system for payment approval by established Authority deadlines.
- f. Perform a yearly HQS inspection for each active, assigned Participant by following HCV program guidelines as established below:
 - i. Inspect the unit using HQS guidelines, including ensuring that all units are inspected within 730 days of the last inspection;
 - ii. Follow HCV guidelines for failed inspections, and process abatements if needed; and
 - iii. Enter HQS only transactions into the database software system by program deadlines.
- g. Process any HCV Participant moves, transfers, income or family compositions changes, ownership or contract rent changes, portability, and cancellations by following the HCV guidelines for those processes.
- h. Miscellaneous activities necessary such as:
 - i. Correcting errors on paperwork within ten (10) business days,
 - ii. Responding to emails, phone calls, and letters in a timely manner; that is no later than two (2) business days; providing any information, reports, or data requested from Authority staff;
 - iii. Maintaining paperwork in accordance with HCV requirements in the Participant file; and
 - iv. Attending all required meetings and/or trainings.
- i. Encourage participation and distribute Family Self-Sufficiency (“FSS”) and Key to Own (“KTO”) Program brochures by following the HCV guidelines.
- j. Maintain knowledge of all Authority Programs and Services available in the selected Contractor’s assigned regions/counties.
- k. Maintain knowledge of the Authority’s SOP via the Program Portal.

- I. Return of Equipment and Documents. Upon request of the Authority or upon termination of an awarded contract by either party, the selected Contractor will return all property of the Authority including, but not limited to computer equipment, records, files, documents, correspondence, manuals, seminar materials, keys, and all other documents, records and data, in written and electronic form, that are the property of the Authority within five (5) days of notification by the Authority.

- m. Manage Quality Control of HQS inspections for caseload.
 - i. Each inspector must complete all required trainings and pass all required tests for HQS inspectors.
 - ii. Perform quality control inspections on each inspector for the housing agent and maintain records of the quality control inspections.
 - iii. Maintain a log book for all inspectors including copies of any certificates received, the required first 25 inspections completed for new inspectors during this contract period, verification of trainings taken, and verification of Housing Agent audit inspections completed on the inspector.

- n. Customer Service. The selected Contractor and selected Contractor's staff are required to maintain a professional customer service relationship with all partners by establishing policies and procedures to meet the following requirements:
 - i. Treat in a professional manner all applicants, participants, partnering agencies, landlords, and Authority staff with dignity and respect at all times. Selected Contractor and selected Contractor's staff must not intimidate, threaten, harass or abuse their authority in any way.
 - ii. Maintain office hours as required in this Scope of Work.
 - iii. Ensure all applicants/participants, landlords, and partners are provided information regarding office hours. Agency name and office hours must be posted and clearly visible at the physical location.
 - iv. Be available outside of standard business hours to accommodate appointments and other special requests.
 - v. Assist participants with disabilities in meeting the requirements to participate or continue participation on the program.
 - vi. Monitor and prioritize calls and emails daily and respond within two business days. Emergency situations must be dealt with on a case-by-case basis; generally within twenty-four hours of notification.

If the Authority determines the selected Contractor's customer service is not meeting contract requirements, the selected Contractor will be issued a notice in writing. If problems persist, a customer service action plan will be developed which could include the requirement to attend customer service training at the

expense of the selected Contractor. If after customer service training, the problems continue, this may be considered a breach of contract.

- o. **Community Partnerships.** The selected Contractor must submit a Communication Plan (“Plan”) developed with each Housing Assessment and Resource Agency (“HARA”) within their assigned Region(s):
 - i. The Plan must be developed with the HARA and include the roles and responsibilities that each agency will perform while assisting the Housing Choice Voucher Program applicants/participants. If after efforts to create a Plan with the HARA are unsuccessful, the Authority will facilitate this process.
 - ii. The Plan must be signed by both the selected Contractor and the HARA Executive Director. The HARA may instead opt to submit a support letter in conjunction with the Plan signed by the selected Contractor.
 - iii. The Plan must be submitted to the Authority’s Resource Specialist by March 1, 2022. If the Authority requires changes, the selected Contractor must complete and return the Plan within a deadline specified by the Authority.
 - iv. If significant change(s) occur to the Plan during the term of the Housing Agent Agreement, an updated Plan must be submitted to MSHDA in a timely manner.

The Plan must include, but is not limited to the following:

- i. Designation of a HARA staff person(s) and an HCV contractor staff person(s) as a point of contact for partners, e.g., applicants/participants, landlords, COCs, and referring agencies.
- ii. The selected Contractor and the HARA will develop a meeting schedule that outlines the frequency and type of planned communications they will have with each other. Meetings will be held quarterly and may be held in person or by teleconference. One meeting must be face-to-face annually, which may be conducted via video conference.
- iii. Detail of roles and responsibilities of selected Contractor and HARA needed to conduct routine business effectively. Outline a method that is designed for your community to assist applicants/participants in navigating the HCV Program.
- iv. Describe an outreach procedure to communicate the opening of waiting lists in the designated community.
- v. For communities with Project-Based Vouchers, describe how the selected Contractor will communicate to the Lead Agency and Management Company that Waiting Lists need more applicants.

- C. Changes in the Allocation of Vouchers.** The selected Contractor acknowledges that the Authority retains the right to change the number of Vouchers assigned to the selected Contractor on any, but not limited to the following grounds:

1. A reduction of Vouchers assigned by HUD to the Authority;
2. A reduction in funding received by the Authority for the Housing Choice Voucher Program;
3. An increase in expenses incurred by the Authority for the Housing Choice Voucher Program;
4. Authority initiatives, programs, or transactions that require, in the sole opinion of the Authority, a transfer and/or reassignment of Vouchers;
5. HUD requires the assignment of a Voucher or Vouchers to another PHA;
6. The Authority determines that reallocating Vouchers will enable the Authority to administer the Housing Choice Voucher Program more effectively and/or efficiently. This ground includes, but is not limited to, decisions by the Authority to transfer vouchers to resolve conflicts between a landlord or landlords and the selected Contractor that the Authority determines to be irreconcilable;
7. The selected Contractor acknowledges that the allocation of Vouchers to the selected Contractor does not create for the selected Contractor a vested right to administer a certain number of vouchers;
8. Increasing Assigned Vouchers. The Authority may require the selected Contractor to increase the number of Vouchers to which the selected Contractor is assigned; or
9. Assignment of additional Vouchers for Rental Assistance Demonstration properties, Project-Based Voucher developments, absorptions of other PHAs, and any other ACC increases will be awarded based on a schedule determined by the Authority.

D. Authority and HUD Requirements: In performing its duties and responsibilities as specified in this Agreement, the selected Contractor will comply at all times with all applicable HUD and Authority rules, regulations, and requirements, including Equal Opportunity rules. Additionally, the selected Contractor is responsible for complying with the following:

1. Identity Theft Protection Act (2004 Public Act 442, as amended by Public Act 566 of 2006).
2. Social Security Number Privacy Act (Public Act 454 of 2004).
3. 3.7.1 Best practices would include: NIST 800 series guidelines located at <http://www.csrc.nist.gov/publications/nistpubs/> especially 800-64, 800-53.
4. Federal Information Processing Standards located at <http://www.itl.nist.gov/fipspubs/index.htm>.

E. File Maintenance and Security:

- 1. Equipment Provided by Authority.** The Authority and selected Contractor acknowledge that the Authority has no obligation to the selected Contractor to provide, replace or repair computers or peripherals such as monitors, modems, and printers.
- 2. File Security.** All files held by a selected Contractor in a respective office must be in fireproof cabinets and/or the office must have a fire suppression system in place. The files must be able to be secured from the general public either by containing locking mechanisms with keys provided to only Key Persons, or located in a locked room. All files must be labeled **CONFIDENTIAL**.
- 3. Use of Compatible Hardware and Software.** The selected Contractor shall have licenses for and use software that is compatible with the software used by the Authority's Housing Choice Voucher Program. The selected Contractor shall use hardware that is compatible with the software and hardware used by the Authority. The selected Contractor shall have and maintain internet access and e-mail that enables the selected Contractor to render Services. The selected Contractor shall also have licenses for the following programs in versions that are compatible with the Authority's Microsoft Word and Microsoft Excel. The selected Contractor agrees to secure any upgrades of software and/or hardware that are necessary for ensuring and maintaining compatibility with software and hardware used by the Authority.
 - a. The selected Contractor shall have antivirus software installed and the version/definition files must be updated daily. In addition, the selected Contractor is required to scan their computers daily for viruses and have auto-protection and live update enabled.
 - b. The selected Contractor shall have encryption software (capable of a minimum 128-bit) to encrypt Personal Identifying Information (PII) when transmitted or stored in permanent or removable electronic media, to render PII unreadable.
- 4. Removal/Disposal of Personal Data in an Electronic Format.** If the selected Contractor no longer needs Participant data to render Services, or if the selected Contractor ceases to provide Services, the selected Contractor shall remove/dispose Electronic Data and Access Codes (defined below) from any and all storage media that may be used, including but not limited to hard drives, flash drives, CDs, PCs, laptops, DVDs, zip drives, hand-held organizer, and storage services on the World Wide Web. When the selected Contractor ceases to use a computer, the selected Contractor shall:
 - a. Ensure that any and all Electronic Data and Access Codes are removed from/disposed of from that computer. Approved removal/disposal methods for electronic records and media include three (3) passes with a disk wiping utility

or DOD (Department of Defense) Level 2 compliant equal; incineration, shredding, cutting, drilling, or grinding; and

- b. "Electronic Data and Access Codes" is collectively defined as (a) any and all Participant data in an electronic format; (b) and all codes, passwords, access keys and any other data that allows the selected Contractor to connect to and access Database Software (presently Elite). Notwithstanding the foregoing, the selected Contractor may retain Participant data after the selected Contractor ceases to provide services only if the selected Contractor is required to do so to comply with Federal or State law or regulations, a separate contract with a Federal entity or State of Michigan entity, including, but not limited to, the Authority, or an Authority requirement.

If the selected Contractor believes it is required to retain Participant data, the selected Contractor shall:

- i. Advise the Authority's Resource Specialist in writing of the requirement; and
 - ii. Retain the data in a manner and format described in Section F entitled "Record Keeping, Privacy, and Freedom of Information Act" below. If the selected Contractor ceases to administer the Services set forth in this Agreement and included Exhibits, the selected Contractor must send written notice to the Resource Specialist indicating all removal methods have been completed in order to receive any final payments.
- 5. Security Awareness.** The selected Contractor and Key Persons of the contractor must attend security awareness sessions and complete required forms to perform services for the Authority. The selected Contractor must complete a Security Plan (see Exhibit C-5, Security Requirements) upon entering into an awarded contract.

F. Record Keeping, Privacy, and Freedom of Information Act.

- 1. Organization of Participant's File.** The selected Contractor will maintain all Participant files in accordance with HUD Regulations and the Authority's SOP.
- 2. Applications, Notification letters, and similar matters.** The selected Contractor will retain all records of applications, notification letters, and similar matters during the term of this Agreement and renewals or extensions of the Agreement. All such applications, notices, and other such records will be subject to inspection and copying by the Authority or HUD, or any authorized representative of the Authority or HUD. If either party terminates an awarded contract, the selected Contractor will forward all records to the Authority, including, but not limited to, Participant files.
- 3. Providing Information and Reports to Authority.** Upon the request of the Authority, the selected Contractor will furnish any and all requested information or reports with respect to any and all matters relating to an awarded contract and the Housing Voucher Program in accordance with the Authority's shipping and tracking

procedures. Any and all requested information or reports must be received by the Authority within three (3) business days.

- 4. Legal Actions.** Pursuant to an awarded contract, the selected Contractor will forward to the Authority, within three days upon receipt, all requests for documents, including but not limited to notices of subpoenas, lawsuits, causes of action, or charges of any kind to which the selected Contractor is subject, that arise from the selected Contractor's actions or lack of action (a) as a contractor for the Authority and (b) pursuant to the authority granted to the selected Contractor under an awarded contract within three (3) business days.
- 5. Rights in Data.** The selected Contractor will not use the State's data for any purpose other than providing the services set forth in an awarded contract, nor will any part of the State's data be disclosed, sold, assigned, leased or otherwise disposed of to the general public, to specific third parties or commercially exploited by or on behalf of selected Contractor, nor will any Key Person of the selected Contractor other than those on a strictly need to know basis have access to the State's data. The selected Contractor shall only use PII as strictly necessary to provide the services and shall disclose such information only to its Key Persons who have a strict need to know regarding such information. The selected Contractor shall comply at all times with all laws and regulations applicable to PII.
- 6. Security Breach Notification.** In the event of a security breach, the selected Contractor shall take prompt corrective action to cure any such deficiencies and any action pertaining to such unauthorized disclosure required by applicable federal and state laws and regulations. The selected Contractor shall report to the proper Authority staff in writing any use or disclosure of personal identifying information, whether suspected or actual, other than as provided for by an awarded contract within three (3) business days of becoming aware of such use or disclosure.
- 7. Securing Personal Identifying Information (PII).** The selected Contractor shall take reasonable steps in accordance with recommended office practices to prevent the theft of paper and electronic files that contain PII of the Participant. Such steps shall include but are not limited to:

 - a. Restricting access to paper and electronic files to only authorized selected Contractor personnel;
 - b. Securing paper files and electronic files to prevent unauthorized access;
 - c. Storing paper files and electronic files to prevent unauthorized access of the same; and
 - d. To prevent unauthorized access or disclosure during the transmission or storage of PII, encryption (minimum of 128-bit) must be used when moving or storing all PII on any electronic device.

The selected Contractor shall establish a security plan/policy that ensures that PII is not lost or disclosed accidentally. The Authority reserves the right to inspect files and requires the selected Contractor to complete their security plan/policy within Exhibit C-5, Security Requirements for the purpose of confirming the adequacy of the selected Contractor's security practices. The selected Contractor agrees to respond to Authority recommendations concerning the security plan/policy to the Authority's reasonable satisfaction. The selected Contractor agrees to provide Exhibit C-5, Security Plan upon execution of an awarded contract.

8. **Destruction of Documents.** The selected Contractor will destroy the following documents in accordance with the schedule described below:
 - a. Copies of all records for a former Applicant or Participant as long as the original records are in the Authority's offices—such records shall be destroyed no later than one year after the denial or termination of the Participant's Voucher.

When destroying data, whether in paper or electronic form, the selected Contractor shall ensure that PII is destroyed to the extent that identities of individuals cannot be ascertained. Approved destruction methods for electronic records and paper media include three (3) passes with a disk wiping utility or DOD (Department of Defense) Level 2 compliant equal; incineration, shredding, cutting, drilling, or grinding.

9. **Disclosure of Information and Records.** The selected Contractor shall not disclose information or documents created or maintained in connection with an awarded contract to anyone other than the selected Contractor's staff assigned to an awarded contract or Authority staff, without the direction or prior consent of Authority staff. Neither the selected Contractor nor its Key Persons or agents shall use information or documents created or maintained in connection with an awarded contract to further any private interest without the prior written consent of the Authority.
10. **Privacy and FOIA.** The selected Contractor will maintain all records of information on Participants, Families, and Owners in strict confidence and will ensure that the privacy of the household is maintained in accordance with applicable state and federal laws including the state Freedom of Information Act ("FOIA"), the federal Freedom of Information Act, and the federal Privacy Act. The selected Contractor shall not accept on the Authority's behalf subpoenas, requests to produce documents, or requests for documents or information under the FOIA or the federal Freedom of Information Act. The selected Contractor shall inform persons submitting such subpoenas and requests that the selected Contractor is not authorized to accept or process such documents on behalf of the State of Michigan or the Authority. The selected Contractor shall, however, respond to requests for HUD-50058 forms in accordance with the Authority's SOP. If the selected Contractor is a public body or part of a public body, the selected Contractor can comply with the state FOIA by following its FOIA procedures or the procedures of the public body of which the selected Contractor is a part.
11. **News Releases.** News releases pertaining to an awarded contract, the Work Product developed under an awarded contract, or the Services provided under an

awarded contract will not be made without prior written Authority approval, and then only in accordance with explicit written instructions from the Authority. No results pertaining to an awarded contract, the Work Product developed under an awarded contract, or the Services provided under an awarded contract are to be released without prior approval of the Authority and then only to persons designated. Failure to follow this guideline may result in a material breach of the awarded contract.

G. State and Federal Requirements

- 1. Covenant Not to Discriminate.** The selected Contractor will comply with all requirements imposed by Title VIII of the Federal Civil Rights Act of 1968, as amended, the Elliott-Larsen Michigan Civil Rights Act, the Michigan Handicappers Civil Rights Act, and Title VI of the Federal Civil Rights Act of 1964; the regulations of HUD-issued thereunder, 24 CFR, Subtitle A, part 1, Section 1.1 et. Seq.; the requirements of HUD pursuant to the regulations; and Executive order 11063, to the end that, in accordance with the Act the regulations and requirement of HUD thereunder, and the Executive Order, no person will, on the grounds of race, color, creed, religion, handicap, familial status, marital status, or national origin, be excluded from participation in, or be denied the benefits of, the Program or be otherwise subject to discrimination. The selected Contractor is obligated to comply with this provision to the benefit of the United States, HUD and the Authority, each of which will be entitled to invoke any remedies available by law to redress any contract breach or to compel contract compliance by the selected Contractor.
- 2. Equal Opportunity.** In performing its duties and responsibilities, the selected Contractor will comply at all times with all applicable HUD and Authority Equal Opportunity rules, regulations, and requirements.
- 3. Workplace Safety and Discrimination Harassment.** In performing services for the Authority pursuant to an awarded contract, the selected Contractor shall comply with Michigan Department of Civil Service Rules 2-20 regarding Workplace Safety and 1-8.3 regarding Discriminatory Harassment. In addition, the selected Contractor shall comply with Civil Service Regulations governing workplace safety, discriminatory harassment, and any applicable state agency rules on these matters that the agency provides to the selected Contractor. The Michigan Department of Civil Service Rules and Regulations can be found on the Department of Civil Service website at www.state.mi.us/mdcs/Regindx.
- 4. No Gifts.** If awarded a contract, the selected Contractor has not provided nor will the selected Contractor provide in the future any gifts, payments or other inducements to any officer, employee or agent of the Authority. The selected Contractor will not accept any gifts from Owners, Applicants, Participants, or Authority employees.

5. **Unfair Labor Practices.** Pursuant to 1980 Public Act 278, as amended, MCL 423.321, et seq., the Authority shall not award a contract or subcontract to an employer whose name appears in the Register (of employers failing to correct an unfair labor practice compiled pursuant to section 2 of the Act). A contractor of the Authority, in relation to a contract, shall not enter into a contract with a subcontractor, manufacturer, or supplier whose name appears in this Register. Pursuant to section 4 of 1980 Public Act 278, MCL 423.324, the Authority may void any awarded contract if, subsequent to the award of a contract, the name of the Contractor as an employer, or the name of the subcontractor, manufacturer or supplier of the Contractor, appears in the Register.
6. **Conflict of Interest & 1 Year Lockout.** Note that Agents with administrative functions or responsibility under an awarded contract, may not enter into any contract, subcontract, or other arrangement in connection with the awarded contract in which any covered individual or entity has any direct or indirect interest (including the interest of any immediate family member), while such person is a covered individual or entity or during one year thereafter.

H. Conflict of Interest

1. **Present and Former Authority Members and Public Officials.** No present or former member or officer of the Authority (except participant commissioners), no employee of the Authority who formulates policy or influences decisions with respect to the Program, and no public official or member of a governing body or state or local legislator who exercises functions or responsibilities with respect to the Program, during this person's tenure or for one year thereafter, will have any direct or indirect interest in Housing Assistance Contracts or in any proceeds or benefits arising from them, other than those outlined within the Administrative Services Agreement. HUD may waive this provision for good cause under certain circumstances.
2. **Units Owned, Managed or Listed for Sale by Contractor or Key Persons.**
 - a. **Units Owned, Managed or Listed for Sale by Contractor.** The selected Contractor shall not own, manage, or lease a unit that is occupied by a Participant. The prohibition against owning a unit occupied by a Participant includes, but is not limited to, the selected Contractor having an ownership interest in an entity that owns the unit in question.
 - b. **Units Owned, Managed or Listed for Sale by Key Persons.** A Key Person shall not own, manage, or lease a unit that is occupied by a Participant unless the selected Contractor receives prior written approval from the Authority's Director of the Division of Rental Assistance and Homeless Solutions.
 - c. **Participation in Other Authority Programs.** With the exception of providing Services to the Authority, neither the selected Contractor nor the selected

Contractor's Key Persons shall participate in an Authority housing program or do business with the Authority under any program in which the Authority has a direct or indirect relationship without securing prior written approval from the Authority's Director of the Division of Rental Assistance and Rental Assistance.

- d. Services to Current Participants.** The selected Contractor and the selected Contractor's Key Persons shall be prohibited from providing any services to a Participant in consideration for a fee or commission without securing the prior written consent of the Authority's Director of the Division of Rental Assistance and Homeless Solutions.
 - e. Services to Former Participants.** If a participant no longer receives assistance through the Program, the selected Contractor and the selected Contractor's Key Persons shall be prohibited from providing any services to the participant in consideration for a fee or commission. The aforementioned prohibition shall end on the 180th day after the date on which the participant's assistance ends.
 - f. Breach of Conflict of Interest Prohibitions.** A breach of any prohibition described in this Exhibit may be declared by the Authority to be a material breach of any awarded contract.
- 3. List of Potential Conflicts of Interest.** Prior to execution of this Agreement, the selected Contractor shall list all interests of the selected Contractor and Key Persons that may create conflicts between the interests of those entities or parties and the interests of the Authority. The selected Contractor acknowledges that its Key Persons are not employees of the State of Michigan or its units. Should a conflict of interest arise during the term of an awarded contract, the selected Contractor shall contact the Authority's Resource Specialist immediately and describe in detail the conflict of interest. The selected Contractor shall follow the recommendations of the Resource Specialist or be in material breach of an awarded contract.

I. Criminal and Civil Matters

- 1. Notice of Convictions and Criminal Investigations.** Prior to the execution of an awarded contract, the selected Contractor shall promptly notify the Authority if it, or its officers, directors, Key Persons, or any of the selected Contractor's independent contractors who perform Services, or their officers, directors, or employees, have ever been convicted of a felony, or any crime involving moral turpitude, including, but not limited to fraud, misappropriation or deception. The selected Contractor shall promptly notify the Authority of any criminal litigation, investigations or proceeding which may have arisen or may arise involving the selected Contractor, or any of the selected Contractor's Key Persons, members or shareholders, or subcontractors, or any of the selected Contractor's or its

subcontractors' then current officers or directors while performing under an awarded contract.

2. **Notice of Civil Claims.** The selected Contractor shall immediately notify the Authority of any civil litigation, including subpoenas, lawsuits, cases of action arbitration, proceeding, or judgments, that may have arisen against it, its Key Persons, or its subcontractors during the five years preceding the award of a contract, or which may occur while performing under an awarded contract, which involve
 - a. Services or services similar to those provided to the Authority under an awarded contract, or
 - b. A claim or written allegation of fraud against the selected Contractor, the Key Person, or any subcontractor, arising out of their business activities, or
 - c. A claim or written allegation that the selected Contractor, the Key Person, or any subcontractor violated any federal, state or local statute, regulation or ordinance.

Multiple lawsuits and or judgments against the selected Contractor, Key Person, or the selected Contractor's subcontractor(s) shall be disclosed to the Authority to the extent they adversely affect the financial solvency or the ability of the selected Contractor, Key Person or subcontractor to perform the Services in an awarded contract.

3. **Notice Requirements for Criminal and Civil Claims.** All notices under subsection 1 and 2 herein shall be provided in writing to the Authority within five (5) business days after the selected Contractor learns about any such criminal or civil investigations and within fifteen (15) business days after the commencement of any proceeding, litigation, or arbitration, as otherwise applicable. Details of settlements that are prevented from disclosure by the terms of the settlement shall be annotated as such.
4. **Criminal Screenings.** The selected Contractor acknowledges that the Key Persons listed in Exhibit D shall be subject to certain Criminal Screenings to assure the Authority in its sole discretion that the Key Persons comply with the terms of an awarded contract. The selected Contractor's Key Persons' will be expected to agree to the State of Michigan security and acceptable use policies before the Key Person of the selected Contractor will be accepted as a resource to perform work for the Authority. The selected Contractor will present an Exhibit D to the Authority for a prospective Key Person before the selected Contractor allows the Key Person to perform services under this Agreement.
5. **Assurances Regarding Key Persons.** In the event that such investigation, Criminal Screening, litigation, arbitration or other proceedings disclosed to the Authority pursuant to Section I, or of which the Authority otherwise becomes aware

during the period of performance under an awarded contract, causes the Authority to be reasonably concerned about:

- a. The ability of the selected Contractor, its Key Persons, or its independent contractor to continue to perform in accordance with the terms and conditions of an awarded contract, or
- b. Whether the selected Contractor, its Key Persons, or its independent contractor in performing the Services is engaged in conduct which is similar in nature to conduct alleged in such investigation, litigation, arbitration or other proceedings, which conduct would constitute a breach of an awarded contract or violation of Michigan or Federal law, regulation or public policy, then:

The selected Contractor shall be required to provide the Authority with assurances and actions requested by the Authority demonstrating either that:

- a. The selected Contractor, its Key Employee in question or its subcontractors will be able to continue to perform pursuant to an awarded contract in accordance with its terms and conditions; or
- b. The selected Contractor, its Key Employee, or its independent contractor will not engage in conduct that is similar in nature to the conduct alleged in any such litigation, arbitration or other proceedings while performing Services under this Agreement. Such actions may include the Authority making a request to the selected Contractor to prevent a Key Person or independent contractor from providing Services or having access to documents and files having a connection with the Services. This Section shall not be construed as affecting or limiting the Authority's right to terminate an awarded contract.

6. Failure to Comply with Section I.1 (above). The selected Contractor's failure to fully and timely comply with the terms of Section I.1 and subsections thereof, including providing reasonable assurances and actions satisfactory to the Authority, may, at the Authority's sole option, constitute a material breach of an awarded contract.

7. Arbitration. Any dispute under an awarded contract shall be resolved by binding arbitration administered by the American Arbitration Association ("AAA") in accordance with its Arbitration Rules for Commercial Financial Disputes in effect at the time, including, if applicable, the Supplementary Procedures for Large, Complex Disputes, but excluding the use of the Expedited Procedures (as modified, the "AAA Rules"). Arbitration shall be governed by the Federal Arbitration Act and conducted in the State of Michigan or any other place mutually agreed upon by the parties. Judgment upon any award rendered may be entered in and specifically enforced by any court having jurisdiction. The award of the arbitrators shall specify in writing the factual and legal basis for the award. All awards shall be limited to the parties' actual damages and the arbitrators shall have no authority

to award punitive damages. The Authority and the selected Contractor will agree to keep all disputes and arbitration proceedings confidential to the extent permitted by law. If a party fails to answer or otherwise acknowledge a demand to arbitrate a dispute in accordance with the AAA Rules, the arbitrators shall enter an award without a hearing in favor of the party demanding the arbitration. The Authority and the selected Contractor understand and agree that no dispute decided by arbitration may later be pursued before a court except for the purpose of enforcing either:

- a. compliance with the arbitration provision in an awarded contract, or
- b. a final decision by the arbitrators. If awarded a contract, the Authority and the selected Contractor will agree that each party shall pay 50% of the fees and expenses for arbitration, excluding attorney's fees. Each party shall pay the cost for its counsel, if any.

8. Ownership and Use of Software

- a. **Ownership of Software.** The parties acknowledge that any software provided by the Authority is and remains the property of the Authority.
- b. **Ownership and Use of Software.** The selected Contractor agrees not to copy, loan or sell software provided by the Authority, make the software available to other persons or entities (other than employees or Key Persons of the selected Contractor) or use the software for any purposes other than the performance of Services.

- 9. **Ownership of Data, Records, and Work Products.** Any and all data, records, and Work Products shall be deemed the property of the Authority. The Authority has the right to inspect or recall these products for any reason and at any time with notice to the selected Contractor.

J. Notice

All notices required by an awarded contract concerning the selected Contractor's termination or resignation will be in writing and shall be deemed given when (i) delivered by hand (including courier) or when such delivery is refused, (ii) delivered by registered or certified mail (return receipt requested) or when such delivery is refused, or when (iii) delivered by a nationally recognized overnight delivery service which maintains records of time, place, and recipient of delivery, in each case to the parties at the following addresses or to other addresses as may be furnished in writing by one party to the other as provided below:

Authority: Director, Rental Assistance and Housing Solutions Division
Michigan State Housing Development Authority
735 E. Michigan Avenue
Lansing, MI 48912

III. **HCV PROBATIONARY AGENT: Objectives, Tasks & Activities, and Deadlines**

A. Objectives. To successfully become a HCV Agent and perform the services described in Section I above, the selected Contractor must first complete a regimen including third-party provided trainings and MSHDA-hosted consulting sessions. Note that the HCV Probationary Agent program is NOT a ground-up or startup training regimen for entities with little to no experience in public housing programs; it is instead intended for those entities with relatable experience (e.g., Section 8; HUD Compliance, etc.) to gain directly relatable experience with managing and administering the Housing Choice Voucher Program for the Authority.

B. Tasks & Activities – November through December 2021.

1. The HCV Probationary Agent must have staff members attend the HCV Specialist training course through Nan McKay, Quadel, or National Center for Management companies. A minimum of two high level staff must attend training and must provide to the Authority the certifications of successful course completion. The Authority, in its discretion, may waive this training requirement for agencies with staff currently employed by a PHA in a direct role with the HCV Program.
2. The HCV Probationary Agent must have staff attend Housing Quality Standards (HQS) Inspection training through provided by Authority staff. All HCV Probationary Agent staff that will perform HQS inspections must attend this training and provide to the Authority the certifications of successful course completion. The Authority may waive this training requirement if the inspector was trained by the Authority within the previous year and has conducted at least 20 independent inspections. Bidders requesting a waiver must provide documentation confirming the training and completed inspections.
3. The HCV Probationary Agent staff must become knowledgeable of all 17 chapters contained in the MSHDA HCV Program Administrative Plan and Standard Operating Procedures (SOP). The Authority will conduct an assessment in the month of December 2021 to determine the HCV Probationary Agent's understanding of the Administrative Plan and SOP.
4. The HCV Probationary Agent must attend a two-day HCV System Consulting session with an Authority staff member. The consultation will consist of an overview of the Elite processes for program administration, reports, Elite User Guides, and third-party income verification systems.
5. The HCV Probationary Agent must attend a two-day HCV Program Consulting session with an Authority staff member. The consultation will consist of an overview of program file contents, program policies and procedures, and work flows.
6. Following the System and Program consultations, the HCV Probationary Agent will be assigned 25 test cases to complete. All 25 test cases must be completed as described by an Authority staff and entered into Elite Test Environment by the end of December 2021. After 10 cases are completed, the HCV Probationary Agent

will contact Authority staff. The Authority staff will audit the cases and discuss the results of the audit with the HCV Probationary Agent.

C. Tasks & Activities – January through March 2022.

1. The HCV Probationary Agent must attend HCV System and Program Consulting Sessions with Authority staff members which will be held in the HCV Probationary Agent's office space. Consulting Sessions will include required program file maintenance, Elite and other third-party systems, SOP clarifications, workflows, answering questions and the monitoring of the HCV Probationary Agent's progress. Sessions will be conducted as follows:
 - a. Four full day consulting sessions in January.
 - b. Three full day consulting sessions February.
 - c. Three full day consulting sessions in March.
2. The HCV Probationary Agent will be responsible for administering and providing all required work and services as detailed in the 2022 Agreement for Professional Services and Exhibits, HCV Administrative Plan and SOP and as directed by Authority staff. The Authority will monitor the progress of the HCV Probationary Agent monthly and provide information to the HCV Probationary Agent regarding their performance.
3. The HCV Probationary Agent will submit to the Authority all file transactions, including New Admission, Other Change of Unit, Annual Reexamination, Interim Reexamination, End of Participation, and HQS Only for approval by the Authority until the Authority determines that the HCV Probationary Agent will be given approval rights. The Authority will conduct a complete audit of each submitted file. The HCV Probationary Agent will be required to promptly correct all file deficiencies. The Authority will grant approval rights within the Elite system to the HCV Probationary Agent when a competency level to perform these duties, as defined within the 2022 Agreement for Professional Services and Standard Operating Procedures (SOP), has been demonstrated. The Authority will provide documentation and feedback to the HCV Probationary Agent bi-weekly during this review period to assure the HCV Probationary Agent understands the expectations and requirements for processing paperwork and Elite data entry for assigned cases. If the HCV Probationary Agent has not achieved a satisfactory competency level by March 31, 2022, the HCV Probationary Agent's contract will be terminated.
4. The HCV Probationary Agent's HQS Inspectors will conduct all required HQS inspections. An experienced MSHDA HQS inspector will join the agent's primary inspector for the first 15 inspections. If the inspector has submitted documentation of previous training and inspections (see III.B.2) the Authority will join the inspector for the first five inspections.
5. The HCV Probationary Agent will not be held accountable for the following monthly performance factors described in the 2022 Agreement for Professional Services, Exhibit C-2: Lease Up, Annual Re-examinations, Late New Admissions and Moves, MTCS Errors, Pre-Contract Housing Quality Standards (HQS), Annual Housing Quality Standards (HQS), Waiting List Eligibility, Reasonable Rent, and

Housing Quality Standards (HQS). The agent must assist MSHDA staff in resolving all identified violations of these indicators.

D. Tasks & Activities – April through June 2022.

1. The HCV Probationary Agent will be responsible for administering and providing all required work and services as detailed in the 2022 Agreement for Professional Services and Exhibits, HCV Administrative Plan and SOP and as directed by Authority staff. The Authority will monitor progress of HCV Probationary Agent monthly and provide information to the HCV Probationary Agent regarding their performance.
2. The Authority will continue to conduct file audits. The schedule, size, and scope of file audits will be determined at the Authority's discretion. The file audits will be conducted bi-weekly and combined into a monthly performance rating. This performance rating will be based on the same performance standards as described in the 2022 Agreement for Professional Services, Exhibit C-2, Quarterly Field Audits. Only files that were completed by the HCV Probationary Agent will be included in the files selected for audit. The results of the audits will be shared with the HCV Probationary Agent.
3. The HCV Probationary Agent's HQS Inspectors will conduct all required HQS inspections.
4. HCV Probationary Agent will be required to meet performance factors described in the 2022 Agreement for Professional Services, Exhibit C-2: Lease Up, Annual Re-examinations, Late New Admissions and Moves, MTCS Errors, Pre-Contract Housing Quality Standards (HQS), Annual Housing Quality Standards (HQS), Waiting List Eligibility, Reasonable Rent, Housing Quality Standards (HQS), and Program Management. The HCV Probationary Agent must assist Authority staff in resolving all identified deficiencies of these indicators.
5. HCV Probationary Agent's performance will be assessed for April and May regarding the file and monthly performance audits for a total of four ratings. Two or more troubled ratings will result in the agent's contract being terminated.

E. Completion of Probationary Requirements. Successful completion of the requirements described above in Section III may result in an award of vouchers and continuation of an HCV Probationary Agent contract, effective July 1, 2022, as a HCV Agent subject to the same rights and responsibilities as outlined in the HCV Agent Scope of Work described in this RFP.

IV. Standards for Performance

A. The selected Contractor shall perform the tasks/activities and complete the objectives in an awarded contract in accordance with the following standards:

The selected Contractor and its Key Persons must abide by the awarded 2022-2023 HA Agreement and all related Exhibits in their entirety, including completing all services set forth in this RFP while ensuring quality customer service.

B. Satisfy all performance guidelines set forth in Exhibit C-2:

1. **Monthly Performance Review.** In accordance with the terms under an awarded contract, the Authority shall review the selected Contractor's performance each month to ascertain the selected Contractor's compliance with Authority policies and procedures ("Monthly Performance Review"). The criteria for the review are set forth in Exhibit C-2.
2. **Quarterly Field Audit.** The selected Contractor's performance under an awarded contract shall also be reviewed with Quarterly Field Audits on dates determined by the Authority to ascertain compliance with Authority policies and procedures. The criteria for the review are set forth in Exhibit C-2.

**MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
REQUEST FOR PROPOSAL**

EXHIBIT B

PROPOSAL INSTRUCTIONS AND SELECTION CRITERIA

I. Proposal Delivery/Submission

A. Due Date. Proposals responding to this Request for Proposal ("RFP") are due **September 13, 2021** at 4 p.m., Michigan time (EST).

B. Originals. Submit **one (1) .pdf** version of a proposal via email outlining how the Bidder will provide the activities / services described in the Scope of Work.

C. Delivery of Proposal. Direct all deliveries to:

MSHDA-Procurement@michigan.gov

Confirmation of Delivery. The Procurement Office will verify receipt of email and proposal to the Bidder within 24 hours. If Bidder has not received verification, the Bidder should verify the email address provided above (i.e., no spaces; hyphen between "MSHDA" and "Procurement") and resubmit an email asking for verification.

D. Intent to Bid. All bidders **must** submit an Intent to Bid to the MSHDA Procurement Office at the address in Section C above not later than August 13, 2021. Bidders that are requesting a copy of the Authority's Standard Operating Procedures (SOP) the Intent to Bid must include the following: Certificate of Good Standing or Certificate of Fact issued by the Department of Licensing and Regulatory Affairs for their corporation or LLC, narrative of organization's experience administering the Housing Choice Voucher program or related programs, a list of counties the organization desires to serve, and will be required to sign a statement of non-disclosure prior to receipt.

E. Selection of Proposal. The Authority's review may take up to four weeks after the closing date for submitting proposals. The Authority anticipates notifying the selected Contractor on or about October 21, 2021 via e-mail and posting on the Authority's website; however, the selection will be contingent on approval by the Michigan Civil Service Commission and the Authority's Board. The name of the selected Contractor will also be posted on the Authority's website.

F. Commencement of Work. Project work shall not commence until execution of a project contract. The selected Contractor shall not proceed with performance of the project work or incurring of project costs until both parties have signed the project contract to show acceptance of its terms and conditions.

G. Project Control. The selected Contractor will carry out this project under the direction and control of the Authority and its designated Contract Administrator.

- H. Quarterly Progress Reports.** The selected Contractor may be required to submit brief written quarterly summaries of progress outlining the work accomplished during the reporting period. Problems, real and anticipated, or any significant deviation from the agreed-upon work plan should be brought to the attention of the Contract Administrator. A financial report of expenditures to date including any changes to approved budget or approved work schedule must be submitted as part of the report. If required, these reports will be due to the Authority each January 15, April 15, July 15 and September 15 during the project period.
- I. Final Project Summary Report.** The selected Contractor may be required to submit a narrative summary of the project and its outcome. This should include an outline of the methodology used, evaluation of the project results, and a summary of what worked and what the selected Contractor would do differently the next time the contractor undertakes a project of this nature. If required, one printed copy of the final summary report and an electronic version of the report in shall be submitted to the Authority.
- J. Applicable Laws.** The selected Contractor will be required to comply with all Michigan and federal laws.

II. Proposal Format

- A. Overview.** Proposals must be submitted in the format described in this Exhibit B as outlined below. There should be no attachments, enclosures or exhibits other than those considered by the Bidder to be essential to a complete understanding of the proposal. Each section must be clearly identified with appropriate headings.

The proposal should be clear, accurate, and complete, with sufficient detail to enable the Authority to evaluate the services and methods proposed.

B. Format of Proposal.

The Authority will select the proposals based on Selection Criteria as described in Section III found below.

- 1. Business Organization.** Include the following information and supporting documentation as outlined in Exhibit E- Organization Background Checklist found attached and incorporated into this RFP:
 - a. The contact information for the firm, including:
 - a. Full name and mailing address of Firm;
 - b. Prospective Contractor/President name and title;
 - c. Email address;
 - d. Phone and Fax Number;
 - e. Cell Phone Numbers for all Key Persons identified in Exhibit D;
 - f. Best time to contact.

- b. Office Locations
 - a. If you currently maintain a business office open to the public as described in Exhibit A for the Prosperity Region(s) you are applying for, provide the address of the business office(s).
 - b. If you do not currently maintain a business office open to the public for the Prosperity Region(s) you are applying for as described in Exhibit A, describe plan for attaining a business office in the requested regions/counties as illustrated in Exhibit C-3.
- c. The type of entity (e.g., Michigan corporation, Michigan nonprofit corporation, Michigan limited liability company):
 - i. A foreign (non-Michigan) or domestic corporation or limited liability company must be licensed to do business in Michigan. The firm must submit with the proposal a *Certificate of Good Standing* issued by the Department of Licensing and Regulatory Affairs that is dated no earlier than 30 days prior to the submittal date of the proposal. Provide address of registered agent or office.
 - ii. A foreign (non-Michigan) or domestic limited partnership must be licensed to do business in Michigan. The firm must submit with the proposal a *Certificate of Fact – Not Cancelled*, issued by the Department of Licensing and Regulatory Affairs that is dated no earlier than 30 days prior to the submittal date of the proposal. Provide address of registered agent or office.
- d. Submit a *Certificate Verifying Key Persons*. This form is found in Exhibit D attached and incorporated into this RFP.
- e. Submit a *Certifications Regarding Debarment, Suspension and Other Responsibility Matters* form. The form is found in Exhibit F attached and incorporated into this RFP.
- f. Submit a *W-9 Request for Taxpayer Identification Number and Certification*. The form is found in Exhibit G attached and incorporated into this RFP.
- g. For your convenience, a checklist of required organizational documentation is provided as Exhibit E attached and incorporated into this RFP. **NOTE:** Depending on the nature of the bid request and proposal, this checklist may not be all inclusive as additional and/or different documentation may be required.

2. Management and Personnel. Answer/Address the following:

- a. **Officer and Management Summary.** Identify managers and/or officers who will manage the contract if it is awarded and provide their resumes or CVs. Identify officers and managers by name and position. List their responsibilities and the specific tasks each officer and manager assigned to the project will

carry out and the anticipated time frames for each task. Provide current contact information including the manager(s) and/or officer(s) name, title, mailing address, email address, and phone and fax numbers.

- b. **Personnel Summary.** Identify proposed key project personnel responsible for performing the service described in Exhibit A and their titles.

3. Experience.

- a. **Provide your Organization's Mission Statement.**

- b. **Provide a narrative/paragraph outlining organization, including the following information:**

- i. When it was formed;
- ii. Names of the founders and their roles;
- iii. Number of current employees and their roles;
- iv. Business location(s); and
- v. An organizational chart of your business.

- c. **Prior Experience of Firm.** Describe previous experience administering the Housing Choice Voucher Program, or other related programs, such as property management of existing Section 8 properties, Low Income Housing Tax Credit, services to homeless persons, or Tenant Based Rental Assistance. Include descriptions of qualifying experience, including service descriptions, years of experience, and descriptions on how the related experience applies to or can be translated to the management/administration requirements of the HCV program. Also include the name, address, and telephone number of the responsible official of the client organization who may be contacted.

- d. **Experience of Proposed Personnel Assigned to Provide Services.** The proposal should describe the education and experience of the personnel who will be assigned to provide the proposed services, including managers who may oversee work of personnel. This includes attaching resumes of staff members who will perform the following services:

- i. Manage the Organization;
- ii. Provide direct Services to program Participants;
- iii. Complete Housing Quality (HQS) Inspections.

This includes verification of valid HQS Training Certifications as well as any other training and/or certifications relevant to providing the services needed to deliver the Housing Choice Voucher Services to participants.

- e. **Confirm Whether Any Assigned Personnel Receive Pension Payments from the State of Michigan.** If any assigned personnel receive pensions from the State of Michigan, you must provide confirmation, signed by each assigned person with a State of Michigan pension, that he or she acknowledges and agrees that he or she must forfeit any pension payments made during the term of the contract. If a contract is awarded, each assigned person with a State of Michigan pension must submit a copy of the pensioned retiree's directions to the State of Michigan's Office of Retirement Services to withhold the retiree's pension payments during the contract term.

4. Proposed Services.

- a. **How Services Will be Rendered.** Address and describe the process used to render the services and how the services will be rendered. This should be an overview of the methodology to be used, based on staff and time frames, to meet the project scope of work and complete the required services within the time frame of the project.
- b. **Use of Subcontractors.** If any work will be subcontracted, describe the following:
 - i. Work that will be subcontracted.
 - ii. The process used to select the subcontractors.
 - iii. The subcontractor's experience and expertise.
 - iv. The names of the firms/individual(s) who will perform the subcontracted work.
 - v. How quality of service will be monitored and ensured.
- c. **Standards.** Describe or address the following:
 - i. The standards that the services will satisfy. (If standards of a professional association will be followed, identify the standards and the association.)
 - ii. How quality of service will be monitored and ensured.
 - iii. Whether "best practices" will be followed. (If applicable, identify the organization and/or document establishing such standards.)
- d. **Security of Data.** If the services to be rendered require the collection and/or use of confidential and/or personal data, confirm the following:

- i. Has your organization established and used a policy to address the security of paper and electronic data? ***(Please do not submit a copy of your security policy.)***
- ii. Does your policy address the removal of confidential and/or personal data from storage media? (For example, does your firm's policy include the removal or "wiping" of data from hard drives when a computer is no longer used?)

e. **Copyrighted Materials.** Acknowledge and/or confirm the following:

- a. You agree that any and all products produced as a result of an awarded contract shall be the property of the Authority.
- b. You agree that the Authority shall (a) hold a copyright on all materials or products produced under the contract and (b) be allowed to file for a copyright with the United States Copyright Office.
- c. You acknowledge that submitted documents will not contain in part or whole copyrighted materials.

5. **Performance.** Attach the following documentation:

- a. A copy of Monthly, Quarterly, or Annual Performance Ratings originating from previous or current employers (e.g., Public Housing Authority's, HFA's, Agencies, Service Organizations, HUD, etc.) for your firm/organization and all management staff for the year 2020 and any from 2021.
- b. Relevant letters of recommendation from previous or current employers (Public Housing Authority's, HFA's, Agencies, Service Organizations, HUD, etc.) Note: Letters must clearly indicate and describe the work you completed, the quality of your performance and how the Organization felt your performance ranked in the manner of low, moderate or high.
- c. Any other information that would assist the Authority in determining the quality of your work performance. This can include acknowledgements, awards received during delivery of services, letters of recognition, etc.
- d. If previously employed by a Public Housing Authority ("PHA"), please attach the performance status of the PHA during the time of your employment.

6. **Capacity to Deliver Services.** Review Exhibit C-3 - State of Michigan Prosperity Regions Map and Exhibit C-4 - Housing Choice Voucher Program County and Regional Based Allocations Chart to determine the number of vouchers you intend to bid on. A completed Exhibit C-4 must be submitted with your Bid. When making your selection, please note:

- a. You may apply for more than one (1) Prosperity Region;
- b. You do not have to apply for all of the counties in a Prosperity Region;

- c. The minimum request for vouchers must be at least five hundred (500) in a Prosperity Region;
- d. The Authority reserves the right to select multiple contractors within each county and/or Prosperity Region;
- e. When selecting a contractor, the Authority reserves the right to assign additional vouchers within the Prosperity Region for which the Bidder has applied;
- f. Should the Authority select your firm for a contract, the awarded number of vouchers may differ from your request;
- g. Contractor(s) selected for a Prosperity Region may be required to accept additional allocations of vouchers as they become available.
- h. Vouchers may not be available in every Prosperity Region for Probationary Agents. Contracts may be awarded based on voucher availability and response to this RFP.

7. Describe your plan to deliver Housing Agent Services in the Region identified, specifically providing the following:

- a. Plan to meet the expectations and deadlines associated with the program including, but not limited to, lease up, managing allocation of vouchers, and your Organization's role in meeting Performance requirements set forth in Exhibit C-2 (Performance Measures and Incentive Pay);
- b. How staff will be effectively managed to assure delivery of quality service;
- c. Office locations, including hours of operation (open to the public) and availability outside of standard business to accommodate appointments and other special requests;
- d. A list of additional staff to be hired (if any);
- e. Caseload to staff ratios;
- f. Procedure to address calls and emergencies;
- g. Procedure to assure internal controls and auditing (in order to identify errors and make timely corrections).
- h. Describe the competitive advantages that you believe makes your Organization more efficient and successful in the delivery of the Housing Choice Voucher Program.

- i. Describe your contingency plan for continuing business operations if Key Persons unexpectedly leave your organization.
- j. Describe your organization's HQS experience and capacity:
 - i. How many MSHDA trained HQS inspectors are or will be employed?
 - ii. How many inspections are typically scheduled each day for each inspector?
 - iii. Describe the quality control process used by your organization to ensure that HQS policy and procedures are properly applied by all inspectors. If you do not have a process in place please describe the plan you will implement if awarded this contract.
 - iv. What is your organization's response procedure for complaint inspections?

8. Community Knowledge, Connection, and Involvement.

- a. Describe your existing relationships with the following key stake holders (indicate this by Region, if applicable):
 - i. Local Continuum of Care ("COC");
 - ii. Housing Assessment and Resource Agency ("HARA");
 - iii. Service organizations that provide resources to persons who are low-income, disabled, or homeless;
 - iv. Landlord Associations;
 - v. Civic Associations.
- b. In the event that you do not have existing relationships with the organizations described above for the Prosperity Region(s) in which you are applying, how do you plan to make those connections in order to better serve voucher participants?
- c. Describe your plan to assure effective communication with these key stakeholders.
- d. Describe how you will work with the HARA to assist voucher applicants to assure that they are assisted in completing necessary paperwork.
- e. Describe your role in identifying affordable rental housing for program participants and how you will encourage participation from existing landlords.

- f. Describe your role, if any, in the Family Self-Sufficiency (“FSS”) and Key to Own Programs (“KTO”), including a description of the benefits of these programs and your plan to encourage participation in these programs.

9. Price Proposal & Budget

- a. **Price Proposal.** All rates quoted in proposals submitted in response to this RFP will be a firm fixed price for the duration of the contract. No price changes will be permitted unless through an approved Amendment to Exhibit C-1 Payment to Contractor attached and incorporated into this RFP.

- i. **The rate of payment for this RFP shall be fixed at \$27.00 per month per HCV Participant that is:**

- 1. under an executed Housing Assistance Payment (HAP) Contract;
 - 2. approved for payment by the Authority.

- ii. In addition, due to a lack of density and increased costs associated with HCV service delivery in Prosperity Regions 1, 2 and 3, the Authority will increase the Contractor’s rate of pay for vouchers awarded in these Regions as follows:

- 1. Region 1: \$4.00 per month per HCV Participant under a HAP Contract.
 - 2. Region 2 & Region 3: \$2.00 per month per HCV Participant under a HAP Contract.

- iii. If a HCV Probationary Agent contract is awarded, a flat rate of \$4,000 will be awarded for November and December 2021 to assist in covering travel, training, and other expenses.

- b. **Budget.** Include in the proposal a line-item budget identifying all expenses related to the work to be performed. By submitting the bid, the Bidder acknowledges that it bears the risk that its expenses may exceed the proposed amount. The budget should include applicable items, which may include the following:

- i. Staff costs (# of hours/per hour rate, etc.)
 - ii. Costs of supplies and materials.
 - iii. Other direct costs.
 - iv. Transportation costs.
 - v. Total budget.
 - vi. 2020 Financial Statements.

10. Disclosure of Participation and Interests in Authority Programs.

- a. **Disclosure of Interests in Authority Programs.** Authority programs include, but are not limited to, the Housing Voucher Program, any loans where the Authority is the lender, and any grants made by or administered by the Authority. Submit a list of all interests that the Bidder, its officers, board members, and employees respectively have in Authority programs. If the Bidder intends to use independent contractors or subcontractors to render services, include the interests that independent contractors or subcontractors and their officers, board members, and employees respectively have in Authority programs.
- b. **Potential Conflicts of Interests.** Please confirm whether any potential conflict of interest will exist if the Authority enters into a contract with the Bidder. Indicate in the proposal whether the Bidder is currently under contract or is receiving a grant from the Authority. Other potential conflicts of interest may arise from the Bidder's officers, employees, members, board members, independent contractors or subcontractors the Bidder will use to render services if the firm enters into a contract with the Authority.
- c. **Family Members Who Work for Authority.** Please list the names of the Bidder's officers, board members, and employees who have family members who work for the Authority and the names of the family members who work for the Authority.

11. **Signature Clause to be Signed by Bidder's Authorized Signatory.** Insert into the proposal and have the authorized signatory sign the following signature clause at the end of the proposal (see Section II of RFP):

I confirm that I have submitted this proposal on behalf of _____ in response to the Michigan State Housing Development Authority's Request for Proposals for Housing Choice Voucher Administration for 2022-2023.

By: _____

Its: _____

Date: _____

III. Selection of Proposal

The selection of a proposal shall be subject to a review by the Authority's Legal Affairs Division concerning conflicts of interest and/or participation in Authority programs by the Bidder, its officers, employees, subcontractors or independent contractors.

The selection process will consist of one phase and an additional phase if circumstances require:

A. Phase 1 - Selection Criteria. The selection process will generally consist of an assessment of the following:

1. Quality of written proposal;
2. Organization’s experience, past performance, capacity, and community connections;
3. Written submission must contain all required documents as listed in this RFP;
4. All questions must be addressed.

The Authority will select the proposals based on Selection Criteria for “HCV Agent” and “HCV Probationary Agent”. HCV Agent criteria will be applicable for current MSHDA Housing Agents or previous MSHDA Housing Agents who were under contract within the last two years. HCV Probationary Agent criteria will be applicable for all other applicants who will be considered for a probationary contract.

Bidders should indicate whether they wish to be considered as “HCV Agent”, “HCV Probationary Agent”, or both.

Scoring Criteria – HCV AGENT

- | | |
|---|-----------------|
| 1. Experience | 25 Points |
| 2. Performance | 25 Points |
| 3. Capacity to Deliver Services as outlined in the proposal | 25 Points |
| 4. Community Knowledge, Connection and Involvement | 15 Points |
| 5. Certification/Training of Key Employees | 5 Points |
| 6. Michigan based company | <u>5 Points</u> |

Total Possible Points: 100 Points

The Bidder must meet a threshold score of 75 out of 100 points to be considered. Bidders scoring 85 and above will not be subject to a follow up interview. Bidders with a score between 75 and 84, will be subject to a follow up interview at the discretion of MSHDA.

Scoring Criteria – HCV Probationary Agent

- | | |
|---|-----------------|
| 1. Experience | 20 Points |
| 2. Performance | 20 Points |
| 3. Capacity to Deliver Services as outlined in the proposal | 20 Points |
| 4. Community Knowledge, Connection and Involvement | 10 Points |
| 5. Certification/Training of Key Employees | 5 Points |
| 6. Michigan based company | <u>5 Points</u> |

Total Possible Points: 80 Points

The Bidder must meet a threshold score of 60 points to be considered. Bidders that meet the threshold score will be subject to a follow up interview at the discretion of MSHDA.

B. Phase II – Interview (If Required). Follow up interview scoring will be based upon the quality of the response to the interview questions and will be rated with the following scale:

E	Excellent
G	Good
A	Average
B	Below Average

Specific questions will be asked regarding the topics listed below:

1. Communication Skills;
2. Ability to Problem Solve;
3. Ability to implement and understand Policy and Procedures;
4. Ability to work with diverse populations, including those persons of low income, homeless, or persons with disabilities;
5. Ability to seek customer and stake holder feedback and expectations in order to determine areas that need improvement within your organization;
6. Can demonstrate your organization’s presence in the local community;
7. Can demonstrate your organization’s capacity to administer the requested number of vouchers in the requested sub-region(s).

C. Expected Deadline for Selecting Proposal. The Authority anticipates notifying the selected bidder on or about **September 27, 2021**, via e-mail; however, the selection will be contingent on approval by the Michigan Civil Service Commission and the Authority’s Board.

D. Cancellation of Selected Proposal. The selection of a proposal by the Authority may be cancelled at any time prior to the complete execution of a contract. If the Authority cancels its selection of a proposal, the Authority may repost this or a similar RFP and re-seek proposals. Reasons for canceling the selected proposal may include, but are not limited to, the following:

1. Refusal of Department of Civil Service to process required forms.
2. Refusal of duly authorized Authority signatory to execute the contract.

**MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
REQUEST FOR PROPOSAL**

EXHIBIT C

Exhibit C-1 – Payment to Contractor

Exhibit C-2 – Performance Measures and Incentive Pay

Exhibit C-3 – State of Michigan Prosperity Regions Map

Exhibit C-4 – HCV Program County and Regional Based Allocations Chart

Exhibit C-5 – Security Requirements

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY

EXHIBIT C-1

PAYMENT TO CONTRACTOR

I. MONTHLY PAY PER VOUCHER (BASE PAY)

The Michigan State Housing Development Authority (MSHDA or Authority) will pay the contractor a monthly fee for each Voucher under a Housing Assistance Payment (“HAP”) Contract in effect on the first day of each month that the contractor administers. The monthly fee for each Voucher and HAP Contract is the Base Pay. The Base Pay is established prior to the execution of an awarded contract.

Throughout the term of the awarded contract, the Authority will pay the contractor the Base Pay of **\$ 27.00** for each Voucher that is; (a) under an executed HAP Contract, and (b) approved for payment by the Authority. The contractor will receive the Base Pay only if the HAP Contract is effective as of the first day of a particular month.

If a HAP Contract is not effective as of the first day of a particular month, the contractor will receive no payment for that particular Voucher until the following month.

The Authority may reduce the Base Pay if the Department of Housing and Urban Development (“HUD”); reduces the funding to the Authority (i.e., the Administrative Fee) for administering the Program, and/or increased costs are incurred by the Authority for administering the Program. The reduction in the Base Pay shall be an amount determined by the Authority.

II. DENSITY PAY

Due to a lack of density and the increased costs associated with HCV service delivery in Prosperity Regions 1, 2 and 3, the Authority will increase the Contractor’s rate of pay for vouchers awarded in these Regions as follows:

- Region 1: \$4.00 per month per HCV Participant under a HAP Contract
- Region 2 and Region 3: \$2.00 per month per HCV Participant under a HAP Contract

III. LEASE-UP PAY

The Contractor will be eligible for an incentive fee for new families drawn for assistance from the HCV waiting list (to include special program vouchers such as NED, Mainstream, MDOC, 811, etc.), where the family leases an eligible if one of the timeframes below are met. **NOTE:** this does not apply to draws from the Project-Based Voucher (PBV) waiting lists, Veterans Affairs Supportive Housing (VASH) applicants or Emergency Housing Voucher (EHV) applicants.

- Family leases an eligible unit within sixty (60) days from the date drawn from the waiting list: \$200 incentive fee
- Family leases an eligible unit between sixty-one (61) and ninety (90) days from the date drawn from the waiting list: \$150 incentive fee

- Family leases an eligible unit between ninety-one (91) and one-hundred twenty (120) days from the date drawn from the waiting list: \$100 incentive fee
- Family leases an eligible unit between one-hundred twenty-one (121) and one-hundred fifty (150) from the date drawn from the waiting list: \$50 incentive fee.

Incentive payments will be made quarterly to the Contractor.

The Authority may reduce or eliminate the Lease-Up Pay HUD reduces the funding to the Authority (i.e., the Administrative Fee) for administering the Program, and/or increased costs are incurred by the Authority for administering the Program. The reduction in the Lease-Up Pay shall be an amount determined by the Authority.

IV. REPAYMENT AGREEMENT SPECIAL FEES

The Contractor may be eligible for a Repayment Agreement Special Fees payment at the end of the 12-month term of an Agreement. The repayment agreement total will only include executed repayment agreements generated during the 12-month period of the Agreement and executed repayment agreements from previous years that are actively being billed during the 12-month period of this Agreement. The Contractor is only eligible for projected recovery on their Agency's executed repayment agreements. Any dispute regarding active repayment agreements eligible for payment shall be determined in the sole discretion of the Authority.

Repayment Agreement recovery is split 50 percent into the Authority HAP account and 50 percent into the Authority Administrative Fee account. All special fees provided will be from the 50 percent Administrative Fee account. Only the amount of projected recovery is subject to the following calculation excluding all other amounts collected in the Administrative Fee account.

The Authority will apply the following criteria when determining if the Contractor has met the eligibility requirements for special fees:

1. If the Contractor has executed repayment agreements in place for the entire 12-month period that are between 1.5 percent to 2.49 percent of the Contractor's total HUD allocation, the Contractor is eligible for 10 percent of the planned recovery of the Authority Administrative Fee.
2. If the Contractor has executed repayment agreements in place for the entire 12-month period that are between 2.5 percent to 3.49 percent of the Contractor's total HUD allocation, the Contractor is eligible for 20 percent of the planned recovery of the Authority Administrative Fee.
3. If the Contractor has executed repayment agreements in place for the entire 12-month period that are between 3.5 percent to 7 percent of the Contractor's total HUD allocation, the Contractor is eligible for 30 percent of the planned recovery of the Authority Administrative Fee.

V. INCENTIVE PAY

The Annual Performance Summary, described in Exhibit C and completed by the Authority in January following the 12-month performance period, will show whether the contractor has met the criteria to receive Incentive Pay.

If the Contractor meets the criteria to receive Incentive Pay for the calendar year as described in Exhibit C-2, Section 5, the contractor will receive Incentive Pay of \$1.00 for each Voucher that is; (a) under an executed HAP Contract and (b) approved for payment by the Authority. If the contractor's Lease-Up is rated at higher than one hundred percent, Incentive Pay will only be paid for one hundred percent of the overall allocation. No Incentive Pay will be paid for over leasing. Incentive Pay will be paid once the Annual Performance Summary shows the contractor has met the Incentive Pay criteria and is approved by the Authority's Chief Housing Solutions Officer.

The Authority may reduce or eliminate the Incentive Pay if HUD reduces the funding to the Authority (i.e., the Administrative Fee) for administering the Program, and/or increased costs are incurred by the Authority for administering the Program. The reduction in the Incentive Pay shall be an amount determined by the Authority.

VI. HUD DESIGNATED SPECIAL FEES

The Authority may be contacted by HUD to take on new vouchers (i.e., Housing Conversion Actions (HCA) or Rental Assistance Demonstration (RAD) projects). When the Authority is awarded an HCA or RAD project, Special Fees (Administrative Fees) are provided to compensate for the initial costs of assisting new participants in a short period of time. The Special Fees for HCA or RAD projects are awarded to the Authority by HUD and a portion of that fee may be awarded to the contractor

The Authority shall pay the contractor under the following structure:

1. Initial Fee: \$25.00 per unit affected by the HCA or RAD project as funded under the official HUD award notice; and
2. Final Fee: \$25.00 per unit placed under contract and approved for payment by MSHDA staff.

The Authority may reduce or eliminate the Special Fees if HUD reduces the funding to the Authority (i.e., the Administrative Fee) for administering the Program, and/or increased costs are incurred by the Authority for administering the Program. The reduction in the Special Fees shall be an amount determined by the Authority.

VII. HOMEOWNERSHIP INCENTIVE FEE

The Authority shall pay the contractor a bonus of \$200.00 after receiving written notice from the contractor that:

1. The Participant has left the Housing Choice Voucher Program;
2. The Participant no longer receives rental assistance because the Participant has become a homeowner; and
3. The Authority is able to make contact with the Participant to verify proof of purchase.

The contractor is not entitled to the fee if the Participant has left the Housing Choice Voucher Program due to a violation of the Voucher Program.

The Authority may reduce or eliminate the Homeownership Incentive Fees if HUD; (a) reduces the funding to the Authority (i.e., the Administrative Fee) for administering the Program, and/or

(b) increased costs incurred by the Authority for administering the Program. The reduction in the Homeownership Incentive Fees shall be an amount determined by the Authority.

VIII. FINANCIAL PENALTIES

Errors committed by the contractor that result in the inappropriate disbursement of HAP/UAP monies cannot be collected through the Authority's standard accounting practices to recapture inappropriately disbursed monies directly from the participant and/or landlord of record. Therefore, if the Authority determines that a voucher file is out of compliance with the requirements for the administration of the Program and the result is the inappropriate disbursement of HAP/UAP monies due to errors committed by the contractor, financial penalties may be assigned to the contractor by the Authority.

If the contractor was not assigned to the voucher file for the duration of the period of non-compliance, financial penalties will only be charged for the time period when the contractor was responsible for the voucher file after any applicable grace period provided by the Authority due to the transfer of the voucher file.

The contractor will be given proper notice of the error including the amount of the financial penalty to be assessed. The contractor will be given the opportunity to submit an appeal to the Authority to dispute the nature or duration of the error and the financial penalty to be assessed.

1. MSHDA Findings

If an error that meets the criteria within this section is identified by MSHDA staff or is reported by the contractor, the amount to be recovered from the contractor will be the Base Pay fee for the identified voucher files for the duration of the period of non-compliance. The contractor must work with MSHDA staff to properly correct the error at the time of notification.

All financial penalties under this section will be assessed at the time of identification, but will be accrued throughout the contract year. Full payment of all financial penalties will be recovered by the Authority in the January payment to the contractor.

2. Third Party Auditor Findings

The amount to be recovered from the contractor will be the full cost of the of the HAP/UAP inappropriate disbursement for the duration of the period of non-compliance. If the Authority incurs a financial penalty for the inappropriate disbursement HAP/UAP funds, the Authority reserves the right to charge Base Pay penalties to the contractor in addition to the financial penalty for the inappropriately disbursed HAP/UAP monies.

All financial penalties under this section will be assessed and recovered at the time of identification. Payment will be recovered from the contractor in one of the following ways: (a) Recovery of the full amount from the next monthly payment to the contractor; or (b) The contractor pays the Authority the full amount via check or money order. If the amount to be recovered is deemed to be a financial hardship by the contractor, a payment plan may be established with the Authority for the full repayment of the funds owed.

IX. BILLING PROCEDURES

The Authority will initiate the billing process each month by generating a program in Elite and forwarding to appropriate Authority staff to submit for release of payment. A report developed in Elite entitled **Admin Fee Payments**, located under **HCV/Resident Processing/Agent Reports** will show a printout of all HAP Contracts active as of the first of the current month. The Authority will make necessary adjustments and deductions as indicated in this Exhibit.

1. The contractor must compare the previous month's report to the current month's report to ensure that the billing includes all the existing HAP Contracts for the payment period.
2. The contractor will contact the HA Payroll Coordinator with discrepancies including Participant name, and reason for discrepancy.
3. The HA Payroll Coordinator will investigate discrepancies and make adjustments if necessary following the guidelines established in this Exhibit by the next month's billing. Adjustments, negative or positive, will be made with prior notice to the contractor via e-mail.
4. The contractor must submit corrections to HA Payroll Coordinator by the 15th day of the current month in order for the contractor's corrections to appear on the next month's billing.
5. The Authority will forward payment in accordance with the terms of this Agreement to the contractor by the 5th day of the month. Payment includes the previous month's activity and the current month's active HAP Contracts.

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MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY

EXHIBIT C-2

PERFORMANCE MEASURES AND INCENTIVE PAY

1. OVERVIEW

1.1 Introduction

The Michigan State Housing Development Authority (Authority or MSHDA) shall measure the contractor's performance of the activities described in the Scope of Work (Exhibit A) and the Housing Agent Agreement based on;

- (a) Monthly Performance standards; and
- (b) Quarterly Field Audits;

Additionally, the Authority has established guidelines for an Annual Summary and Incentive Pay as defined in this Exhibit C.

2. MONTHLY PERFORMANCE STANDARDS

2.1 Monthly Performance Standards Criteria

At the end of each month the Authority will use both the HCV Program Management Software ("Program Software") and reports generated from the Department of Housing and Urban Development's ("HUD") Public and Indian Housing ("PIH") Information Center ("PIC") to measure the contractor's performance against each Monthly Standard listed below: (A Performance schedule will be released at the beginning of each calendar year indicating the date and time Performance will be locked-in and evaluated.)

2.1.1 Individual Monthly Performance Standards.

The Authority will measure the following standards when conducting Monthly Performance Ratings:

- 1) Lease Up Rate,
- 2) Annual Re-Examination Rate,
- 3) Late New Admissions,
- 4) Multifamily Tenant Characteristic System (MTCS) Errors,
- 5) Pre-Contract Housing Quality Standards (HQS), and
- 6) Biennial Housing Quality Standards (HQS).

7) Program Management

2.1.2 Monthly Performance is determined by ratings established by the Authority in this Exhibit.

2.1.3 Based on the score that the contractor earns for each Monthly Performance Standard, the Authority will rate the contractor's Performance for each Standard as follows:

High Performer;

Standard Performer; or

Troubled Performer.

2.1.4 The contractor's rating will be determined by the following criteria:

2.1.4.1 High Performer. To achieve an overall High Performer rating for a particular month, the contractor must achieve a minimum of six (6) High Performer ratings and one (1) Standard Performer Rating, and the Standard Rating may not be in Lease-Up.

2.1.4.2 Standard Performer. To achieve an overall Monthly Standard Performer Rating, the contractor achieves a minimum of a Standard Rating in all seven (7) categories but has not met the standards for a High Performer Rating. A Standard Rating in Lease-Up will result in an overall Standard Performer Rating.

2.1.3.1 Troubled Performer. One (1) Monthly Performance standard rated Troubled will result in an overall Monthly Troubled Performer Rating.

2.2 Monthly Performance Standards Table

Monthly Performance Standards are measured every month by reviewing data submitted by the contractor into the Program Software and reported by the Authority to PIC.

Monthly Performance Standard	Required tasks, activities, or actions Contractor must perform	Guidelines for Performance Rating																							
<p>Lease Up Rate</p>	<p>The Contractor has maintained the Lease Up Rate in accordance with HUD regulations for the allocation of Vouchers in their portfolio.</p> <p>Lease-Up Rating will be rounded to the nearest whole number for Standard and Troubled.</p>	<ul style="list-style-type: none"> • High Rating – Contractor maintains a lease up rate percentage in the month being rated of 97.00% or more. • Standard Rating – Contractor maintains a lease up rating percentage in the month being rated of 96.99% to 95%. • Troubled Rating – If the Contractor fails to maintain a lease up rate percentage in the month being rated below 95%. 																							
<p>Late Annual Re-Examinations</p>	<p>The Contractor has completed an Annual Re-Examination for each Participating family in accordance with HUD regulations. Annual Re-Examinations are considered complete if they are approved in Program Software prior to the date and time Performance is run.</p>	<table border="1"> <thead> <tr> <th colspan="5" data-bbox="776 1045 1497 1115">Number of Late Annual Re-Examinations:</th> </tr> <tr> <th colspan="2" data-bbox="776 1115 1091 1146"></th> <th data-bbox="1091 1115 1182 1146">High</th> <th data-bbox="1182 1115 1344 1146">Standard</th> <th data-bbox="1344 1115 1497 1146">Troubled</th> </tr> </thead> <tbody> <tr> <td data-bbox="776 1146 841 1283" rowspan="3">HA Size:</td> <td data-bbox="841 1146 1091 1213">Small (less than 1,000)</td> <td data-bbox="1091 1146 1182 1213">0</td> <td data-bbox="1182 1146 1344 1213">1-2</td> <td data-bbox="1344 1146 1497 1213">3+</td> </tr> <tr> <td data-bbox="841 1213 1091 1283">Medium (1,000 - 2,000)</td> <td data-bbox="1091 1213 1182 1283">0</td> <td data-bbox="1182 1213 1344 1283">1-3</td> <td data-bbox="1344 1213 1497 1283">4+</td> </tr> <tr> <td data-bbox="841 1283 1091 1352">Large (+2,000)</td> <td data-bbox="1091 1283 1182 1352">0</td> <td data-bbox="1182 1283 1344 1352">1-4</td> <td data-bbox="1344 1283 1497 1352">5+</td> </tr> </tbody> </table>	Number of Late Annual Re-Examinations:							High	Standard	Troubled	HA Size:	Small (less than 1,000)	0	1-2	3+	Medium (1,000 - 2,000)	0	1-3	4+	Large (+2,000)	0	1-4	5+
Number of Late Annual Re-Examinations:																									
		High	Standard	Troubled																					
HA Size:	Small (less than 1,000)	0	1-2	3+																					
	Medium (1,000 - 2,000)	0	1-3	4+																					
	Large (+2,000)	0	1-4	5+																					
<p>Monthly Performance Standard</p>	<p>Required tasks, activities, or actions Contractor must perform</p>	<p>Guidelines for Performance Rating</p>																							

<p>Late New Admissions and Moves</p>	<p>The Contractor has completed all New Admissions and Moves in the Program Software in accordance with HUD regulations. New Admissions and Moves are considered complete if they are approved in the Program Software within 60 days of the certification effective date.</p>	<table border="1"> <thead> <tr> <th colspan="4">Number of Late New Admissions and Moves:</th> </tr> <tr> <th></th> <th>High</th> <th>Standard</th> <th>Troubled</th> </tr> </thead> <tbody> <tr> <td rowspan="3">HA Size:</td> <td>Small (less than 1,000)</td> <td>0</td> <td>1-2</td> <td>3+</td> </tr> <tr> <td>Medium (1,000 - 2,000)</td> <td>0</td> <td>1-3</td> <td>4+</td> </tr> <tr> <td>Large (+2,000)</td> <td>0</td> <td>1-4</td> <td>5+</td> </tr> </tbody> </table>	Number of Late New Admissions and Moves:					High	Standard	Troubled	HA Size:	Small (less than 1,000)	0	1-2	3+	Medium (1,000 - 2,000)	0	1-3	4+	Large (+2,000)	0	1-4	5+
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	Large (+2,000)	0	1-4	5+																			
<p>M T C S Errors</p>	<p>The data entered into the Program Software is accurate for 50058 submissions to HUD.</p> <p>Errors will be charged based on HUD electronic system reports.</p>	<table border="1"> <thead> <tr> <th colspan="4">Number of MTCS Errors:</th> </tr> <tr> <th></th> <th>High</th> <th>Standard</th> <th>Troubled</th> </tr> </thead> <tbody> <tr> <td rowspan="3">HA Size:</td> <td>Small (less than 1,000)</td> <td>1</td> <td>2-4</td> <td>5+</td> </tr> <tr> <td>Medium (1,000 - 2,000)</td> <td>2</td> <td>3-8</td> <td>9+</td> </tr> <tr> <td>Large (+2,000)</td> <td>3</td> <td>4-12</td> <td>13+</td> </tr> </tbody> </table>	Number of MTCS Errors:					High	Standard	Troubled	HA Size:	Small (less than 1,000)	1	2-4	5+	Medium (1,000 - 2,000)	2	3-8	9+	Large (+2,000)	3	4-12	13+
Number of MTCS Errors:																							
	High	Standard	Troubled																				
HA Size:	Small (less than 1,000)	1	2-4	5+																			
	Medium (1,000 - 2,000)	2	3-8	9+																			
	Large (+2,000)	3	4-12	13+																			
<p>Pre-Contract HQS</p>	<p>The Contractor has followed the proper procedures for ensuring that each newly leased unit passes the HQS Inspection before the beginning date of the HAP Contract.</p>	<ul style="list-style-type: none"> • High Rating – Contractor must achieve 100.00% completion. • Standard Rating – Does not apply as the Indicator is a pass/fail. • Troubled Rating – Contractor achieves below 100.00% completion. 																					

Monthly Performance Standard	Required tasks, activities, or actions Contractor must perform	Guidelines for Performance Rating																				
Biennial HQS	The Contractor has followed proper procedures for inspecting all assigned units within 730 days and entered the data into the Program Software.	<table border="1"> <thead> <tr> <th colspan="4" data-bbox="764 495 1484 527">Number of Late HQS:</th> </tr> <tr> <th data-bbox="764 527 841 558"></th> <th data-bbox="841 527 1081 558">High</th> <th data-bbox="1081 527 1321 558">Standard</th> <th data-bbox="1321 527 1484 558">Troubled</th> </tr> </thead> <tbody> <tr> <td data-bbox="764 558 841 663">HA Size: Small (less than 1,000)</td> <td data-bbox="841 558 1081 663">1</td> <td data-bbox="1081 558 1321 663">2</td> <td data-bbox="1321 558 1484 663">3+</td> </tr> <tr> <td data-bbox="764 663 841 730">Medium (1,000 - 2,000)</td> <td data-bbox="841 663 1081 730">1</td> <td data-bbox="1081 663 1321 730">2-3</td> <td data-bbox="1321 663 1484 730">4+</td> </tr> <tr> <td data-bbox="764 730 841 804">Large (+2,000)</td> <td data-bbox="841 730 1081 804">1</td> <td data-bbox="1081 730 1321 804">2-4</td> <td data-bbox="1321 730 1484 804">5+</td> </tr> </tbody> </table>	Number of Late HQS:					High	Standard	Troubled	HA Size: Small (less than 1,000)	1	2	3+	Medium (1,000 - 2,000)	1	2-3	4+	Large (+2,000)	1	2-4	5+
Number of Late HQS:																						
	High	Standard	Troubled																			
HA Size: Small (less than 1,000)	1	2	3+																			
Medium (1,000 - 2,000)	1	2-3	4+																			
Large (+2,000)	1	2-4	5+																			
Program Management	<p>The Contractor has followed proper program management procedures as follows:</p> <ul style="list-style-type: none"> • The application shall not remain in After Active Draw status for greater than 90 days. • The application shall not remain in the After Offer/Voucher Issued status for greater than 180 days. • Active participant shall not remain in a move-out status greater than 180 days. • Active participant shall not remain 	<table border="1"> <thead> <tr> <th colspan="4" data-bbox="764 804 1484 835">Number of Program Management Errors:</th> </tr> <tr> <th data-bbox="764 835 841 867"></th> <th data-bbox="841 835 1081 867">High</th> <th data-bbox="1081 835 1321 867">Standard</th> <th data-bbox="1321 835 1484 867">Troubled</th> </tr> </thead> <tbody> <tr> <td data-bbox="764 867 841 972">HA Size: Small (less than 1,000)</td> <td data-bbox="841 867 1081 972">4</td> <td data-bbox="1081 867 1321 972">5-8</td> <td data-bbox="1321 867 1484 972">9+</td> </tr> <tr> <td data-bbox="764 972 841 1045">Medium (1,000 - 2,000)</td> <td data-bbox="841 972 1081 1045">8</td> <td data-bbox="1081 972 1321 1045">9-16</td> <td data-bbox="1321 972 1484 1045">17+</td> </tr> <tr> <td data-bbox="764 1045 841 1119">Large (+2,000)</td> <td data-bbox="841 1045 1081 1119">12</td> <td data-bbox="1081 1045 1321 1119">13-24</td> <td data-bbox="1321 1045 1484 1119">25+</td> </tr> </tbody> </table>	Number of Program Management Errors:					High	Standard	Troubled	HA Size: Small (less than 1,000)	4	5-8	9+	Medium (1,000 - 2,000)	8	9-16	17+	Large (+2,000)	12	13-24	25+
Number of Program Management Errors:																						
	High	Standard	Troubled																			
HA Size: Small (less than 1,000)	4	5-8	9+																			
Medium (1,000 - 2,000)	8	9-16	17+																			
Large (+2,000)	12	13-24	25+																			

	Zero HAP greater than 180 days.	
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3. QUARTERLY FIELD AUDITS

3.1 Quarterly Field Audit Criteria

During each quarter the Authority will select files from each contractor to review for Quality Control to measure the Contractor's performance against each Quarterly Field Audit Standard listed below. The Authority reserves the right to periodically adjust the number of files selected for audit. If it is determined via the Quarterly Field Audit the Contractor has repeated errors and/or findings, the Authority may elect to audit additional files. In addition, the Authority may elect to conduct a Hot Spot File Review in conjunction with a Quarterly Field Audit. The Hot Spot File Review may focus on any aspect of one of the Quarterly Performance Standards.

3.1.1 Individual Quarterly Field Audit Standards.

The Authority will measure the following standards and activities when conducting the Quarterly Field Audit:

- 1) Waiting List Eligibility,
- 2) Reasonable Rent,
- 3) Adjusted Income,
- 4) Housing Quality Standards (HQS),
- 5) Other Log Errors, and
- 6) Clerical Errors.

3.1.2 Quarterly Field Audit Performance is determined by ratings established by the Authority in this Exhibit below.

3.1.3 The Authority will calculate each Performance Standard individually based on the number of cases audited for each standard, including Hot Spot File Reviews.

3.1.4 Based on the score that the Contractor earns for each of the standard areas covered in the Quarterly Field Audit, the Authority will rate the Contractor's Performance for each standard:

High Performer;

Standard Performer; or

Page 6 of 10

Troubled Performer.

3.1.5 The Contractor’s rating will be determined by the following criteria:

3.1.5.1 High Performer. To achieve an overall High Performer rating for a particular quarter, the Contractor must achieve a minimum of five (5) High Performer ratings and one (1) Standard Performer Rating.

3.1.5.2 Standard Performer. To achieve an overall Standard Rating for a particular quarter, the Contractor has achieved a minimum of a Standard Rating in all six (6) categories but not met the criteria for a High Performer Rating.

3.1.5.3 Troubled Performer. One (1) Quarterly Field Audit Performance standard rated Troubled will result in an overall Quarterly Troubled Performer Rating.

3.2 Quarterly Field Audit Standards Table

Reports will be distributed to contractors quarterly with Performance Ratings.

Quarterly Performance Standard	Required tasks, activities, or actions Contractor must perform	Guidelines for Performance Rating
Waiting List Eligibility	The Contractor has followed the applicable procedure for selection, retention, and eligibility of the Applicants from the Waiting List.	<p>High Rating – Contractor must achieve 100.00% accuracy.</p> <p>Standard Rating – Contractor must achieve between 98.00% and 99.99% accuracy.</p> <p>Troubled Rating – If the Contractor achieves below 98.00% accuracy.</p>

<p>Reasonable Rent</p>	<p>The Contractor has followed the applicable procedure for determining and documenting reasonable rent for every unit with a HAP Contract.</p> <p>A Rent Reasonableness error will be assigned if the unit is determined to be unaffordable, or the rent reasonableness calculation is not completed.</p>	<ul style="list-style-type: none"> • High Rating – Contractor must achieve a 98.00% or greater accuracy. • Standard Rating – Contractor must achieve 97.99% to 80.00% accuracy. • Troubled Rating – If the Contractor achieves below 80.00% accuracy.
<p>Adjusted Income</p>	<p>The Contractor has followed the applicable procedure for determining and documenting Adjusted Income, HAP Payment to Landlord, and Participant’s portion of rent.</p>	<ul style="list-style-type: none"> • High Rating – Contractor must achieve 87.00% accuracy. • Standard Rating – Contractor must achieve 86.99% to 80.00% accuracy. • Troubled Rating – If the Contractor achieves below 80.00% accuracy.
<p>Quarterly Performance Standard</p>	<p>Required tasks, activities, or actions Contractor must perform</p>	<p>Guidelines for Performance Rating</p>
<p>Housing Quality Standards (HQS)</p>	<p>The Contractor has followed the applicable procedure for processing failed HQS Inspections.</p>	<ul style="list-style-type: none"> • High Rating – Contractor must achieve 100.00% accuracy. • Standard Rating – Contractor must achieve 98.00% to 99.99% accuracy. • Troubled Rating – If the Contractor achieves below 98.00% accuracy.
<p>Other Log Errors</p>	<p>A Log Error will be charged if the identified error does</p>	<ul style="list-style-type: none"> • High Rating – Contractor must achieve 92.00% accuracy.

	not fall into a specific category as outlined in the above Standards.	<ul style="list-style-type: none"> • Standard Rating – Contractor must achieve 91.99% to 80.00% accuracy. • Troubled Rating – If the Contractor achieves below 80.00% accuracy.
Clerical Errors	A Clerical Error will be charged if the identified error does not meet the threshold of falling into a specific category as outlined in the above Standards.	<ul style="list-style-type: none"> • High Rating – Contractor has an average of one error or less per case audited. • Standard Rating – Contractor has an average of more than one error and less than three errors per case audited. • Troubled Rating – Contractor has an average of more than three error per case audited.

4. GUIDELINES FOR INCENTIVE PAY

4.1 Guidelines for Incentive Pay

An Annual Summary will be completed for each Housing Agent in January of each Contract year. The Summary will be based on the overall compilation of the:

- 1) Monthly Performance Ratings, and
- 2) Quarterly Field Audits.

5. CRITERIA TO RECEIVE INCENTIVE PAY

5.1.1 Criteria to Receive Incentive Pay

Once the Annual Summary is completed and approved by the Authority's Chief Housing Solutions Officer, Incentive Pay may be paid out if all of the following criteria are met:

- 1) Monthly Performance Rating – Nine (9) out of twelve (12) Months must have an overall High Performance rating;
- 2) Quarterly File Audit – Three (3) out of four (4) Quarters must have an overall High-Performance rating; and

- 3) A contractor is not eligible for Incentive Pay if they receive more than one overall Troubled Performer rating in a Monthly Performance or Quarterly Field Audit in any calendar year.

In January, an evaluation will be completed to determine the number of vouchers under contract for each calendar month in the previous Contract year. If the contractor meets the criteria outlined above, they are eligible for Incentive Pay for the months where the Monthly Performance Rating is an overall High-Performance rating.

5.1.2 Incentive Pay will be paid as outlined in Exhibit C-1, Section V.

6. TROUBLED PERFORMANCE RATINGS

Troubled Performance Ratings can occur during a Monthly or Quarterly Review.

If a contractor receives three (3) or more overall Troubled Performance Ratings within a consecutive twelve (12) month period of the two-year Contract term, the contractor will be required to submit a Corrective Action Plan to the Authority's Chief Housing Solutions Officer for approval.

7. UNCORRECTED DEFICIENCIES

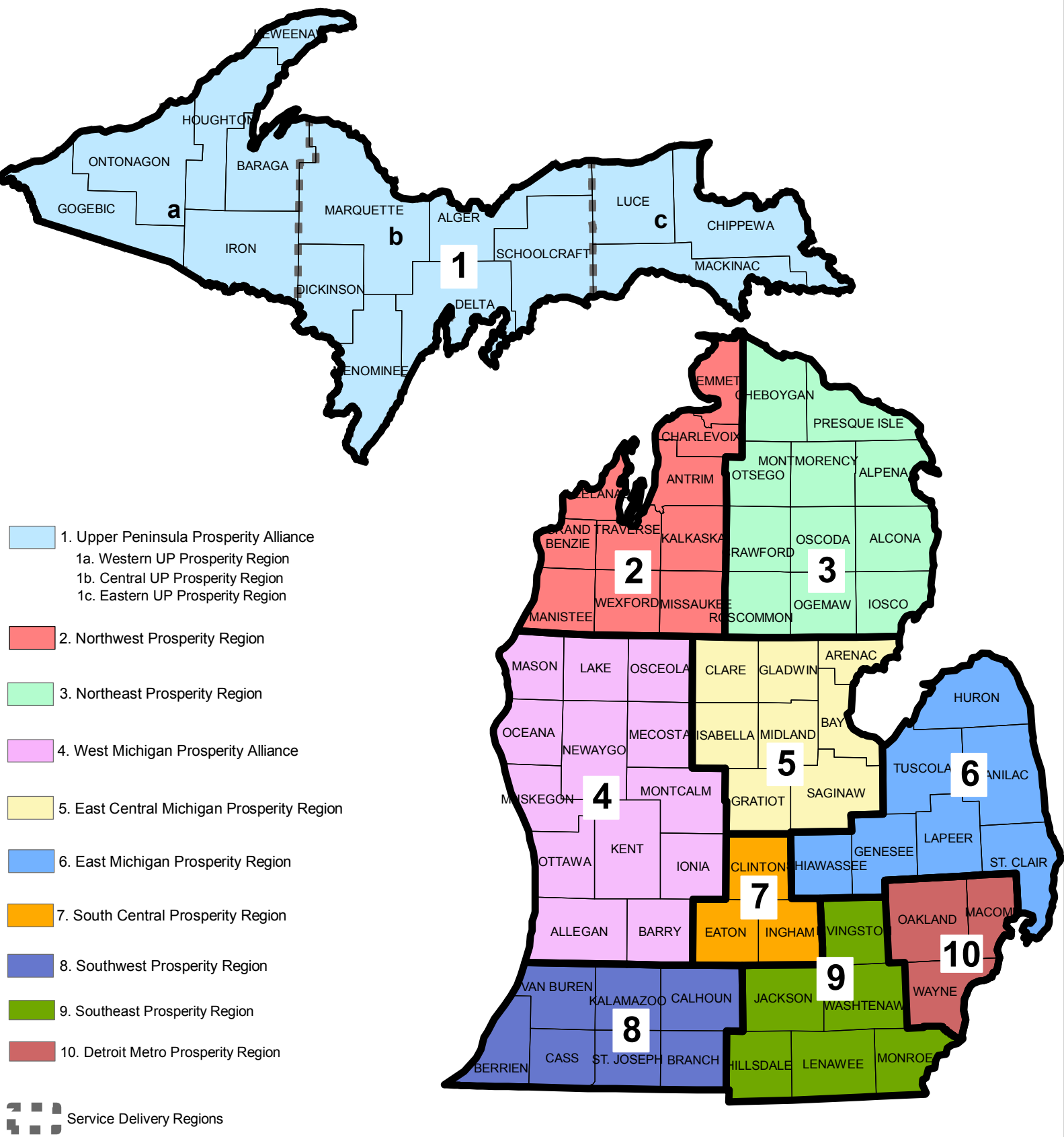
If the standards set forth for performance in this Exhibit C-2 are not met per notification by the Authority, a Corrective Action Plan will be required and must be submitted no later than five (5) business days from the date of notice to the Authority's Chief Housing Solutions Officer for review and approval. Once approved, the contractor will have ninety (90) days to successfully implement the action plan, correct all deficiencies, and maintain at least a Standard Performance rating in both Monthly Performance and Quarterly Field Audits for at least the ninety (90) days following the approval of the Corrective Action Plan. Failure to correct deficiencies within the required time frame will result in material breach of this Agreement.

No more than one Corrective Action Plan will be executed during a twelve (12) month period during the term of this Agreement. Failure to meet the terms outlined in the Corrective Action Plan may result in a material breach of this agreement.

8. CONTRACTOR PERFORMANCE DISPUTES

The contractor may dispute any Performance rating received by submitting a Performance Dispute. The contractor must submit Performance Disputes and any supporting documentation to the Authority in writing within fourteen (14) calendar days of the release of the Monthly or Quarterly Performance Review in dispute. The Authority will then review the Performance Dispute and provide a written decision within ten (10) business days of receipt.

State of Michigan Prosperity Regions




 Service Delivery Regions

Exhibit C-4

Housing Choice Voucher Program County and Regional Based Allocations

The chart listed below provides the allocations for MSHDA's voucher programs. Please identify the number of vouchers you wish to serve for each county allocation or regional allocation in the "Number of Vouchers Requested" column. Provide a total of your responses in each prosperity region and calculate the final total at the bottom of the chart.

Prosperity Region	County/Region	EHV	FUP	HCV	MS	NED	PBV	VASH	Total	Number of Vouchers Requested	Total Vouchers Requested Within Prosperity Region
1	Alger			8					8		
	Baraga			10					10		
	Chippewa			81			34		115		
	Delta			209					209		
	Dickinson			128					128		
	Gogebic			81					81		
	Houghton			147			20		167		
	Iron			8			14		22		
	Keweenaw			1					1		
	Luce			2					2		
	Mackinac			12					12		
	Marquette			242			39		281		
	Menominee			92			3		95		
	Ontonagon			6					6		
	Schoolcraft			2					2		
Region1	25		8					33			
2	Antrim			33					33		
	Benzie			19			8		27		
	Charlevoix			38					38		
	Emmet			48			18		66		
	Grand Traverse			155			74		229		
	Kalkaska			12					12		
	Leelanau			4					4		
	Manistee			53					53		
	Missaukee			40					40		
	Wexford			104			15		119		
	Region2	23		25					48		
	3	Alcona			13					13	
Alpena				123			6		129		
Cheboygan				41					41		
Crawford				24					24		
Iosco				38			76		114		
Montmorency				24					24		
Ogemaw				61			5		66		
Oscoda				15					15		
Otsego				75			16		91		
Presque Isle				11					11		
Roscommon				75					75		
Region3	17		16					33			
4	Allegan	6		196		44	171		417		
	Barry	2		74					76		
	Ionia	3		86		5			94		
	Kent	58	1	1375		10	317		1761		
	Lake	1		23			4		28		
	Mason	3		57			8		68		
	Mecosta	4		128					132		
	Montcalm	3		102		30			135		
	Muskegon	17		555			200		772		
	Newaygo	3		104			4		111		
	Oceana	1		26			32		59		
	Osceola	1		41			2		44		
	Ottawa	25	32	414			37		508		
Region4			42					42			

Prosperity Region	County/Region	EHV	FUP	HCV	MS	NED	PBV	VASH	Total	Number of Vouchers Requested	Total Vouchers Requested Within Prosperity Region
5	Arenac	1		33					34		
	Bay	8		237			189		434		
	Clare	2		66			12		80		
	Gladwin	2		58					60		
	Gratiot	2		52					54		
	Isabella	8		252					260		
	Midland	10		296			60		366		
	Saginaw	23		710			16		749		
	Region5			21	16				37		
6	Genesee	38		1221			66		1325		
	Huron	2		51					53		
	Lapeer	13		384			7		404		
	Sanilac	3		96			11		110		
	Shiawassee	4		136					140		
	St. Clair	12		377			74		463		
	Tuscola	3		94			5		102		
	Region6			29					29		
7	Clinton	3		88			13		104		
	Eaton	5		163			8		176		
	Ingham	37		1185			81		1303		
	Region7			3	20				23		
8	Berrien	11		336			119		466		
	Branch	2		75					77		
	Calhoun	5		145			236		386		
	Cass	2		54					56		
	Kalamazoo	47	50	1025		92	143		1357		
	St. Joseph	2		46			3		51		
	Van Buren	3		97			21		121		
	Region8			7	8				15		
9	Hillsdale	1		36			11		48		
	Jackson	9		275			196		480		
	Lenawee	7		199			16		222		
	Livingston	10		306			7		323		
	Monroe	17		444			116		577		
	Washtenaw	47		1288			154		1489		
	Region9			16	15				31		
10	Macomb	45		1394	10		29		1478		
	Oakland	56		1794	40	88	363		2341		
	Wayne	150		6109		72	1523		7854		
	Region10			51	70				121		
VASH	Detroit VA							897	897		
	Saginaw VA							200	200		
	UP VA							43	43		

Agency Name

Total Vouchers Requested

Acronym	Program
EHV	Emergency Housing Vouchers
FUP	Family Unification Program Vouchers
HCV	Housing Choice Vouchers (includes MSHDA special purpose vouchers such as State Innovation Model (SIM), Michigan Department of Correction (MDOC), Section 811, and Affordable Assisted Housing Program (AAHP))
MS	Mainstream/Mainstream 5 Vouchers
NED	Non-Elderly Disabled Vouchers
PBV	Project-Based Vouchers
VASH	Veterans Affairs Supportive Housing Vouchers

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY

HOUSING AGENT AGREEMENT

EXHIBIT C-5

SECURITY REQUIREMENTS

The contractor must safeguard and prevent potential breaches of all Personally Identifiable Information (PII) and Sensitive PII required by the Authority for administration of the Housing Choice Voucher Program. The contractor must submit this Exhibit with the Housing Agent Agreement certifying compliance with the security requirements outlined in this Exhibit.

Failure to comply with the security requirements outlined in this Exhibit and/or failing to promptly notify the Authority of a security breach will be considered a material breach of an awarded contract.

a. Definition

Sensitive PII is defined as information which can be used to directly or indirectly distinguish or trace an individual's identity. Sensitive PII can be used either alone or in combination with other personal or identifying information that is linked or linkable to that individual. Sensitive PII is PII, which if lost, compromised, or disclosed without authorization, could result in substantial harm, embarrassment, inconvenience, or unfairness to an individual.

To *distinguish* an individual is to identify an individual. To *trace* an individual is to process sufficient information to make a determination about a specific aspect of an individual's activities or status.

Linked information is information about or related to an individual that is logically associated with other information about the individual. *Linkable* information is information about or related to an individual for which there is a possibility of logical association with other information about the individual.

The following personal identifiers are Sensitive PII even if they are not linked with additional PII or contextual information:

- i. First and last name or alias;
- ii. Complete (9-digit) SSN;
- iii. Alien Registration Number (A-Number);
- iv. Driver's license or state identification number;
- v. Passport number;
- vi. Taxpayer identification number;
- vii. Internet Protocol (IP) or Media Access Control (MAC) address or other host-specific persistent static identifier;
- viii. Telephone number;
- ix. Vehicle registration number or title; or
- x. Biometric Identifiers (e.g. fingerprint, iris scan, facial recognition, voice print)

The following information is Sensitive PII when linked with the person's name or other unique identifier, such as an address or phone number:

- i. Portions of an SSN including the last four digits;
- ii. Place of birth;
- iii. Full date of birth;
- iv. Citizenship or immigration status;
- v. Authentication information such as a parents name(s) or maiden name(s);
- vi. Medical information;
- vii. Criminal history;
- viii. Education information;
- ix. Financial information;
- x. Credit card numbers;
- xi. Bank account numbers; or
- xii. Other data created by MSHDA or HUD to identify or authenticate an individual's identify such as an Alternate Identification Number (AID) referred to as "H-Number" by the Authority.

Sensitive PII requires stricter handling guidelines because of the increased risk to an individual if the data is compromised.

A Security Breach is defined as the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons, other than authorized users and for an unauthorized purpose, have access or potential access to PII in a usable form, whether hard copy or electronic. The term encompasses both **suspected and confirmed** incidents, whether intentional or inadvertent, involving PII which raise a reasonable risk of harm.

b. Types of Media

Hard copy media is physical representations of information, most often associated with paper printouts. However, printer and facsimile ribbons, drums, and platens are all examples of hard copy media. The supplies associated with producing paper printouts are often the most uncontrolled. Electronic (or soft copy) media are the bits and bytes contained in hard drives, random access memory (RAM), read-only memory (ROM), disks, removable memory devices, phones, mobile computing devices, networking devices, office equipment, and email (list is not all inclusive).

Removable memory devices include, but is not limited to, thumb drives, CDs, and external hard drives.

Electronic Data and Access Codes is collectively defined as (a) any and all program data in an electronic format; (b) and all codes, passwords, access keys and any other data that allows the contractor to connect to and access Database Software (presently Elite) and HUD required programs.

c. Authority and HUD Requirements

In performing its duties and responsibilities as specified in this Agreement, the contractor will comply at all times with all applicable HUD and Authority rules, regulations, and requirements, including Equal Opportunity rules. Additionally, the contractor is responsible for complying with the following:

Identity Theft Protection Act (2004 PA 452: MCL 445.61 et seq., as amended by 566 PA 2006)

Social Security Number Privacy Act (454 PA 2004; MCL 334.81 et seq.)

State of Michigan Computer Crime Law (Public Acts 1979-53)

All federal and state laws concerning confidentiality and the security of PII and Sensitive PII that is in its possession.

All State and Federal laws regarding confidentiality to protect an individual's rights and privacy.

The contractor and Key Persons of the contractor must attend annual security awareness sessions and complete required forms before performing services for the Authority.

d. Manage Access to Sensitive PII

The contractor shall not disclose information or documents created or maintained in connection with an awarded contract to anyone other than the contractor's staff assigned to an awarded contract or Authority staff, without the direction or prior consent of Authority staff. Neither the contractor nor its Key Persons or agents shall use information or documents created or maintained in connection with the awarded contract to further any private interest without the prior written consent of the Authority.

The contractor will not use the State's data for any purpose other than providing the services set forth in an awarded contract, nor will any part of the State's data be disclosed, sold, assigned, leased or otherwise disposed of to the general public, to specific third parties or commercially exploited by or on behalf of the contractor, nor will any Key Person of contractor other than those on a strictly need to know basis have access to the State's data. The contractor shall only use PII as strictly necessary to provide the services and shall disclose such information only to its Key Persons who have a strict need to know regarding such information. The contractor shall comply at all times with all laws and regulations applicable to such PII.

- i. Only collect Sensitive PII that you have the legal authority to collect.
- ii. Never leave Sensitive PII unattended and unsecured.
- iii. Only share or discuss Sensitive PII with personnel who have a need to know for purposes of their work. Challenge anyone who asks for access to Sensitive PII for which you are responsible.

- iv. Avoid discussing Sensitive PII if there are unauthorized personnel, contractors, or other third parties in the adjacent cubicles, rooms, or hallways who may overhear your conversations.
- v. Hold meetings in a secure space (i.e., no unauthorized access or eavesdropping possible) if Sensitive PII will be discussed or viewed. Treat notes and minutes from such meetings as confidential unless you can verify that they do not contain Sensitive PII.
- vi. Record the date, time, place, subject, chairperson, and attendees at any meeting involving Sensitive PII.
- vii. Do not distribute or release Sensitive PII to MSHDA employees, contractors, or other third parties unless the release is authorized, proper and necessary.
- viii. When discussing Sensitive PII on the telephone, confirm that you are speaking to the identified person or their designated representative before discussing any information. Inform the caller that the discussion will include Sensitive PII.
- ix. Never leave messages containing Sensitive PII on voicemail.
- x. Only print, extract, or copy Sensitive PII when required for administration of the Housing Choice Voucher Program.
- xi. Before emailing, printing, or making paper copies, redact Sensitive PII that is not necessary for your immediate use or required for administration of the Housing Choice Voucher Program.
- xii. Never leave Sensitive PII unattended on a desk, network printer, fax machine, or copier.
- xiii. All computer systems, electronic devices, and portable media used to conduct business with the Authority will be used for business purposes only.
- xiv. Use a privacy screen if you regularly access Sensitive PII in an unsecured area where the public can see your screen.
- xv. Lock your computer when you leave your desk.
- xvi. Do not permit your computer to remember passwords.
- xvii. All computer systems used to conduct business with the Authority must be encrypted.
- xviii. All electronic devices and portable media must be password protected.
- xix. Do not use your personal computer to access, save, store, or host Sensitive PII.
- xx. Do not transfer files to your home computer or print records on your home printer.
- xxi. Do not forward e-mails containing Sensitive PII to your personal email account so you can work on it on your home computer.
- xxii. Do not post Sensitive PII on any Internet site.
- xxiii. If someone sends you Sensitive PII in an unprotected manner, you must protect that data in the same manner as all Sensitive PII you handle once you receive it.
- xxiv. If someone sends unsecured Sensitive PII in the body of an e-mail to you, you must encrypt that data if you wish to email it to anyone else.

e. Transporting Sensitive PII

- i. Physically secure Sensitive PII when in transit.
- ii. Never leave paper files, computers, electronic devices, or portable media in plain sight in an unattended vehicle. If you must leave it in a car, lock it in the trunk so that it is out of sight.
- iii. Do not leave your paper files, computers, electronic devices, or portable media in your car overnight.

f. Transfer of Sensitive PII

- i. When mailing outbound correspondence that contains Sensitive PII, use the following quality controls:
 - a. Seal Sensitive PII materials in an opaque or tinted envelope.
 - b. If using window envelopes, place the Sensitive PII away from the window so it cannot be seen.
- ii. Email Sensitive PII within an encrypted attachment with the password provided separately (e.g., by phone, another email, or in person). Do not send Sensitive PII within the body of an email.
- iii. Limit the transmission Sensitive PII by fax. Take appropriate measures to protect the confidentiality of the fax:
 - a. Alert the recipient prior to faxing so they can retrieve it as it is received by the fax machine.
 - b. After sending the fax, verify the recipient received the information.

g. Storage of Files Containing Sensitive PII

All files are to be maintained in the office(s) designated by the contractor and are subject to all security requirements outlined within the awarded contract and all Exhibits. The contractor shall take reasonable steps to prevent the theft of paper and electronic files that contain PII. Such steps shall include but not be limited to:

- i. Physically secure paper files containing Sensitive PII when not in use or not otherwise under the control of the contractor. Store all documents containing SSNs or other data elements of personal information in a physically secure manner, such as in locked drawers, cabinets, desk, or file room.
- ii. Prevent unauthorized access of Sensitive PII by members of the public or persons not designated by the contractor.
- iii. All files must be stored in fire proof cabinets (Underwriters Laboratories - UL rated file cabinets) and/or the contractor must have a fire suppression system in place. The files must be secured from the general public either by containing locking mechanisms with keys provided to only Key Persons or located in a locked room. All files must be labeled **CONFIDENTIAL**.
- iv. Keep accurate records of where Sensitive PII is stored, used, and maintained.
- v. Only store Sensitive PII on computers, other electronic devices, or portable media that can be secured. SSNs must not be stored on computers, other electronic devices, or portable media that are not secured against unauthorized access.
- vi. Physically secure electronic devices or portable media that contain Sensitive PII when not in use or not otherwise under the control of the contractor. Store all documents containing SSNs or other data elements of personal information in a physically secure manner, such as in locked drawers, cabinets, desk, or file room.
 - a. All computers used for the administration of the Housing Choice Voucher Program must have current up-to-date encryption software.
 - b. All computers used for the administration of the Housing Choice Voucher Program must have current up-to-date anti-virus software.
 - c. All computers used for the administration of the Housing Choice Voucher Program must be used for business purposes only and by authorized personnel.

- d. All other electronic devices and portable media must be password protected.
- e. Do not place Sensitive PII on shared drives, multi-access calendars, the Intranet, or the Internet.

h. Destruction of Sensitive PII

Sensitive PII shall be destroyed when retention of the data is no longer required. Retention schedules for paper files and electronic data will be outlined by the Authority. If the contractor no longer needs program data to render Services, or if the contractor ceases to provide Services, the contractor shall remove/dispose Electronic Data and Access Codes from any and all storage media that may be used, including but not limited to hard drives, flash drives, CDs, PCs, laptops, DVDs, zip drives, hand-held organizer, and storage services on the World Wide Web. When the contractor ceases to use a computer, the contractor shall:

- i. Dispose of paper files containing Sensitive PII appropriately by using cross-cut shredders, burn bags, or a professional destruction service agency. Secure all information awaiting removal. Sensitive PII must **not** be discarded in waste baskets, trash or the usual recycling receptacles.
- ii. Dispose of electronic files containing Sensitive PII appropriately by **permanently erasing** (not just delete) electronic records. At least three (3) passes with a disk wiping utility is required.
- iii. Dispose of portable media containing Sensitive PII appropriately by **permanently erasing** (not just delete) electronic records. At least three (3) passes with a disk wiping utility is required. See Department of Information Technology Procedure 1350.90 Secure Disposal of Installed and Removable Digital Media.

If the contractor believes it is required to retain program data, the contractor shall:

- i. advise the Authority's Resource Specialist in writing of the requirement; and
- ii. retain the data in a manner and format described in this Exhibit C-5. If the contractor ceases to administer the Services set forth in this Agreement and the Exhibits attached and incorporated into this Agreement, the contractor must send written notice to the Resource Specialist indicating all removal methods have been completed. Failure to comply with this provision will result in the contractor not receiving any final payments.

i. Username and Password Protection

- i. All usernames and passwords issued by the Authority for administration of the Housing Choice Voucher Program shall remain confidential and shall not be shared with anyone other than the person assigned to that username and password.
- ii. The contractor must submit a revised Key Person form (Exhibit D) and a MSHDA 1796 form to the System Manager to acquire access to information systems and databases for new personnel.
- iii. The contractor must notify the System Manager within two (2) business days of the termination of a Key Person as identified in Exhibit D of this Agreement so that access to information systems and databases can be revoked.

j. Security Breach

In the event of a security breach, the contractor shall take prompt corrective action to cure any such deficiencies and any action pertaining to such unauthorized disclosure required by applicable federal and state laws and regulations.

- i. You must report all Security Breaches, whether suspected or confirmed, to the System Manager promptly, but no later than one (1) business day, of the incident. If the System Manager is unavailable, or if there is a potential conflict of interest, report the incident to the Resource Specialist, Regional Manager, or Division Director.
- ii. Document or maintain records of information and actions relevant to the incident as they may be required in the Security Breach handling report.
 - a. Date and time of Security Breach;
 - b. Type of Security Breach (e.g. virus, hacking, e-mail, etc.);
 - c. Person(s) involved in Security Breach, if identifiable; and
 - d. Date and time Security Breach was reported and to whom.
- iii. Any alleged violations that may constitute criminal misconduct, identify theft or other serious misconduct, or reflect systemic violations within the management of the Program will be reported to the MSHDA Compliance Unit as part of the Security Breach reporting Process.
- iv. When reporting a Security Breach, do not further compromise the information or risk causing another Security Breach:
 - a. Do not forward the compromised information when reporting an incident
 - b. If and when the compromised PII is needed, you will be given instructions regarding the individual to send it to and the process for submission.

If you see Sensitive PII in an email that you suspect constitutes a Security Breach, remember that the information is duplicated and further compromised if you forward or reply to it.

Security Agreement

The Contractor shall comply with the security requirements outlined within Exhibit C-5. The Authority reserves the right to inspect files and electronic information for the purpose of confirming the adequacy of the Contractor's security practices. The Contractor agrees to respond to Authority requirements concerning the security plan to the Authority's reasonable satisfaction. The Contractor shall complete and submit to the Authority the Security Requirements Plan attached and incorporated into this Agreement as Exhibit C-5 upon execution of this Agreement.

The Contractor understands that failure to comply with the security requirements outlined in Exhibit C-5 will be considered a material breach of this Agreement. Further, the Contractor understands that failing to promptly notify the Authority of a security breach will also be considered a material breach of this Agreement.

As the Authorized Signatory for the Contractor, I have read and understand the security requirements outlined in Exhibit C-5. The Contractor understands and agrees to comply with all contents found within Exhibit C-5. The Contractor understands that failure to comply with the security requirements outlined in Exhibit C-5 will be considered a material breach of this Agreement. Further, the Contractor understands that failing to notify the Authority of a security breach will also be considered a material breach of this Agreement.

Signature:

Its:

Date:

**MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
REQUEST FOR PROPOSAL**

EXHIBIT D

CERTIFICATE VERIFYING KEY PERSONS



HOUSING CHOICE VOUCHER PROGRAM
 Agreement to Use and Release Information to Authority
CERTIFICATE VERIFYING KEY PERSONS OF THE CONTRACTOR

Instructions to Independent Contractor (“Contractor”): Please have each Key Person sign this Agreement to Use and Release Information to Authority (“Release”). Please use one Release for each Key Person.

“Key Persons” are those individuals performing services and those performing services who may be subject to the State Employees’ Retirement Act, 2007 PA 95, MCL 38.68c. The Michigan State Housing Development Authority (“Authority” or “MSHDA”) will approve a Key Person only if (a) the Key Person signs the Release, (b) the Criminal Screenings review does not reveal any criminal records that the Authority, in its sole discretion, deems unacceptable, and (c) is not an active Participant on the Program or a current Waiting List Applicant for the Program. In addition, the Contractor will be required to submit additional forms for new service personnel performing services who may be considered Key Persons.

Key Person	
<p>I hereby agree to disclose my name, title, and Social Security Number, to the Michigan State Housing Development Authority for the purpose of allowing the Authority to perform an Internet Criminal History Access Tool review. I understand that the Authority will use the Criminal Screenings review to determine whether I can serve as a Key Person for the Contractor and perform services as an employee or agent of the Contractor under the Housing Agent Agreement between the Contractor and the Authority. I understand that my Social Security Number will not be available to the public.</p> <p>Further, I agree to authorize the Authority to use the information I have provided above to perform a background check. The background check includes, but is not limited to, criminal screenings and assessments to ensure Key Persons are not either Participants or Applicants for the MSHDA Housing Choice Voucher Program.</p>	
Key person name:	
Title with Contractor:	Social Security Number:
Race: <input type="checkbox"/> American Indian/Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> Black/African American <input type="checkbox"/> Native Hawaiian/other Pacific Islander <input type="checkbox"/> White <input type="checkbox"/> Other:	Date of birth:
	Gender:
	Veteran: Yes No
	Ethnicity: Hispanic Non-Hispanic
Key Person Signature: <input checked="" type="checkbox"/>	Date:

Contractor	
<p>The Contractor acknowledges that the above is a Key Person of the Contractor in accordance with Section 11 of the Housing Agent Agreement.</p>	
Is the Key Person listed above a retiree who receives a pension from the Michigan State Employees Retirement System? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Name of Contractor:	Federal Identification Number:
Name of Signatory for Contractor/Subgrantee:	
Signatory Signature: <input checked="" type="checkbox"/>	Date:

**MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
REQUEST FOR PROPOSAL**

EXHIBIT E

ORGANIZATION BACKGROUND CHECKLIST

In order to submit a proposal, organizations must submit the following documentation as outlined below. **NOTE:** Depending on the nature of the bid request and proposal, this checklist may not be all inclusive as additional documentation may be required.

- Articles of Incorporation**
- Organizational Bylaws**
- List of Board of Directors and Officers, including titles**
- W-9 Request for Taxpayer Identification Number & Certification (see Exhibit G)**
- CHDO Tax ID Number (if applicable)**
- Signatory authority (if not addressed elsewhere)**
- Required Certificates:**
 - Foreign (non-Michigan) or Domestic corporations or limited liability companies will submit a Certificate of Good Standing (dated no earlier than 30 days of proposal submission) issued by the Corporations, Securities, and Commercial Licensing Bureau of the Michigan Department of Licensing and Regulatory Affairs . (<http://www.dleg.state.mi.us/bcsc/forms/corp/fax/274.pdf>)**
 - Foreign (non-Michigan) or Domestic limited partnerships will submit a Certificate of Fact – not Cancelled (dated no earlier than 30 days of proposal submission) issued by the Corporations, Securities, and Commercial Licensing Bureau of the Michigan Department of Licensing and Regulatory Affairs. (<http://www.dleg.state.mi.us/bcsc/forms/corp/fax/274.pdf>)**
- Evidence of 501(c)(3) status (if applicable)**

**MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
REQUEST FOR PROPOSAL**

EXHIBIT F

**CERTIFICATE REGARDING DEBARMENT, SUSPENSION,
AND OTHER RESPONSIBILITY MATTERS**

Certifications and Representations

The Vendor must complete this section and submit with their bid or proposal. Failure or refusal to submit any of the information requested in this section may result in the Vendor being considered non-responsive and therefore ineligible for award consideration.

() Enclosed are annual certifications and representations

Introduction

Bidder Identification

Vendor Name: _____

() Federal ID Number: _____ (TIN or social security number)

() DUNS Number: _____

Vendor is not required to have a DUNS number, but if Vendor does have one it must be listed.

Changes to Information

If any of the certifications, representations, or disclosures indicated in this document change during consideration of the Vendor’s responses or after awarding of a contract, the Vendor is required to report those changes immediately to the Michigan State Housing Development Authority (the “Authority”), **(INSERT CONTACT INFORMATION)**

_____ (Initial)

False Information

If it is determined that a Vendor purposely or willfully submitted false information, the Vendor will not be considered for award, the Authority may pursue debarment of the Vendor, and any resulting Contract that may have been established will be terminated. If the Authority believes that grounds to debar exist, it shall, pursuant to the Michigan Administrative Code Rules 125.211-125.216, send notice to the Vendor of proposed debarment indicating the grounds for proposed debarment and the procedures for requesting a hearing

_____ (Initial)

Representations

A. Subcontractors

1. The Vendor shall require each Subcontractor whose subcontract will exceed \$25,000 to disclose to the Vendor, in writing, whether, as of the time of the submission of Vendor’s response to this RFP, the Subcontractor or its principals is debarred, suspended, or proposed for debarment by the State. The Vendor shall then inform the Authority of the Subcontractor’s status in its response and

provide reasons for the Vendor's decision to use Subcontractor, if the Vendor so decides.

2. Indicate below **ALL** work to be subcontracted under any resulting Contract (use additional attachment if necessary; estimates are acceptable):

Description of Work to be sub-contracted	Percent (%) of total contract value to be sub-contracted	Sub-contractor's name and principal place of business (City and State)

Disclosures

Vendor Compliance with State and Federal Law and Debarment

1. The Vendor certifies, to the best of its knowledge that within the past (3) years, the Vendor, an officer of the Vendor, or an owner of a 25% or greater interest in the Vendor:

Has _____ Has Not _____ been convicted of a criminal offense incident to the application for or performance of an Authority or State contract or subcontract;

Has _____ Has Not _____ been convicted of any offense which negatively reflects on the Vendor's business integrity, including but not limited to embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, state or federal antitrust statutes;

Has _____ Has Not _____ been convicted of any other offense, violated any other state or federal law, as determined by a court of competent jurisdiction or an administrative proceeding, which, in the opinion of the Authority, indicates that the Vendor is unable to perform responsibly or which reflects a lack of integrity that could negatively impact or reflect upon the Authority or State.

- a. An offense or violation under this paragraph may include, but is not limited to, an offense under or violation of:

Has _____ Has Not _____ failed to substantially perform an Authority or State contract or subcontract according to its terms, conditions, and specifications within specified time limits;

Has _____ Has Not _____ violated Authority or State bid solicitation procedures or violated the terms of a solicitation after bid submission;

Has _____ Has Not _____ refused to provide information or documents required by a contract including, but not limited to information or document necessary for monitoring contract performance;

Has _____ Has Not _____ failed to respond to requests for information regarding Vendor's performance, or accumulated repeated substantiated complaints regarding performance of a contract/purchase order; and

Has _____ Has Not _____ failed to perform an Authority or State contract or subcontract in a manner consistent with any applicable state or federal law, rule, regulation, order, or decree.

- 2.** For purposes of this Section, "Principals" means officers, directors, owners, partners, and any other persons having primary management or supervisory responsibilities within a business entity. The Vendor certifies and represents, to the best of his knowledge that the supplier and/or any of its Principles:

Are _____ Are Not _____ presently debarred, suspended, proposed for debarment, or declared ineligible for the award of a purchase by any state or federal agency;

Has _____ Has Not _____ not with in a 3-year period preceding this RFP, been convicted 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) purchase.

Are _____ Are Not _____ presently indicted for, or otherwise criminally or civilly charged by a governmental entity with, the commission of the any of the offenses enumerated in section 3.1(c) of this Contract.

Has _____ Has Not _____ within a 3-year period preceding this solicitation had one or more purchases terminated for default by any state or federal agency.

- 3.** The Vendor shall provide immediate written notice to the Authority if, at any time before the purchase award, the Vendor learns that its certification was erroneous when submitted or has since become erroneous because of changed circumstances.

4. A certification that the Vendor or its Subcontractors is presently debarred, suspended, proposed for debarment or declared ineligible for award of a purchase by any state or federal agency will not necessarily result in withholding an award under this solicitation. However, the certification will be considered in connection with a determination of the Vendor's responsibility. Failure to furnish the certification or provide such information as requested by the Authority may render the Vendor response non-responsive.
5. Nothing contained in this Section shall be construed to require establishment of a system of records in order to render, in good faith, the certification required this Section. The knowledge and information of a Vendor is not required to exceed that which is normally possessed by a prudent person in the ordinary course of commercially reasonable dealings.
6. If it is later determined that the Vendor knowingly rendered an erroneous certification under this Section, in addition to the other remedies available to the Authority, the Authority may terminate any resulting contract for default.

_____ (Initial)

Employee and Subcontractor Citizenship

The Vendor certifies that all employees, contractors, Subcontractors, and any other individual involved in the performance of this Contract, **except those listed below**, are citizens of the United States, legal resident aliens, or individuals with valid visa (use additional attachment if necessary; estimates are acceptable):

Employee Name	Title

_____ (Initial)

RFP Preparation

The Vendor shall notify the Authority in its bid proposal, if it or any of its Subcontractors, or their officers, directors, or key personnel has assisted with the drafting of this RFP, either in whole or in part. This includes the conducting or drafting of surveys designed to establish a system inventory, and/or arrive at an estimate for the value of the solicitation.

The Vendor hereby certifies that it HAS _____, HAS NOT _____ assisted in the development of this RFP.

Except for materials provided to all Vendors as part of this RFP, the Vendor shall provide a listing of all materials provided by the Authority to the Vendor containing information relevant to this RFP, including, but not limited to: questionnaires, requirements lists, budgetary figures,

assessments, white papers, presentations, RFP draft documents. The Vendor shall provide a list of all State employees with whom any of its personnel, and/or Subcontractors' personnel has discussed the RFP after the issuance date of the RFP.

AS THE AUTHORIZED CERTIFYING OFFICIAL, I HEREBY CERTIFY THAT THE ABOVE SPECIFIED CERTIFICATIONS ARE TRUE.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL

TYPED NAME AND TITLE

DATE

**MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
REQUEST FOR PROPOSAL**

EXHIBIT G

W-9 REQUEST FOR TAXPAYER IDENTIFICATION NUMBER AND CERTIFICATION

Request for Taxpayer Identification Number and Certification

Give Form to the
requester. Do not
send to the IRS.

▶ Go to www.irs.gov/FormW9 for instructions and the latest information.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only **one** of the following seven boxes.

Individual/sole proprietor or single-member LLC

Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____

C Corporation

S Corporation

Partnership

Trust/estate

Other (see instructions) ▶ _____

Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is **not** disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) _____

Exemption from FATCA reporting code (if any) _____

(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.) See instructions.

Requester's name and address (optional)

6 City, state, and ZIP code

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number

			-			-				
--	--	--	---	--	--	---	--	--	--	--

or

Employer identification number

			-							
--	--	--	---	--	--	--	--	--	--	--

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here	Signature of U.S. person ▶	Date ▶

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting*, later, for further information.

Note: If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the instructions for Part II for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code*, later, and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships*, earlier.

What is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code*, later, and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note: ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or “doing business as” (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C corporation, or S corporation.** Enter the entity’s name as shown on the entity’s tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a “disregarded entity.” See Regulations section 301.7701-2(c)(2)(iii). Enter the owner’s name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner’s name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity’s name on line 2, “Business name/disregarded entity name.” If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

Line 3

Check the appropriate box on line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3.

IF the entity/person on line 1 is a(n) . . .	THEN check the box for . . .
• Corporation	Corporation
• Individual • Sole proprietorship, or • Single-member limited liability company (LLC) owned by an individual and disregarded for U.S. federal tax purposes.	Individual/sole proprietor or single-member LLC
• LLC treated as a partnership for U.S. federal tax purposes, • LLC that has filed Form 8832 or 2553 to be taxed as a corporation, or • LLC that is disregarded as an entity separate from its owner but the owner is another LLC that is not disregarded for U.S. federal tax purposes.	Limited liability company and enter the appropriate tax classification. (P= Partnership; C= C corporation; or S= S corporation)
• Partnership	Partnership
• Trust/estate	Trust/estate

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys’ fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

- 1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)
- 2—The United States or any of its agencies or instrumentalities
- 3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities
- 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities
- 5—A corporation
- 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession
- 7—A futures commission merchant registered with the Commodity Futures Trading Commission
- 8—A real estate investment trust
- 9—An entity registered at all times during the tax year under the Investment Company Act of 1940
- 10—A common trust fund operated by a bank under section 584(a)
- 11—A financial institution
- 12—A middleman known in the investment community as a nominee or custodian
- 13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 5 ²
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Note: You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, write NEW at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note: See *What Name and Number To Give the Requester*, later, for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at www.SSA.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/Businesses and clicking on Employer Identification Number (EIN) under Starting a Business. Go to www.irs.gov/Forms to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to www.irs.gov/OrderForms to place an order and have Form W-7 and/or SS-4 mailed to you within 10 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code*, earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.

You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.

You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions.

You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLE accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions.

You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account) other than an account maintained by an FFI	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Two or more U.S. persons (joint account maintained by an FFI)	Each holder of the account
4. Custodial account of a minor (Uniform Gift to Minors Act)	The minor ²
5. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ¹
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
6. Sole proprietorship or disregarded entity owned by an individual	The owner ³
7. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	Give name and EIN of:
8. Disregarded entity not owned by an individual	The owner
9. A valid trust, estate, or pension trust	Legal entity ⁴
10. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
11. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
12. Partnership or multi-member LLC	The partnership
13. A broker or registered nominee	The broker or nominee

For this type of account:	Give name and EIN of:
14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
15. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships*, earlier.

*Note: The grantor also must provide a Form W-9 to trustee of trust.

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records From Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes.

Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at spam@uce.gov or report them at www.ftc.gov/complaint. You can contact the FTC at www.ftc.gov/idtheft or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see www.IdentityTheft.gov and Pub. 5027.

Visit www.irs.gov/IdentityTheft to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

**MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
REQUEST FOR PROPOSAL**

EXHIBIT H

CONTRACT TERMS AND CONDITIONS TEMPLATE

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY

AGREEMENT FOR PROFESSIONAL SERVICES

WITH

«CompanyName»

THIS AGREEMENT is made and entered into as of **January 1, 2022**, by and between the **Michigan State Housing Development Authority**, a public body corporate and politic, located at 735 E. Michigan Avenue, Lansing, Michigan 48912 ("**Authority**") and "**CompanyProper**", «Entity», located at «StreetAddress», «City», «State» «ZipCode» ("**Contractor**") for the purpose of **Housing Choice Voucher Administration for 2022-2023**. (The Authority and the Contractor are collectively referred to as the "Parties").

WITNESSETH THAT:

The Authority and the Contractor do mutually agree as follows:

1. **Services Rendered/Scope of Work.** The Contractor shall, in a satisfactory and proper manner as determined by the Authority, render the services described in Exhibit A – *Probationary Agent* ("Exhibit A") and Exhibit B – *HCV Agent* ("Exhibit B"), which are attached and made a part of this Agreement.
2. **Term.** TIME IS OF THE ESSENCE to this Agreement in connection with the delivery of the products or services or both ("Products and Services") described in the *Scopes of Work* attached and incorporated into this Agreement as Exhibit A and Exhibit B. The performance of Products and Services shall begin on or after the execution of this Agreement by the Authority and shall be completed no later than December 31, 2023.
3. **Contract.** Price and Payment.

- a. The Authority will pay the Contractor as defined in Exhibit C – *Payment to Contractor* (“Exhibit C”) attached and incorporated into this Agreement.
- b. Final payment shall be made upon the satisfactory completion and submission of all required work and documents as specified in Exhibit A, Exhibit B, and Exhibit D – *Performance Measures and Incentive Pay* (“Exhibit D”) attached and incorporated into this Agreement.

WORK PERFORMED OR PROVIDED PRIOR TO THE TERMS OF THIS AGREEMENT SHALL NOT BE ELIGIBLE FOR PAYMENT.

4. **Permits and Licenses.** The Contractor shall be responsible for obtaining any and all permits, licenses, and other proper authorization or permission-related documents required for the performance of this Agreement.
5. **Insurance.** The Contractor shall maintain professional liability insurance sufficient in the amount to provide coverage for any errors or omissions arising out of the performance of this Agreement. If, during the term of this Agreement, changed conditions should, in the judgment of the Authority, render inadequate the Contractor’s current insurance limits, the Contractor will furnish to the Authority proof of additional insurance as may be required. All insurance required under this Agreement shall be acquired at the Contractor’s expense, under valid and enforceable policies, issued by insurers of recognized responsibility. The Authority reserves the right to reject, as unacceptable, any insurer.
6. **Record Keeping.** The Contractor and the Authority shall maintain such personnel records, as are deemed necessary by the Authority, to assure a proper account for all engagement costs. These records will be made available for audit purposes to the Authority and the Auditor General of the State of Michigan, or any authorized

representative, and will be retained for three years after the expiration of the Agreement unless permission to destroy them is granted by both the Authority and the State of Michigan.

If, at any time before the expiration of the records retention period of this Agreement, it is determined that the terms of this Agreement were not complied with or a claimed cost is disallowed following an audit, the Contractor shall immediately repay the funds at issue to the Authority. If an audit identifies any questioned costs in connection with the project, the Contractor shall forward to the Authority copies of schedules of findings and questioned costs, accompanied by a check made payable to the Authority in an amount equal to the funds which the Contractor received pursuant to this Agreement that are deemed a disallowed reimbursement through the audit including any fees or costs assessed by HUD or any other Federal or State financing agency.

7. **Nondiscrimination.** In accordance with the Elliott-Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, et seq., the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, et seq., and Executive Directive 2019-09, the Contractor and its subcontractors agree not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex (as defined in Executive Directive 2019-09), height, weight, marital status, partisan considerations, any mental or physical disability, or genetic information that is unrelated to the person's ability to perform the duties of a particular job or position. Breach of this covenant may be regarded as a material breach of this Agreement.

8. **Failure to Perform.** In the event the Contractor fails to perform Products and Services required under this Agreement or performs Products and Services in an improper manner,

the Parties agree that the damage that the Authority will sustain as a result thereof will be substantial and difficult, if not impossible, to ascertain. Therefore, the Parties agree that in the event the Contractor either fails to completely perform Products and Services or performs Products and Services in an improper manner, the Authority shall be entitled to a credit against the Contractor's current unpaid billings for amounts previously paid to the Contractor after the Contractor's non-performance or improper performance. For the purposes of the foregoing, the Parties agree that the Authority shall have sole discretion in determining the adequacy of the Contractor's performance and the amount of credit to be taken. The damages for the Contractor's inadequate or improper performance, as provided in this Agreement, shall not be exclusive, but shall be in addition to any other damages which the Authority may be entitled to for the Contractor's default under this Agreement.

9. **Assigned Personnel.** The Contractor warrants that the personnel it will assign to perform the Products and Services under this Agreement shall possess the requisite education, competence, and experience. The Contractor further acknowledges and agrees that such personnel may be subject to the evaluation and approval of the Authority, who shall retain the right to determine the sufficiency of the education, competence, and experience of the personnel assigned to perform the Products and Services identified in Exhibit A and Exhibit B attached and incorporated into this Agreement.

10. **Project Representatives.** The Contractor designates the following individuals as project representatives for all matters concerning this Agreement:

«ProjectRep», «PR_Title»
«StreetAddress», «City», «State» «ZipCode»
Email: «PR_Email»
Office: «PR_Phone»

The Authority designates the following individual as **Contract Administrator**/project

representative to be the initial point of contact for all matters concerning this Agreement:

Dace Koenigsknecht, Buyer
735 E. Michigan Avenue, Lansing, MI 48906
Email: KoenigsknechtD1@michigan.gov
Office: 517-241-4491

Except for changes to the performance schedule (not including the project's completion date), the designated project representatives shall have no authority to make promises or binding obligations on behalf of the Authority, as such authority rests with the duly authorized persons executing this Agreement.

11. **Employees of Contractor or Key Persons.**

- a. Definition of Key Person. "Key Persons" shall be defined in this Agreement as individuals performing the Products and Services pursuant to this Agreement and (a) have signed this Agreement on behalf of the Contractor and/or (b) are listed in Exhibit F – *Certificate Verifying Key Persons of the Contractor* ("Exhibit F") attached and incorporated into this Agreement. Key Persons include the names of all employees, agents, and subcontractors of the Contractor who perform or render Products and Services pursuant to this Agreement.
- b. Performance of Products and Services. The Contractor acknowledges that only Key Persons shall perform the Products and Services under this Agreement.
- c. Exhibit F - *Certificate Verifying Key Persons.* Prior to executing this Agreement, the Contractor shall provide to the Authority the names of all Key Persons by completing Exhibit F, which is the *Certificate Verifying Key Persons of the Contractor* or a Subcontractor, if applicable. In the event the Contractor fails to provide to the Authority the names of any Key Persons, the Parties shall consider the signatory for the Contractor to be the sole Key Person for the Contractor. **If the Contractor or Subcontractor wishes to add an agent, employee, or subcontractor as a Key Person during the term of this Agreement, the Contractor shall complete and**

submit to the Authority an additional or revised Certificate for that employee, agent, or subcontractor. (See Section 11a of this Agreement.) **If the Contractor or Subcontractor wishes to *remove* an agent, employee, or subcontractor as a Key Person during the term of this Agreement, the Contractor shall submit the request in writing to the Authority at elitehelp@michigan.gov.**

- d. 2007 PA 95, MCL 38.68c. The Contractor and its employees, agents, and subcontractors acknowledge 2007 PA 95, MCL 38.68c, as amended, requires retirees of the State Employees Retirement System (i.e., former state employees who have pensions with the State of Michigan) (“Pensioned Retirees”) who become employed by the State, either directly or indirectly through a contractual arrangement with another party, on or after October 1, 2007, to forfeit their state pension for the duration of their reemployment. Effective October 2, 2010, “employed by the state” includes engagements of pensioned retirees as independent contractors.

Pensioned retirees who provide or render Products and Services under this Agreement as key persons must forfeit their pensions during the term of this Agreement if the pensioned retiree (a) is employed by the State, (b) is employed by the Contractor, (c) is a holder of an ownership interest in the Contractor, (d) is a subcontractor of the Contractor, or (e) is an employee of a subcontractor.

The Contractor acknowledges and agrees to secure the Authority’s prior written consent before retaining, employing, or subcontracting with a pensioned retiree to perform Products and Services under this Agreement. Retaining, employing, or subcontracting with a pensioned retiree to perform Products and Services under this Agreement without the Authority’s prior written consent shall be (a) a material breach of this Agreement and (b) grounds for the Authority to terminate this Agreement and provide notice to the Office of Retirement Services (“ORS”) that the retiree has

received pension payments and payments directly or indirectly through this Agreement.

If the Contractor or subcontractor employs or retains a pensioned retiree as a key person or subcontracts with a pensioned retiree, the Contractor must submit a copy of the pensioned retiree's directions to the ORS, identified as Exhibit G – *Retiree Rehire Certification* (“Exhibit G”) attached and incorporated into this Agreement, to withhold the retiree's pension payments during the term of this Agreement.

The Contractor and the pensioned retirees it employs acknowledge and agree that neither the State, nor the Authority, nor its employees, directors, agents nor board shall be liable to the Contractor or pensioned retiree for the forfeiture of the retiree's pension payments during or after the term of this Agreement. The Contractor and pensioned retiree acknowledge that the Authority has no responsibility to confirm whether the ORS has or will forfeit the retiree's pension.

12. **Conflicts of Interest.** The Contractor acknowledges that its employees, members, shareholders, agents, or subcontractors and their employees, members, shareholders and agents, prior to or during the term of this Agreement are not employees of the State of Michigan or its units. Prior to the execution of this Agreement, the Contractor acknowledges and confirms that it has delivered to the Authority a written list of all interests of the Contractor, or its officers and employees, which may create conflicts between the interests of those entities or parties and the interests of the Authority. Should a constructive or actual conflict of interest arise during the term of this Agreement, the Contractor shall report, whether suspected or confirmed, to the Authority's Director of

Legal Affairs and the Chief Housing Solutions Officer promptly, but no later than one (1) business day, a detailed description of the conflict of interest.

13. **Prohibited Methods and Procedures.** The Contractor and its agents, subcontractors, employees, and representatives, in the course of the performance of Products and Services under this Agreement, shall not specify, recommend, use, or permit the use of any system, method, plan, design, process, procedure, patent, or copyright which, if used, infringes upon a proprietary interest or necessitates the payment of any royalty, fee, or commission. The Contractor shall not use or permit the solicitation for or securing of any agreement or employment in connection with this Agreement upon an agreement or arrangement for payment, either directly or indirectly, of a commission, percentage, brokerage, or contingent fee.

If Federal funds are used to pay the Contractor under this Agreement, no part of the money appropriated by any enactment of Congress shall, in the absence of express authorization by Congress, be used directly or indirectly to pay for any personal service, advertisement, telegram, telephone, letter, printed or written matter, or other device, intended or designed to influence in any manner a member of Congress, to favor or oppose, by vote or otherwise, any legislation or appropriation by Congress, whether before or after the introduction of any bill or resolution proposing such legislation or appropriation; but this shall not prevent officers or employees of the United States or of its departments or agencies from communicating to members of Congress on the request of any member or to Congress, through the proper official channels, requests for legislation or appropriations which they deem necessary for the efficient conduct of the public business. 18 U.S.C. § 1913 (2002).

14. **Participation in Other Authority Programs.** With the exception of providing Products and Services to the Authority as described in Exhibit B of this Agreement, neither the Contractor nor the Contractor's employees, agents, officers, directors, shareholders, members, or subcontractors will participate in Authority housing programs or do business with the Authority under any program in which the Authority has a direct or indirect relationship without securing approval from the Authority's Director of Legal Affairs and the Chief Housing Solutions Officer. (See Section 12a of this Agreement.)

15. **Indemnity and Non-Limitation. Mich. Const. art. IX, § 18.** The Contractor agrees to defend, indemnify, and hold harmless the Authority from any claims, damages, or expenses, including reasonable attorneys' fees, arising or alleged to arise in whole or in part from damage or injury caused by or resulting from any action or inaction of the Contractor, its agents or employees, or sustained in connection with the violation of any law, statute, ordinance, or regulation by the Contractor, its agents or employees, or sustained in connection with the performance of this Agreement by the Contractor, its agents or employees, or sustained as a result of any breach of this Agreement by the Contractor.

In any and all claims against the Authority or any of its officers, agents, or employees by an employee of the Contractor, any subcontractor, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, the indemnification obligation under this section shall not be limited in any way by any limitation in the amount or type of damages, compensation, or benefits payable by or for the Contractor or by or for any subcontractor under worker's compensation acts, disability benefit acts, or other employee benefit acts.

16. **Nonassignability and Delegation.**

- a. The Contractor shall not assign or otherwise transfer any interest in this Agreement in any manner not provided for in this Agreement.
- b. The Contractor shall not delegate any duties or obligations under this Agreement to a subcontractor unless the Authority's Contract Administrator, Director of Legal Affairs, and Chief Housing Solutions Officer have given written consent to the delegation. When submitting the request to subcontract, the Contractor shall include the following information about the subcontractor:
 - i. Name of Subcontracting Firm;
 - ii. Work that will be subcontracted;
 - iii. Names of individuals who will perform the subcontracted work;
 - iv. Subcontractors project representative and/or Key Person (See Section 12); and
 - v. List any and all Authority programs through which the subcontractor or the subcontractor's employees, officers, directors, members, shareholders or officeholders participate.
- c. In the event the Contractor retains a subcontractor in accordance with Section 16b above, the Contractor shall insert into each subcontract executed in connection with this Agreement appropriate and enforceable provisions requiring compliance with this Agreement by the subcontractor and the persons acting for it. Throughout the performance of any subcontracts, the Contractor shall monitor and verify the compliance of all subcontractors and persons acting for them and shall immediately take any affirmative or remedial measures prescribed by the Authority or otherwise deemed necessary in the opinion of the Contractor for enforcing compliance under such subcontracts.
- d. **Delegation of duties or obligations under this Agreement to a subcontractor without the prior written consent of the Authority's Contract Administrator, Director of Legal Affairs, and Chief Housing Solutions Officer shall be a material breach of this Agreement.** In the event a subcontractor is approved by the

Authority's Contract Administrator, Director of Legal Affairs, and Chief Housing Solutions Officer, the Key Persons for the subcontractor shall be subject to the requirements set forth in Section 11 (Employees of Contractor or Key Persons) of this Agreement, including, but not limited to, the restrictions on pension payments if a pensioned retiree is a Key Person of the subcontractor or an independent contractor retained by the Contractor.

17. **Suspension and Debarment.** Pursuant to 1980 PA 278; MCL 423.322 *et seq.*, the Contractor, in performing this Agreement, shall not enter into a contract with a subcontractor, manufacturer, or supplier whose name has been listed in the register maintained by the State of Michigan, Department of Licensing and Regulatory Affairs, of employees who have been found in contempt of court by a federal court of appeals, on not less than three occasions involving different violations during the preceding seven years, for failing to correct an unfair labor practice as prohibited by Section 8 of Chapter 372 of the National Labor Relations Act, 29 U.S.C § 158.

The Authority may void this Agreement if the name of the Contractor or the name of a subcontractor, manufacturer, or supplier used by the Contractor in performing this Agreement subsequently appears in the register during the period of this Agreement.

The Contractor certifies, by signing this Agreement, that it possesses business integrity and that neither it nor any of its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in grants or contracts by any federal, state, or local department or agency.

The suspension of the Contractor by the State of Michigan, an agency of the State, or a department of the Federal Government, shall be at the option of the Authority, a material breach and grounds for the immediate termination of this Agreement.

18. **Independence of Contractors.** The Authority shall retain the Contractor as an independent contractor, and the Contractor hereby accepts such independent contractor relationship, upon the terms and conditions set forth in this Agreement. Nothing in this Agreement shall be construed to create the relationship of employer and employee between the Authority and the Contractor or any of its employees or agents. **The Contractor, its employees and subcontractors, shall be deemed at all time and for all purposes to be independent contractors.** The Contractor acknowledges and agrees that all payments by the Authority to the Contractor shall be made without deduction for federal, state or local income taxes, social security taxes and similar items, and that the Contractor shall be solely responsible to report income under this Agreement to the Internal Revenue Service and other appropriate taxing authorities and to pay such taxes (including, without limitation, being solely responsible to make periodic estimated payments of such taxes in accordance with applicable law). The Contractor further acknowledges and agrees that all payments under this Agreement to the Contractor by the Authority shall be reported to the Internal Revenue Service and other appropriate taxing authorities on Form 1099 (or equivalent or replacement forms). Finally, the Authority acknowledges that the manner and means of producing the Products and Services described in Exhibit B are under the control and at the discretion of the Contractor.
19. **Ownership of Documents, Reports and Other Products.** All documents, reports and any other products developed and/or delivered to the Authority under this Agreement shall become and be the property of the Authority.

20. **Disclosure of Information.** Other than as contemplated by this Agreement, the Contractor, its agents, and subcontractors, without the prior consent of the Authority shall not:
- a. Disclose information or documents created or maintained in connection with this Agreement to anyone.
 - b. Use information or documents created or maintained in connection with this Agreement to further any private interest.

Use or disclosure of documents or information without the prior written consent of an authorized officer of the Authority shall be a material breach of this Agreement.

21. **Modifications.** The Authority or the Contractor may request modification of the scope of work, products, budget, or project work schedule to be performed by the Contractor. Modifications shall comport with the intent and purpose of this Agreement and shall be consistent with applicable state and federal regulations, limitations, guidelines, policies, and interpretations prescribed by the Authority pursuant to law. All requests for modification shall be submitted in written form by the duly authorized representative, as specified in Section 10, of the party requesting modification prior to modification implementation. Failure to obtain prior approval will result in the disallowance of expenditures.

No verbal representation, understanding, agreement, or interpretation of any officer, agent, employee of the Authority or Contractor, either before or after execution of this Agreement, shall modify any of the terms of this Agreement, unless such representation, understanding, agreement, or interpretation is expressly stated in this Agreement or an amendment to this Agreement executed by both parties.

22. **Termination of Agreement.** Termination is the cancellation of this Agreement, in whole or in part, at any time prior to the date of completion.

- a. Termination for cause. The Authority may terminate this Agreement, in whole or in part, at any time before the date of completion, whenever it is determined that the Contractor has failed to comply with the terms and conditions of this Agreement. The Authority will promptly notify the Contractor in writing of the termination and the reasons for the termination, together with the effective date of termination. Payments made to the Contractor, or recoveries by the Authority under this Agreement when it is terminated for cause, will be in accordance with the legal rights and liabilities of the parties.
- b. Termination for convenience. The Authority or the Contractor may terminate this Agreement, in whole or in part, when the Parties agree that the continuation of the Agreement would not produce beneficial results commensurate with the further expenditure of funds. If the Contractor seeks termination of this section, it must provide the Authority with a ninety (90 days) written notice. The Parties will agree upon the termination conditions, including the effective date and, in the case of partial terminations, the portion to be terminated. An amendment of the terms of this Agreement is required for all terminations for convenience.
- c. Termination by Contractor. At any time prior to the first payment on the Agreement, the Contractor may, with written notification to the Authority, unilaterally cancel this Agreement. Once initiated, no Product or Services financed with Authority assistance shall be terminated by the Contractor prior to satisfactory completion without approval of the Authority. After the first payment, the Product or Services may be terminated, modified, or amended by the Contractor only by mutual agreement of the Parties. Termination requests prior to completion of the Product or Services must fully explain the reasons for the action and detail the proposed disposition of the uncompleted Product or Services.
- d. Termination of Agreement for Unavailability of Authority or Federal Funds. It is the intent

and understanding of the Parties that this Agreement is contingent upon the availability of Authority or Federal funds or the receipt by the Authority of Federal funds. If Authority funds or Federal funds, approved or obligated by the Authority in connection with this Agreement, are at any time rendered unavailable, the Authority shall then have the right to terminate this Agreement by the giving of a written notice, the basis, and the effective date of the termination to the Contractor. Should this Agreement be terminated by reason of the unavailability of Authority or Federal funds for the purposes of this Agreement, all finished or unfinished documents, data, studies, reports, and other materials prepared by the Contractor under this Agreement prior to the effective date of the termination shall be delivered to the Authority in a format specified by the Authority.

In the event of termination under this section for lack of Authority or Federal funds, the Contractor shall be entitled to receive payment for Products and Services incurred under this Agreement prior to the effective date of termination.

- e. Commitments. If this Agreement is terminated, the Contractor will not incur new obligations for the terminated portion after the effective termination date. The Contractor will, at its own expense, cancel any outstanding obligations. Costs incurred after the effective date of the termination will be disallowed. In the event of termination, all finished or unfinished documents, data, studies, reports, and other materials prepared by the Contractor under this Agreement prior to the effective date of termination shall become the property of the Authority. The Contractor will provide all finished and unfinished material as previously described within 30 calendar days of the termination date. The Contractor, in the event of termination under this provision, is entitled to receive reimbursement for Products and Services satisfactorily performed under this Agreement prior to the effective date of such termination. Notwithstanding the foregoing, the Contractor shall not be relieved of its liability to the Authority for the damages sustained by the Authority as the result of any breach of this Agreement until

the Authority so releases the Contractor and has determined for the purpose of set-off the exact amount of damages due the Authority.

23. **End of the Agreement.** If the Authority offers the Contractor an extension or new contract and the Contractor chooses not to enter into the extension or new contract, the Contractor must notify the Authority in writing no less than ninety (90) days before the expiration of the current contract. If the Contractor provides less than a 90-day written notice to the Authority, the Parties agree to execute an amendment to the terms of this Agreement that requires the Contractor to provide services for a period of time specified by the Authority or until a replacement Contractor enters into a contract with the Authority to serve the geographical region, whichever occurs sooner.
24. **Severability of Provisions.** It is declared to be the intent of the parties that if any provision of this Agreement executed by both parties or its application to any persons or circumstances is adjudged by any court of competent jurisdiction to be invalid, the court's judgment shall not affect or invalidate the remainder of this Agreement nor its application to other persons or circumstances, unless so provided by the court or unless the severance of the invalid provision alters the basic intent or purpose of this Agreement, would cause an increase of the Authority's financial obligation, or renders impossible the compliance with any applicable statute, regulation, limitation, guideline, policy.
25. **Michigan Law.** This Agreement shall be governed by the laws of the State of Michigan and shall be binding upon the Contractor's successors, assigns, and legal representatives. All records pertinent to this Agreement are subject to public disclosure under the Michigan Freedom of Information Act; 1976 PA 442; MCL 15.231 *et seq.* The Contractor shall insert the provisions of this section into any subcontract entered into to accomplish the terms of this Agreement.

IN WITNESS WHEREOF, the Parties have caused this REVISED AND AMENDED AGREEMENT to be executed by:

«CompanyName»

By: _____
«Signatory», «SignerTitle»

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY

By: _____
Gary Heidel, Acting Executive Director

SAMPLE