



Maine State Housing Authority  
Request for Proposals (RFP) for  
Depository Services

**SCHEDULE**

**Issue Date: April 25, 2024**

**Deadline for Questions: May 24, 2024 5:00 p.m. EST**

**Deadline for Submitting Proposals: June 20, 2024 5:00 p.m. EST**

**MaineHousing Contact for this RFP:**

**Bob Conroy, Director of Asset Management**

**E-mail: [escrowrfp@mainehousing.org](mailto:escrowrfp@mainehousing.org)**

**MAINEHOUSING NONDISCRIMINATION NOTICE:**

*MaineHousing does not discriminate on the basis of race, color, religion, sex, sexual orientation, gender identity or expression, national origin, ancestry, age, physical or mental disability, familial status, or receipt of public assistance in the admission or access to, or treatment in, its programs and activities. In employment, MaineHousing does not discriminate on the basis of race, color, religion, sex, sexual orientation, gender identity or expression, national origin, ancestry, age, physical or mental disability, or genetic information. MaineHousing will provide appropriate communication auxiliary aids and services upon sufficient notice. MaineHousing will also provide this document in alternative formats upon sufficient notice. MaineHousing has designated the following person responsible for coordinating compliance with applicable federal and state nondiscrimination requirements and addressing grievances: Lauren Bustard, Maine State Housing Authority, 26 Edison Drive, Augusta, Maine 04330, Telephone Number 1-800-452-4668 (voice in state only), (207) 626-4600, or Maine Relay 711.*

# Maine State Housing Authority

## Request for Proposals For Depository Services

### I. INTRODUCTION

#### Overview

Maine State Housing Authority (“MaineHousing”) is seeking an experienced and qualified financial institution to serve as the depository for certain reserve and escrow accounts that are assets of the multifamily rental projects financed and/or administered by MaineHousing. The mortgages on these properties are assets of MaineHousing’s Aa1/AA+ (Moody’s/S&P) rated bond resolution. These accounts, as further described below, are controlled by MaineHousing’s Asset Management Department. MaineHousing may consider selecting more than one financial institution at its discretion. MaineHousing would like to invite your financial institution to participate in this process.

#### About MaineHousing

MaineHousing’s mission is to assist Maine people in obtaining and maintaining quality affordable housing and services suitable to their housing needs. MaineHousing is an independent quasi-state agency that, at its core, couples the efficiencies of the private financial markets with public purpose goals to provide affordable home ownership and rental housing opportunities for Maine people. In addition, it administers a number of state and federal housing-related programs including the Low Income Housing Tax Credit Program, the Section 8 Rental Assistance programs, the Emergency Solutions Grant Program, the Weatherization Program, and the Low Income Home Energy Assistance Program on behalf of the State of Maine. These programs, as well as others, reduce costs associated with housing for Maine people.

For more information about MaineHousing, please go to [www.mainehousing.org](http://www.mainehousing.org).

### II. GENERAL TERMS AND CONDITIONS

#### Review and Compliance

It is the responsibility of each Respondent to review this entire document and comply with all requirements of this RFP. “Respondent” refers to any person or entity who may, or does, submit a proposal in response to this RFP.

#### Contact for Questions

Respondents may pose questions in writing to Bob Conroy at [escrowrfp@mainehousing.org](mailto:escrowrfp@mainehousing.org) until May 24, 2024. MaineHousing will share responses to questions it deems appropriate with all recipients of this RFP by posting responses to the MaineHousing website. No other contact with MaineHousing employees is allowed.

#### Response Costs

MaineHousing is not liable for any expenses incurred by the Respondent in the preparation, delivery, or submission of their responses to this RFP. Costs of developing and delivering responses to this RFP are solely at the expense of the Respondent.

#### Response Materials

All materials submitted, as part of the response, become the property of MaineHousing, whether or not selected.

### Term

The term of the award, pursuant to this RFP will be three (3) years, with the possibility of two (2), one (1) year renewals for a total of a five (5) year term.

### Rights Reserved by MaineHousing

MaineHousing reserves the right to:

Adjust the timetable for this RFP as deemed necessary.

Waive informalities and minor irregularities in proposals received.

Reject and not consider any or all Respondents who do not meet the requirements of this RFP, including but not limited to incomplete responses and/or non-responsive proposals.

Reject any or all proposals received and not to award a contract pursuant to this RFP, or to cancel or terminate this RFP process at any time, whether before or after any proposals have been submitted or received, if deemed by MaineHousing to be in its best interest.

Negotiate price or other factors included in any proposal submitted to MaineHousing, and in the event MaineHousing is unable to negotiate a mutually satisfactory contract with the successful Respondent under this RFP, MaineHousing may, in its sole discretion, negotiate with another Respondent or cancel this RFP and not award a contract to any Respondent.

Reject the Respondent selected pursuant to this RFP and to offer a contract to another Respondent in the event the selected Respondent does not enter into the required contract to provide related services described in this RFP.

Negotiate directly with one Respondent if the responses to this RFP demonstrate a lack of competition.

Correct or amend this RFP. In no case will this RFP be amended within seven (7) days of the proposal submission deadline unless the amendment includes an extension of time. MaineHousing will not be liable for any costs incurred as a result of changes to this RFP.

MaineHousing reserves the right to split the award among multiple Respondents.

### Other Terms and Conditions

**Conflict of Interest.** The Respondent, any principal or affiliate of the Respondent, or anyone who will be paid for work on the Contract, that has business ties, familial relations, or other close personal relations with a current MaineHousing employee or a commissioner, or anyone who was a MaineHousing employee or a commissioner within the past year must disclose this information.

**Confidentiality and Nondisclosure.** Respondent shall maintain in trust and confidence and shall not disclose to any third party, except as such disclosure may be authorized in writing in advance by MaineHousing, and shall not use for any unauthorized purpose, any and all information, documents and data received or obtained from or on behalf of MaineHousing. Respondent may use such information, documents and data only to the extent required for the purposes described in this RFP. Respondent shall adhere to all security, confidentiality and

nondisclosure policies and procedures required by MaineHousing for the protection of such information and data from unauthorized use and disclosure and from loss.

**Maine Freedom of Access Act. Information submitted by a Respondent in any proposal becomes public information, and is subject to disclosure in accordance with the requirements of law, including without limitation the Maine Freedom of Access Act, 1 M.R.S.A. Section 401 et seq. ("FOAA"), except as provided therein. Respondent acknowledges that MaineHousing is required to comply with FOAA.**

**Protest Procedures.** Protests of any award made pursuant to this RFP must be submitted in writing to MaineHousing at the address given on the cover page of this RFQ, to the attention of: Director. To be considered, protests must be received by MaineHousing within fifteen (15) calendar days from the date of notification of the contract award and provide specific reasons and any supporting documentation for the protest.

**Women and Minority Owned Businesses.** Women and minority owned businesses are encouraged to apply. To subcontract any of the work, Respondent must follow the steps outlined in 2 CFR 200.321.

### III. SCOPE OF WORK

As noted above, MaineHousing seeks competitive proposals from qualified financial institutions ("Firms" or "Respondents") to provide MaineHousing with depository services related to reserve and escrow accounts for multifamily rental properties financed by MaineHousing. The successful Firm will provide depository services in accordance with the Scope of Services section of this RFP.

#### **Minimum Qualifications**

A Respondent must meet all of the qualifications outlined in this section. Failure to do so will result in the rejection of the proposal.

- A. Meet all legal and regulatory requirements of departments and agencies of Federal and State Government as appropriate for the services being proposed.
- B. Use a liquid fund such as a money market or similar fund rated Aa1/AA+ (Moody's/S&P) or higher or have the ability to insure or fully collateralize deposits with securities or obligations issued or fully insured or guaranteed by the United States, an agency or instrumentality thereof, or a United States government sponsored entity. A Federal Home Loan Bank Irrevocable Letter of Credit issued to MaineHousing as beneficiary is also acceptable collateralization for the accounts.
- C. Provide escrow services through an online platform that allows for interest to be posted directly to sub-accounts.
- D. Provide electronic monthly bank statements to both MaineHousing and the property owner.
- E. Maintain reasonable internal controls to safeguard funds, accounts, and confidential data.
- F. Employ appropriate disaster recovery plans and resources to adequately and completely protect all MaineHousing accounts.
- G. Maintain records of all MaineHousing transactions for a period of no less than seven (7) years.

## Scope of Services

Below is the scope of work for depository services relating to escrows and reserves:

- A. The types of accounts generally include (i) tax and insurance escrows, (ii) replacement reserves, (iii) operating deficit escrows, and (iv) any other escrow or depository accounts required by the MaineHousing. Separate accounts are established for each type of escrow or reserve needed for each property. New accounts need to be established on the same day as the request is made by the MaineHousing.
- B. As of March 31, 2024 there are 750 accounts for 402 individual properties with a total value of \$63.6 million.
- C. In a typical month, there are 320 deposits via ACH and check and 80 withdrawals.
- D. A central clearing account must be established for the deposit of funds on a daily basis via an ACH transfer to the Respondent. Funds are then transferred by designated users at MaineHousing from the clearing account to individual accounts.
- E. Amounts on deposit (exclusive of the sum covered by FDIC) must be invested in a fund rated Aa1/AA+ (Moody's/S&P) or higher or must be fully insured or collateralized.
- F. Each individual sub-account must be interest-bearing.
- G. MaineHousing also requires electronic data transmission of monthly earnings for each of the escrow accounts for purposes of interfacing with the internal system that tracks escrow balances and activity. On a monthly basis, MaineHousing will require an electronic file containing the earnings posted to each account at the end of the month.
- H. MaineHousing and the property owner must be provided with the ability to access online balance and transaction information.
- I. MaineHousing and the property owner require electronic monthly bank statements for each individual account.
- J. A secure system must be used to designate users within MaineHousing to transfer funds between accounts and wire/ACH funds to recipients outside of the bank. MaineHousing must also have the ability to write checks.
- K. Prepare 1099 INT forms as required. The 1099 INT forms need to be filed with the IRS and distributed to borrowers (on whose behalf the accounts are held) in accordance with IRS regulations.

## IV. SUBMISSION REQUIREMENTS

**The submission deadline for all proposals is 5:00 PM on June 20, 2024.** Proposals should be emailed to [escrowrfp@mainehousing.org](mailto:escrowrfp@mainehousing.org).

The proposal must include a written response to the questions in Section V and an executive summary opening sections. In the executive summary, please discuss how your financial institution is best positioned to provide these services to MaineHousing. Please limit the executive summary to no more than two (2) pages and your question responses (as outlined in Section V) to no more than ten (10) pages. A cover letter and any exhibits or appendices should be limited to an additional ten (10) pages.

## V. RESPONSE REQUIREMENTS

1. Provide the Firm name, corporate address, local address (if different), telephone number and email for the contact with respect to this RFP, and main point of contact for the account should your Firm be successful.

2. Provide a general description of your organization, including:
  - a. Qualifications to perform the requested services in this RFP;
  - b. Any unique characteristics of your organization relevant to the requested services;
  - c. Any subcontractors that will be used in this engagement; and
  - d. Your presence and community involvement in the State of Maine.
3. Please provide the name or names of the personnel who will be assigned to this account. What are their hours of availability? Are they available to MaineHousing personnel by telephone and/or email?
4. Discuss the Scope of Services giving details about the methods and resources you will use and how you will accomplish each of the tasks involved.
5. Describe in detail the capabilities and configuration of your online banking platform and how MaineHousing can use it with the proposed depository relationship.
6. Does your proposal include providing MaineHousing the ability to disburse monies by check, ACH and wire transfer using your online banking platform, or transferring funds to MaineHousing’s operating bank in order to disburse payments from the accounts as needed? If the former, do you offer positive pay verification on checks?
7. Please provide any recommendations you have on streamlining the deposit and disbursement process.
8. Please provide a prospectus that shows allowable investments and the fund’s rating, if using a fund, or describe how funds on deposit will be insured or collateralized.
9. Please describe what type of account or fund will be used for these deposits. If invested in a fund, please provide the funds’ rating or investment criteria (such as minimum rating of securities purchased or only invests in securities backed by the U.S. Government, as examples).
10. Indicate the rate paid on deposits as of May 1, 2024. How often is the rate reset? How is the rate set? If an index is used, what is the benchmark, spread, and any other components of the formula?

**Business References**

Respondent must provide three (3) business references from private, state, quasi-state and/or large local government clients that received services from Respondent similar to those described in this Request within the past three (3) years.

Contact Information	
Entity:	
Contact Person:	
Phone, including area code:	
Email address:	
Services Description	
Brief description of services performed.	
Services start and end dates:	
Contact Information	
Entity:	
Contact Person:	
Phone, including area code:	

Email address:	
<b>Services Description</b>	
Brief description of services performed.	
Services start and end dates:	
<b>Contact Information</b>	
Entity:	
Contact Person:	
Phone, including area code:	
Email address:	
<b>Services Description</b>	
Brief description of services performed.	
Services start and end dates:	

MaineHousing reserves the right to contact and verify any and all references listed.

**Cost Proposal**

Please provide a cost proposal for the requested services that will remain firm for the initial three (3) years of the contract. The cost proposal must include all costs necessary for the Respondent to fully comply with the requested Scope of Work. Costs should be broken down and differentiated, as necessary, between annual fees, transactional fees, or one-time fees. Please clearly describe whether fees are billed directly or whether a compensating balance, or other fee arrangement, is being proposed.

**VI. PROPOSAL EVALUATION AND SELECTION CRITERIA**

MaineHousing may interview finalists at its discretion. If interviews are desired, MaineHousing’s goal would be to have them in Maine in June or July 2024. MaineHousing expects that the individuals who would be assigned to the account would participate in the interview.

Respondents will be evaluated on the basis of their written response to the RFP and interview, if any. The most important criteria will be:

1. The Firm’s qualifications and experience;
2. Proposed service plan, collateral, and earnings rate;
3. Completeness of response; and
4. Cost Proposal.

Subject to the reservation of rights and the other terms and conditions of this RFP, MaineHousing will select the Respondent whose proposal is most advantageous to MaineHousing and the properties for which the escrow and reserve accounts are assets, taking into account the selection factors in this RFP. Any award is contingent on successful negotiation of the final contract terms. In no event will

any claimed obligations of any kind be enforceable against MaineHousing unless and until MaineHousing and the selected Respondent enter into a written contract. This RFP and the successful Respondent's proposal, as may be modified pursuant to this RFP, will be incorporated by reference into and be part of any contract between MaineHousing and the Respondent.



**APPENDIX A**  
**RESPONDENT CERTIFICATION FORM**

<b>Respondent Name</b>	
<b>Respondent Address</b>	

**The undersigned Respondent represents and certifies as follows:**

1. The prices in this proposal have been arrived at independently and without consultation, communication, agreement or disclosure with or to any other Respondent or potential Respondent.
2. No attempt has been made at any time to induce any firm or person to submit any intentionally high or noncompetitive proposal or to otherwise submit or refrain from submitting a proposal for the purpose of restricting competition.
3. Respondent has not given, and will not give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to any employee or representative of MaineHousing in connection with this Request.
4. Respondent acknowledges that MaineHousing will determine whether a conflict of interest exists and that MaineHousing reserves the right to disqualify any Respondent on the grounds of actual or apparent conflict of interest.
5. Respondent has not employed or retained any person or entity to solicit or obtain any contract resulting from this Request and has not paid or agreed to pay to any person or entity any commission, percentage, brokerage, or other fee contingent upon or resulting from the award of any such contract.
6. Respondent understands and acknowledges that the representations in its proposal are material and important and will be relied on by MaineHousing in evaluating the proposal. Respondent certifies that, to the best of its knowledge, all of the information contained in its proposal is true, correct and complete and acknowledges that any intentional misrepresentation by Respondent will disqualify Respondent from further consideration in connection with this Request.
7. The undersigned individual is legally authorized to sign this Respondent Certification Form for and on behalf of Respondent and to bind Respondent to the statements made herein.

<b>Name, Title and Signature of Individual with Authority to Bind Respondent</b>	
<b>Name</b>	
<b>Title</b>	
<b>Signature</b>	
<b>Date</b>	