



GOVERNMENT OF PUERTO RICO
PUERTO RICO HOUSING FINANCE AUTHORITY

Request for Proposals (RFP) for

Actuarial Services for Secured Mortgage Reserve Fund

created pursuant to Act No. 87 of June 25, 1965, as amended, known as the
"Secured Mortgage Reserve Fund Act"

Published: September 25, 2024

Deadline to submit Proposals:

On or prior 4:00pm of Thursday, October 17, 2024.

Proposals must be sent by email to: RFPactuarial@afv.pr.gov

HAND DELIVERY AND POSTAL MAILED DOCUMENTS WILL NOT BE ACCEPTED.

NO TELEPHONE QUERIES WILL BE ACCEPTED

INTRODUCTION

QUALIFICATIONS AND SCOPE OF WORK

The PRHFA will consider submissions from companies with the capacity to provide support by addressing PRHFA's needs, specifically by providing Actuarial Services for Secured Mortgage Reserve Fund.

Set forth below are certain areas of expertise that the PRHFA believes relevant in its evaluation, qualification, and selection of potential proponent:

- Actuarial sciences
- Financial analysis
- Financing regulations
- Housing finance
- Insurance and financial services
- Mortgage banking
- Mortgage loan portfolio analysis
- Industry standards on mortgage insurance
- Insurance reserve analysis
- Risk management

The inability to satisfy all the above recommended areas of expertise will not disqualify any submission.

Activities and assignments for the PRHFA may include, but are not limited to, those related to support, facilitate and complete an analysis of the Secured Mortgage Reserve Fund managed by PRHFA and provide a report that includes the corresponding recommendations. The activities and assignments for the PRHFA may include the following:

- Review and analysis of the Secured Mortgage Reserve Fund created pursuant to Act No. 87 of June 25, 1965, as amended, known as the "Secured Mortgage Reserve Fund Act", and related regulations;
- Evaluate current market conditions of the Secured Mortgage Reserve Fund;
- Assess the adequate amounts needed for the Secured Mortgage Reserve Fund;
- Provide the objectives, conceptual map and research methodology;
- Estimation, evaluation and interpretation of the Risk Incidence Model;
- Provide projections;
- Provide references;
- Draft documents necessary for the assignment;
- Collaborate and communicate with PRHFA officials, representatives and consultants, as necessary;

- Collaborate and communicate with other Government officials, as necessary;
- Assist in preparing and presenting materials that may be required for governmental approval process, including PRHFA Executive Director, PRHFA Board of Directors, Puerto Rico Fiscal Agency and Financial Advisory Authority, and the Financial Oversight and Management Board for Puerto Rico, as necessary;
- Related activities and assignments for the PRHFA that support, facilitate and complete the assignment.

CONTENTS OF THE RESPONSE TO THE RFP

Proposals shall contain the following elements:

a. Description of the Firm.

Provide a brief overview of your firm and its primary areas of business. Include in this section if the respondent is authorized and engaged in trade and business in Puerto Rico.

b. Experience and Qualifications Related to the Scope of Work and Expertise.

Provide a summary of the firm's experience in the relevant areas of the Scope of Work. It should also identify any other practice area and experience they have that may be helpful for the potential tasks to be performed under this RFP.

c. List of Individuals Assigned to the Activities of the Authority.

Include a description of relevant experience and any history of working within the jurisdiction of Puerto Rico, to the extent applicable. Provide an organization chart for your team, if applicable.

d. Prior Work, Related Activities and Investments for the Commonwealth or Component Units.

In order to allow the PRHFA to conduct an initial assessment of potential conflicts of interest, please provide a brief description of any work you have performed related to the PRHFA, the Government and/or its Component Units for the previous five (5) fiscal years preceding the issuance date of this RFP. Indicate whether this activity is ongoing and, if not, when the prior assignment was concluded. In addition, please provide information related to involvement in litigation and/or investigations related to PRHFA, the Government and/or its Component Units, if any. The PRHFA may request additional information in the future.

e. References.

Provide contact information for references for two (2) separate past assignments that are relevant to those anticipated by PRHFA.

f. Fee structure.

Provide a detailed description of your proposed compensation, broken down by type of service as applicable.

EVALUATION CRITERIA

In order to identify qualified respondents, the Authority will evaluate individuals or companies that submitted a proposal based on the following factors and criteria:

- Qualifications on the recommended areas of expertise listed above.
- Experience with relevant and/or similar transactions.
- Capacity to manage a high volume of transactions.
- Ability to engage quickly with the Authority.
- Conflicts of interest review. It should be noted that, prior engagements shall not automatically disqualify a respondent but will need to be disclosed in your proposals.
- Completeness, presentation, and quality of the proposals throughout the selection process.
- Fee Structure

CONFIDENTIAL OR PROPRIETARY INFORMATION

Your proposals, evaluations and content of any discussions shall be kept strictly confidential throughout the evaluation and award process. Only PRHFA and the designated evaluation committee shall have access to your proposals and the evaluation results. PRHFA may request and use, at its discretion, assistance from outside consultants during the evaluation process. A copy of your proposals will be retained for PRHFA's files. If you consider that your proposals contains material that is confidential and/or proprietary, you must clearly note or mark each section of material as confidential and/or proprietary. The PRHFA will determine whether such material meets the requirements for an exemption from disclosure. If so, that information will not be disclosed pursuant to a request for public documents. If PRHFA does not consider such material to meet the requirements for exemption from disclosure, the material will be made available to the public, regardless of

the notation or markings. It is your responsibility to be thoroughly informed and familiar with the requirements of disclosure of public documents.

Furthermore, by responding to this request, you acknowledge and agree that PRHFA will not be responsible or liable in any way for any losses that you may suffer from the disclosure of information or materials to third parties. It is your responsibility, as the real party in interest, to object to any disclosure and defend any action that may be necessary to protect its confidential information.

GENERAL DISCLOSURES

This RFP is intended to provide all prospective respondents with sufficient information to enable them to prepare and submit a proposal for consideration by PRHFA. This RFP does not require any prospective respondent to procure or contract for services or supplies, and it shall not be construed as authorization to proceed with or be reimbursed for any of the costs of the work specified herein. Each prospective respondent is responsible for all of its costs and expenses for preparation and submission of the proposal and all related activities.

The issuance of this RFP, submission of a proposal by any respondent, and the acceptance of such response by PRHFA does not obligate PRHFA. Legal obligations will only arise upon the execution of a formal contract with the selected respondent. This RFP does not constitute a promise or guarantee of engagement by PRHFA and/or the Commonwealth, and in no way limits PRHFA and/or the Commonwealth authority to engage any other organization or firm, as needed.

The PRHFA reserves the right to amend, modify or cancel this RFP in whole or in part, at any time, with or without substitution of another RFP if such cancellation is determined to be in the best interest of the PRHFA and/or the Commonwealth. All costs and expenses incurred by the proponents in the preparation and delivery of a proposal will be the sole responsibility of the proponents. The PRHFA and/or the Commonwealth will not be liable for any amounts to any participant in any manner, under any circumstances, including without limitation, as a result of a cancellation of the RFP process. The proponents cannot make any claims whatsoever for reimbursement from the PRHFA or from any other Government entity for the costs and expenses associated with the process.

This request has been prepared solely to solicit responses and it is not a contract offer and is not binding on PRHFA and/or the Commonwealth. Neither the expression of any organization's interest, nor the submission of any organization's qualifications and any documents or other information, nor the acceptance thereof, by PRHFA, nor any correspondence, discussions, meetings, or other communication between an interested party and PRHFA, shall impose any

obligation on PRHFA to include the interested party in any such further procedures which PRHFA may utilize prior to the final designation of a proposal or proposals, shall be deemed to impose any obligation whatsoever on PRHFA to designate an interested party, to discuss any proposals which an interested party may submit, or to enter into negotiations with an interested party, or shall entitle the interested party to any compensation or reimbursement for any costs or expenses incurred by an interested party in connection with the furnishing of a proposals hereunder. No costs of responding to this request of qualifications or any addenda or amendment thereto, nor cost of attending any subsequent interviews or meetings in connection with this opportunity, shall be reimbursed by PRHFA.

To be eligible for award, the participant shall comply with the requirements stated under this RFP and as required by other Government entities, as applicable. Also, to be eligible for an award the participant shall submit a proposal that conforms to the requirements of format and content as stated under this RFP. Failure to comply with such requirements may result in disqualification and removal from further consideration. The PRHFA is not bound to accept any proposals if proponents do not meet the requirements set forth in this RFP. Specifically, to be responsive, the proposals shall include all information identified, organized and in the form specified under the abovementioned sections. A nonresponsive proposal may be disqualified and removed from further consideration.

Any prospective firm who submits or attempts to submit a proposal is solely responsible for the method of submission and assumes the risk that the proposal may be delayed or not received by PRHFA, whether by reason of equipment malfunction, human error or any other cause whatsoever.

Upon receipt of responses within the period of this RFP, PRHFA shall evaluate the merits of such responses. Acceptance of proposals shall give rise to no liability or obligation on the part of PRHFA and/or the Government, and no prospective respondent will have any cause of action against PRHFA and/or the Government arising out of a failure to award a contract to that prospective respondent, or failure to consider any proposals or any expenses incurred by a prospective respondent in the course of the preparation of the proposals. PRHFA reserves the right, in its sole discretion, to request other proposals in the future. PRHFA hereby reserve the right to consider any and all factors relating to a determination of the ability and suitability of the prospective respondent, their respective agents or representatives. PRHFA reserves the right to reject any and all proposals, to further negotiate any proposal and to waive any non-compliance with the instructions set forth herein, at its sole discretion. All proposals become property of PRHFA upon submission. Please be advised that any information provided to PRHFA may be subject to open records requests.

CONSULTATIONS

Please direct all inquiries related to the RFP process or proposals submissions to:

Name: Mrs. Carmen Arroyo

Position: Executive Director of Administration

Email Address: RFPactuarial@afv.pr.gov