CalHFA Board of Directors
Single Family Re-Platforming Project

September 12, 2013

Review of Budget Approval

- The current Single Family hardware and software platform is obsolete, at capacity and does not support the information analysis needs of CalHFA management
- Agency has sought a vendor to provide a new platform for the existing system
- Single Family Re-Platforming Project budget
  - $1.5 million one-time cost over 2 fiscal years
  - Funds already approved as part of 2013/14 budget
- Requesting Board approval of Resolution 13-12
  - Negotiate and enter into an agreement with the selected vendor
    - Fixed price for one-time cost of implementation
Single Family Re-Platforming Project

Need

Business Problem

- The current system is:
  - Fragile – built in a technical environment that is not sustainable
  - At Capacity - greatly restricts the ability of the Agency to quickly adapt to constantly changing business needs such as adding loan programs or expanding secondary marketing capabilities
  - Obsolete – does not incorporate current mortgage banking or information technology best practices
  - Marginally Responsive – information is not readily available to management to enable effective and timely reporting for analysis to support business decisions

Objectives of the Single Family Re-Platforming Project are to:

- Move existing system to a stable and modern technical environment
- Improve business operations and efficiencies
- Provide flexibility necessary to be responsive to change
- Integrate loan processes across business functions
- Improve information quality and integrity
- Provide appropriate and timely access to information for all stakeholders
- Diminish the reliance on paper-driven processes
- Improve services to our customers

To meet these objectives, the Project used the Agency’s procurement best practices process to identify the best system solution and vendor
Single Family Re-Platforming Project
Vendor Selection Recommendation

- Summary of Procurement / Selection Process
  - RFP was directly released to five (5) Vendors
  - One vendor expressed interest and submitted a Proposal
    - Public Consulting Group (PCG)
    - Proposal was evaluated
    - Vendor interview conducted
    - References checked
    - Recommendation decision was reached

Based on the outcomes of the procurement and selection process it was determined that PCG:
  - Offered a comprehensive solution to meet the needs of the Agency
  - Appears capable of successfully completing the Project
  - Appears to be a financially stable company with more than 25 years experience with similar technology consulting projects and a very strong client list
  - Offered significant value at a reasonable price
  - Has successfully completed similar project with CalHFA
Single Family Re-Platforming Project

Vendor Selection Recommendation

- Proposed Project Schedule
  - Project begins October 2013
  - Go-Live October 2014
  - Warranty Period Complete and Final Solution Acceptance – May 2015

- Proposed One-Time Costs - $1,500,000

CalHFA Board Approval of Vendor Selection

- Recommendation: Per Resolution 13-12, approve the Agency to negotiate and enter into a contractual relationship with PCG for the design, development and implementation of software and services that will result in a Single Family solution on a new technical platform meeting Agency needs.

- Board Decision
  - Approved / Disapproved