



Louisiana Housing Corporation

December 15, 2022

TO: ALL CONCERNED PARTIES

**RE: NOTICE of CANCELLATION regarding LHC RFP for
Disaster Management Services**

On August 10, 2022, the Louisiana Housing Corporation (“LHC” or “Corporation”) issued a Request for Proposals (“RFP”) for Disaster Management Services. The RFP required proposals to be submitted by September 7, 2022 at 4:00pm. Five proposals were received timely. Shortly thereafter, a selection committee was empaneled to review all proposals that were deemed responsive. The scoring was based on technical approach, including approach and methodology, experience, corporate background and financial condition and soundness, and staff qualifications and cost proposals, including labor costs and unit-based services. Subsequent to the selection committee’s review and submission of scores on these components, the corporation exercised the RFP expressed right to conduct oral interviews of the five proposers.

The five (5) oral interviews were conducted on October 5, 2022. The final scores were then submitted by the selection committee for a final tally. Upon completion of this process, LHC released the final scores at the October 19, 2022 Board of Directors meeting and subsequently selected Horne and Franklin for award on October 24, 2022.

Thereafter, on November 4, 2022, a proposer submitted a protest to the award and a voluminous public records request related to the procurement. The RFP provides that *any person aggrieved by the proposed award has the right to file a protest with the LHC Executive Counsel no later than seven (7) calendar days after the issuance of the notification of award. This protest was deemed untimely based upon the seven (7) day requirement found in the RFP.* After extensive review, this protest was deemed untimely. However, in review of the documents responsive to the public records request and internal discussions related to its contents, I have developed grave concerns of missteps in the process that threaten the integrity of the process and put in peril the transparency of the Corporation.

The RFP that was issued, along with all other procurement related instruments are governed by the LHC Procurement Policy issued in 2013. All language within a document

seeking to procure services for the Corporation should comport with this policy. A review of the RFP has yielded that it does not wholly comport with the LHC Procurement Policy. Specifically, related to the remedies and process provided to proposers in the event of a protest. The RFP describes the Dispute Review Panel as *the LHC Executive Director and two additional members of the LHC staff, as appointed by the Executive Director*. And authorizes this panel to *resolve any protests arising after the notice of a proposed award*. In contrast, the effective Procurement Policy defines the Dispute Review Panel as *a panel of LHC employees consisting of the designated procurement officer and two additional members to be appointed by the Executive Director who are authorized to resolve, in accordance with this procurement policy, protests and contract controversies*.

Additionally, the RFP describes unit-based costs allocated a maximum score of 20 points in two different sections. In other sections it is allocated the correct maximum score of 10 points. Although the Scoring Breakdown section of the RFP correctly identifies the 10-point maximum score and the Corporation clarified in a FAQ related to a different scoring typo that the chart in this section shall be used by the selection committee when scoring the responses, this error was not specifically identified and clarified prior to submission of proposals or at any time thereafter.

Furthermore, all proposals submitted shall only be deemed responsive, if the proposal has been found to contain all the items required by the RFP. In review of the scoring and the process, I found that one proposer had a score of “0” from all scorers for unit-based service costs. This was an outlier based on all other scores for this proposer and other proposers. After a deeper review into the matter, it was discovered that the score of “0” was given because the proposer did not submit the information. In accordance with the RFP and procurement policy, this was grounds for immediate disqualification. The proposal should not have been advanced to the selection committee. However, this proposal was advanced, and the proposer was invited to the oral interview and received a final score.

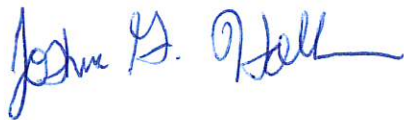
As mentioned, after proposals were received, a selection committee was empaneled. This six-person committee reviewed the technical and the cost components and provided individual scores. When LHC opted to conduct oral interviews, this same six-person committee should have scored the interviews. However, on the day of the interviews, two members did not participate. One member stated illness and did not report to work while the other stated another work priority. These committee members were then replaced with alternative staff that had no previous knowledge of, and had not reviewed, the technical and cost proposals. Furthermore, the scores of these alternates were then added to the

scores of the original members without distinction. This variation causes grave concern related to the consistency and fairness in the process to all proposers.

For the aforementioned reasons, I believe it is in the best interest of LHC to cancel and discard this RFP. As my administration seeks to improve processes and ensure a quality standard, these missteps are too flagrant in the face of touting a new direction. Furthermore, it is incumbent of this agency to take seriously the source of funds that would be allocated in this task-based contract. Federal funds and the compliance associated with it a matter of utmost importance and the procurement related should hold the same standard.

The final positioning of a proposer related to the missteps outlined above have no bearing on whether this procurement should proceed when weighed against the integrity of the agency and the confidence third parties should have in the actions we take.

Sincerely,

A handwritten signature in blue ink, appearing to read "Joshua G. Hollins". The signature is fluid and cursive, with a long horizontal stroke at the end.

Joshua G. Hollins
LHC Executive Director

JGH/beb