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**LOW INCOME INVESTMENT FUND
REQUEST FOR PROPOSAL
FOR**

**LIIF EARLY CARE AND EDUCATION (ECE) GRANTMAKING
SUPPORT**

January 14, 2022

1. Introduction

The Low Income Investment Fund (“LIIF”) is requesting written proposals for Early Care and Education (ECE) grantmaking support, and is working with the Affordable Housing Institute (“AHI”, www.affordablehousinginstitute.org), to manage the Request for Proposal process.

LIIF is a national nonprofit community development financial institution with \$900 million in assets under management. LIIF’s mission is to mobilize capital and partners to achieve opportunity, equity and well-being for people and communities. Since 1984, LIIF has deployed more than \$2.7 billion to serve more than two million people in communities across the country from its five offices. An S&P-rated organization, LIIF innovates financial solutions that create more equitable outcomes for all by building affordable homes, quality educational opportunities from early childhood through higher education, health clinics, healthy food retail and community facilities. More detail can be found on our web site (www.liifund.org).

2. Instructions

On or before February 18, 2022, please submit an electronic copy of your proposal to Alexis Iwanisziw at aiwanisziw@liifund.org, with a copy to Sanjana Sidhra, ssidhra@affordablehousinginstitute.org. The submitted proposal should be no longer than 50 pages, and must contain the following:

1. Cover letter;
2. Firm profile;
3. Approach and design, with relevant experience;
4. Engagement timeline;
5. Response to the Organizational criteria, and Capacity and Approach criteria as mentioned in the Scope of Services section;



6. Fee and budget proposal;
7. Bios and resumes for anticipated team members;
8. Vendor non-discrimination policy¹
9. Completed vendor diversity survey; and
10. Completed confidentiality agreement.

LIIF is not responsible for the costs of preparing the response or any expenses incurred that are associated with this RFP.

3. RFP Timeline

| <i>Milestones</i> | <i>Indicative Dates</i> |
|---|-------------------------|
| RFPs sent to potential participants | January 14, 2022 |
| Questions to be submitted by participants | January 21, 2022 |
| Answers to questions provided to participants | January 28, 2022 |
| Proposals due | February 18, 2022 |
| Interviews conducted | February 28, 2022 |
| Final responses due | March 4, 2022 |
| Estimated award date | March 23, 2022 |

4. Scope of Services

4.1. Summary

¹ Policy must state that vendor (i) does not discriminate on the basis of race, color, religion, ancestry, national origin, age, sex (including sexual harassment), sexual orientation, gender identity, domestic partner status, marital status, disability or AIDS/HIV status, weight, height, or association with members of any of these classes or in retaliation for opposition to any discriminatory practices (ii) administers benefits equally to employees with domestic partners and employees with spouses, and prevents discrimination of benefits such as family leave and medical leave to persons with spouses vs. domestic partners, (iii) provides reasonable accommodations for disability.



As LIIF expands its work nationwide in being an Early Care and Education (ECE) grant maker through LIIF's nationally recognized Child Care Emergency Relief Effort, LIIF is seeking to engage one or more Grant Administration Consultants (each, a "GA Consultant") to enable LIIF to leverage its core competencies and scale across multiple metropolitan areas with no loss of efficiency or customer touch.

4.2. Background on LIIF and ECE

For more than 25 years, LIIF has provided grants and business capacity building services for early care and education (ECE) providers – the majority of whom are women, immigrants and people of color – to open or expand their businesses. Through the generous support of our funders, LIIF has provided more than \$40 million in emergency relief grants to 1,300 early care and education providers in our focus regions.

The COVID-19 pandemic has highlighted the critical value of ECE for our families and our economy. As a result, LIIF's ECE grant making has grown substantially and LIIF expects to deploy \$35.6 million in grants in its current fiscal year (about 815 grants). In FY23, the first year of the grant administration contract, LIIF expects to deploy about \$200 million (between 1,400 and 1,700 grants). In the following year, LIIF expects the number of grants to decrease as we make fewer small COVID emergency grants and focus more on large facilities grants (projected volume of at least \$90 million and 650 or more grants). Many of these grants will be made in LIIF's core geographies: (a) New York City, (b) the San Francisco Bay area, and (c) Washington, DC, and LIIF is developing programs in new geographies as well. The smaller grants for COVID relief funding will go directly to child-care business owners to cover staff salaries, rent and other operating expenses, and larger grants will support facilities improvements

The ECE system is also being recognized nationally and it is expected that the ECE grants work will continue to grow in the near future.

Further, LIIF has experienced an increase in the number of smaller ECE grants following the COVID-19 pandemic, resulting in an increase in the volume of grants the LIIF ECE team has to process. Given the increased importance of the ECE grants work and the complexity of the grant-making process, LIIF is looking to outsource certain portions of this work across all its ECE geographies, the three current ones and the expected future ones.

4.3. LIIF's ECE grantmaking and its processes



LIIF's ECE grant-making comprises three categories of grants:

1. Small COVID emergency response grants.
2. Small facilities grants.
3. Large facilities grants.

All grants move through three broad phases:

1. **Application.** A candidate ECE provider applies to LIIF and compiles all required forms.
2. **Grant disbursement.** LIIF reviews the application both administratively and substantively, decides whether the grant application can be approved, and if so executes the necessary grant documents and disburses the funding.
3. **Monitoring and evaluation.** This embraces both technical compliance and also basic impact-related reporting.

Although LIIF seeks to standardize the administrative processes as much as practical, LIIF's ECE funders vary by geography, and may have individual data tracking and compliance requirements at either application or monitoring and evaluation. Many of LIIF's funders are local governments and their funding may also include federal funds.

With each of the three grant typologies, several key steps are judgment-oriented and require LIIF staff's action or approval.

To collect and administer ECE grant applications, LIIF currently uses Submittable; however, LIIF is open to exploring other application systems with these features: (a) customizable application interfaces, (b) full access for LIIF staff at any time, and (c) ideally, easy data portability into Salesforce.

4.4. Grant administrative consultants' tasks across the three phases

Phase 1: Application. The GA Consultant will handle these tasks:

1. Receive and review application documents for completeness (including Forms W-9), and if incomplete, interacts with the applicant to facilitate completion.



2. Package application and alert LIIF it needs to be evaluated and potentially approved.
 - a. If the application is rejected, report back to the applicant why, and close the file.
3. Assuming that LIIF approves the grant, collect and verify licensing information of the grant recipients (including W-9 details), “Know Your Customer” data to identify who should have the checks in Step 4 run, and any other required information.
4. Run and document System for Award Management (SAM) and Office of Foreign Assets Control (OFAC) searches.
5. Notify the grant recipients of the award via the application system.

Phase 2: Grant disbursement. The GA Consultant will handle these tasks:

1. Collect signed grant agreement and bank account information from grantees.
2. Confirm grantee payment details. Please detail the planned procedure for payment detail verification and whether/to what extent the GA Consultant will indemnify LIIF against disbursement errors and fraud.
3. Disburse grant-award to grantee, preferably via ACH. LIIF will reimburse the GA Consultant within 10 business days of request for disbursement.
4. Transfer grantee data from application system to Salesforce and LIIF’s accounting system.
5. Issue 1099s to grantees.

Phase 3: Monitoring and Evaluation. The GA Consultant will handle these tasks.

1. Obtain six-month report from grantees. The 6-month report will include (a) use of funds, and (b) any supporting documentation (e.g. photographs, activity metrics) established by LIIF in the application and approval phase.
2. For every year of the grant period (up to thirty), obtain annual monitoring report from grantees. The annual report will include (a) use of funds, (b) operations update, and (c) any supporting documentation (e.g. photographs, activity metrics) established by LIIF in the application and approval phase.
3. When the grant has expired, close out the file and provide a final exportable data record to LIIF.



4.5. Organizational criteria LIIF will use in evaluating candidate Grant Administrative Consultants

Proposals should address these aspects of organizational structure.

1. Strong track record of handling a large volume of applications (e.g. 100-300) for small payments (e.g. \$5,000-\$15,000) in a timely, efficient, and customer-friendly manner. Mention processing time for applications and how procedural hurdles (if any) were addressed.
2. Experience working with or a demonstrated understanding of the child care community, including their work protocols and the issues ECE proprietors may face when providing documentation.
3. If available, past experience and/or working relationship with LIIF.
4. If you are located in Washington, D.C., whether you meet the criteria of a small, local, disadvantaged business (SLDB) enterprises, as defined in D.C. Code § 2 -218.02²
5. Confirmation of your eligibility to receive state or federal funds ³
6. Are you performing any work, including of Applicant's direct family members, for contractors or contracts for New York, Washington, DC or San Francisco⁴;
7. Legal counsel, in-house or on retainer, to assist with SAM, OFAC, or other ECE compliance requirements.
8. Well defined staffing plan within the organization, including reporting structures. Exposition as to how the organization will be able to scale up or geographically expand/ granularly modify its procedures as LIIF's ECE work expands.
9. IT Security Policy, and an IT professional, on call to LIIF as required, who

² Requirements for qualification are set forth in Exhibit C hereto. If you qualify, you may be required to provide proof of your qualification later in the selection process.

³ You may be required to provide a certification of eligibility to receive state or federal funds later in the selection process.

⁴ You may be required to provide a list of any work, including of Applicant's direct family members, for contractors or contracts for New York, Washington, DC or San Francisco, so LIIF can determine any potential conflicts of interest, later in the selection process.



has knowledge of the database, security and encryption software being used.

10. Your ability to handle ACH, and that you have appropriate financial controls concerning disbursement of third party funds.⁵
11. Amount of Fidelity Bond and Errors & Omissions insurance.⁶
12. Ability to track and integrate non-financial data to aid LIIF's impact measurement work.
13. Demonstrated commitment to advancing racial equity and/or diversity, equity and inclusion.

4.6. Capacity and approach criteria LIIF will use in evaluating candidate Grant Administrative Consultants

In addition to the organizational criteria, LIIF will also evaluate entities' capacity and approach to ECE grant administration, so proposals should address these aspects.

1. What procedures will you prefer to use to manage disbursement of funds? Additionally, how will you manage disbursement of federal funds?
2. Will you generate customers' Forms 1099?
 - a. If not, please explain why not and how you would share data needed for LIIF to generate the Forms 1099.
3. Bearing in mind that some grantees may be sole proprietorships operating under a doing-business-as (dba) moniker, how will you track and share the data needed for Forms 1099, including individual grantee and grant program information?
4. In general, is data typically reported through feeds at the individual grant level, or in aggregate reports?

⁵ You may be required to provide additional information concerning your banking relationship, including your ability to handle ACH, and copies of your procedures outlining financial controls concerning disbursement of third party funds later in the selection process.

⁶ You may be required to provide copies of declarations page of Fidelity Bond and Errors & Omissions insurance, and confirm the ability to add LIIF and potentially ECE agencies as named insureds under the policies later in the selection process.



5. Please provide a Systems and Operational Control (SOC) report on your operation.
6. In the event that a funder decides to conduct a program audit, what support will you provide then? Similarly, what support will you provide if there is a federal audit?
7. Bearing in mind that some small ECE grant applicants may be English language learners with limited familiarity in grant application and reporting requirements, how much and what type of language capacity is included in your organization and systems? Please list all supported languages, with particular emphasis on Spanish and Chinese.
8. How do you secure the data with strong fraud-protection mechanisms? Please share your data privacy policy.
9. Once the contract ends, how will you securely and reliably transfer control back to LIIF?

Subject to potential changes in the contract drafting stage (see Point 8 below), the engagement period will begin no later than 30 days after contract award and will end one year later.

5. Confidentiality

All respondents must submit an executed nondisclosure agreement, attached as Attachment A, concurrently with their respective proposal. Any information concerning this RFP or the project will be considered Confidential Information under the nondisclosure agreement.

6. Social Justice and Racial Equity

As a community development financial institution, LIIF is committed to the promotion of social justice and racial equity. LIIF believes that all people should have the opportunity to maximize their full potential and fully and meaningfully participate in our society and the benefits it has to offer. Consistent with the law and its EEO policies, LIIF values and respects differences among its employees and partners, including those concerning age, gender, race, ethnicity, national origin, veteran status, sexual orientation, gender identity, and other protected categories. LIIF also



recognizes the impact of systemic racism and aims to create solutions to address these inequalities, empower people, partner with communities and transform the systems that allocate power and resources. LIIF is committed to be a leader in the fair treatment of all and furthering an inclusive culture. To this end, LIIF seeks to do business, and partner, with third parties that share and embody its same values. LIIF requests that any respondent to this RFP provide evidence of their commitment to this value. LIIF requires that respondents complete and submit the LIIF Vendor Diversity Survey attached as Exhibit B (or provide comparable data) concurrently with their proposal and as requested during the term of the engagement period. LIIF is desirous of having a diverse team work on the project and all proposals should evidence this.

7. Evaluation of Proposals

Proposals will be evaluated on the basis of the responses to all requirements of this RFP, including but not limited to, substantive evaluation metrics mentioned in the Scope of Services, responsiveness to this RFP and any additional requests for clarification or information, diversity of the team, and pricing.

8. Award of Contract

After an awardee is selected, the award is contingent upon the successful negotiation of terms in an executed contract between LIIF and the awardee. LIIF reserves the right to (a) reject any and all proposals received without penalty, or (b) not to issue any contract as a result of this RFP. Nothing in this RFP is to be construed as an offer by LIIF, and no terms or proposals will be binding on either party prior to the execution of a definitive agreement.



EXHIBIT A
Mutual Non-disclosure Agreement

THIS AGREEMENT (the "**Agreement**") is entered into on _____ by _____ and between **Low Income Investment Fund**, located at 49 Stevenson Street, Suite 300, San Francisco, CA 94105 ("**LIIF**"), and _____ located at _____ (each a "**Party**" and collectively, the "**Parties**").

Whereas Confidential Information (as defined herein) is being made accessible by a Party (the "**Disclosing Party**") to the other Party (the "**Receiving Party**") on the understanding that the knowledge derived therefrom is to be used exclusively in connection with a current or contemplated proposal, transaction, negotiation, investment, or other business opportunity.

Therefore, in consideration of the mutual promises and covenants contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Definition of Confidential Information.

(a) For purposes of this Agreement, "**Confidential Information**" means any and all data or information that is proprietary to the Disclosing Party and not generally known to the public, whenever and however disclosed, including, but not limited to: (i) any financial information or projections, tax returns, operations, customer information, supplier information, business plans and performance results relating to the business activities of the Disclosing Party, its affiliates, subsidiaries and affiliated companies; (ii) any scientific or technical information, invention, design, formula, or technology; (iii) any know-how, designs specifications, computer software, source code, object code, databases, inventions, or trade secrets; and (iv) any notes, analyses, compilations, reports, summaries, interpretations, or other materials prepared by or for the Receiving Party that contain or derive from the foregoing.

(b) Notwithstanding anything in the foregoing to the contrary, Confidential Information shall not include information which: (i) was possessed by the Receiving Party prior to receiving the Confidential Information from the Disclosing Party without any obligation to keep such information confidential; (ii) was lawfully obtained by the Receiving Party from a third-party not under an obligation to maintain such information confidential; (iii) is generally known by the public through no fault of or failure to act by the Receiving Party inconsistent with its obligations under this Agreement; or (iv) is or has been independently developed by the Receiving Party without violation of the terms of this Agreement, subject to the Receiving Party's ability to document such development.



2. Disclosure of Confidential Information.

From time to time, the Disclosing Party may disclose Confidential Information to the Receiving Party. The Receiving Party will: (a) limit disclosure of any Confidential Information to its directors, officers, employees, agents, consultants, attorneys, or representatives (collectively “**Representatives**”) who have a need to know such Confidential Information in connection with the current or contemplated business relationship between the parties to which this Agreement relates; (b) advise its Representatives of the proprietary nature of the Confidential Information; and (c) keep all Confidential Information confidential by using a reasonable degree of care, but not less than the degree of care used by it in safeguarding its own confidential information. The Receiving Party shall ensure that each of its Representatives who has access to the Confidential Information abides by the terms of this Agreement.

3. Use of Confidential Information.

The Receiving Party agrees to use the Confidential Information solely in connection with the current or contemplated business relationship between the parties and not for any purpose other than as authorized by this Agreement without the prior written consent of an authorized representative of the Disclosing Party. No other right or license, whether expressed or implied, in the Confidential Information is granted to the Receiving Party hereunder.

4. Compelled Disclosure of Confidential Information.

Notwithstanding anything in the foregoing to the contrary, the Receiving Party may disclose Confidential Information pursuant to any governmental, judicial, or administrative order, subpoena, discovery request, regulatory request or similar method, provided that the Receiving Party notifies the Disclosing Party in writing of such demand for disclosure so that the Disclosing Party may seek to make such disclosure subject to a protective order or other appropriate remedy to preserve the confidentiality of the Confidential Information. Notwithstanding the foregoing, if the Disclosing Party is unable to obtain a protective order and the Receiving Party is legally requested or required to disclose such Confidential Information, disclosure of such Confidential Information may be made without liability.

5. Term.

This Agreement shall remain in effect for two years from the date of this Agreement. The requirement to protect Confidential Information disclosed under this Agreement and the obligation to return Confidential Information shall survive termination of this Agreement and continue for an additional three years following termination.



6. Return of Confidential Information.

The Receiving Party shall promptly return and redeliver to the Disclosing Party all Confidential Information at such time as the Disclosing Party may so request.

7. Notice of Breach.

The Receiving Party shall notify the Disclosing Party promptly upon discovery of any unauthorized use or disclosure of Confidential Information by the Receiving Party or its Representatives. The Receiving Party shall reasonably cooperate with the efforts of the Disclosing Party to regain possession of Confidential Information and prevent its further unauthorized use.

8. No Binding Agreement.

The Parties agree that neither party will be under any legal obligation of any kind whatsoever with respect to a proposal, transaction, negotiation, investment, or other business opportunity by virtue of this Agreement, except for the matters specifically agreed to herein. This Agreement does not create a joint venture or partnership between the parties.

9. Warranty.

NO WARRANTIES ARE MADE BY EITHER PARTY UNDER THIS AGREEMENT

WHATSOEVER. The parties acknowledge that no representation or warranty as to the accuracy or completeness of the Confidential Information is being made by the Disclosing Party.

10. Miscellaneous.

(a) This Agreement constitutes the entire understanding between the Parties and supersedes any and all prior or contemporaneous understandings and agreements, whether oral or written, between the parties, with respect to the subject matter hereof. This Agreement can only be modified by a written amendment signed by the Party against whom enforcement of such modification is sought.

(b) The validity, construction and performance of this Agreement shall be governed and construed in accordance with the laws of State of California, without giving effect to any conflict of laws provisions thereof. The Federal and state courts located in the County of San Francisco, California shall have sole and exclusive jurisdiction over any



disputes arising under, connected with or related to, the terms of this Agreement.

(c) Any failure by either party to enforce the other Party's strict performance of any provision of this Agreement will not constitute a waiver of its right to subsequently enforce such provision or any other provision of this Agreement.

(d) If any provision of this Agreement is found by a court of competent jurisdiction to be unenforceable, such provision will be modified, rewritten or interpreted to include as much of its nature and scope as will render it enforceable. If it cannot be so modified, rewritten or interpreted to be enforceable in any respect, it will not be given effect, and the remainder of the Agreement will be enforced as if such provision was not included.

(e) Any notice required to be given pursuant to this Agreement shall be in writing and shall be given as follows:

If to LIIF:

Low Income Investment Fund
Attn: General Counsel
49 Stevenson Street, Suite 300
San Francisco, CA 94105
Email: generalcounsel@liifund.org

If to _____:

Attn: _____

Email: _____

(f) Neither Party may directly or indirectly assign or transfer this Agreement without the prior written consent of the other Party. All obligations contained in this Agreement shall extend to and be binding upon the Parties and their respective successors, assigns and designees.

[Remainder of page intentionally left blank; signatures on next page]



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IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first above written.

LOW INCOME INVESTMENT FUND

By _____

Name:

Title:

By _____

Name:

Title:



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EXHIBIT B
Vendor and Contractor Diversity Survey

Please see attached



EXHIBIT C

Requirements to Qualify as a Washington, DC SLDB

Small, local, disadvantaged business (SLDB) enterprises, defined in D.C. Code § 2218.02.

Small business enterprise is:

- (1) Is a local business enterprise;
- (2) Is independently owned, operated, and controlled; and
- (3)(A) Is certified by the United States Small Business Administration as a small business concern or meets the definition of a small business concern under the Small Business Act; or
- (B) Has had averaged annualized gross receipts for the 3 years preceding certification not exceeding the limits established by rules issued pursuant to § 2-218.72.

Local business enterprise is:

- (1) Has its principal office located physically in the District of Columbia;
 - (i) Independently owned, operated, and controlled;
 - (ii) More than 50% owned, operated, and controlled by a District-based enterprise or not-for-profit business; or
 - (iii) Owned by a non-District-based business enterprise or not-for-profit business that is more than 50% owned by District residents.
- (2) Requires that its chief executive officer and the highest level managerial employees of the business enterprise perform their managerial functions in their principal office located in the District;
- (2) Can demonstrate one of the following:
 - (A) More than 50% of the employees of the business enterprise are residents of the District;
 - (B) The owners of more than 50% of the business enterprise are residents of the District;
 - (C) More than 50% of the assets of the business enterprise, excluding bank accounts, are located in the District; or
 - (D) More than 50% of the business enterprise's gross receipts are District gross receipts; and
- (3) Can demonstrate one of the following:
 - (A) The business enterprise is licensed pursuant to Chapter 28 of Title [47];
 - (B) The business enterprise is subject to the tax levied under Chapter [18] of Title 47; or
 - (C) The business enterprise is a business enterprise identified in § 47-1808.01(1) through (5) and more than 50% of the business is owned by residents of the District.

Disadvantaged business enterprise is:

- (1) Owned, operated, and controlled by economically disadvantaged individuals; and
 - (2) Is a local business enterprise
- “Economically disadvantaged individual” means an individual whose ability to compete in the free enterprise system is impaired because of diminished opportunities to obtain capital and credit as compared to others in the same line of business where such impairment is related to the individual's status as socially disadvantaged. An individual is socially disadvantaged if the individual has reason to believe that the individual has been subjected to prejudice or bias because of his or her identity as a member of a group without regard to his or her qualities as an/ individual.