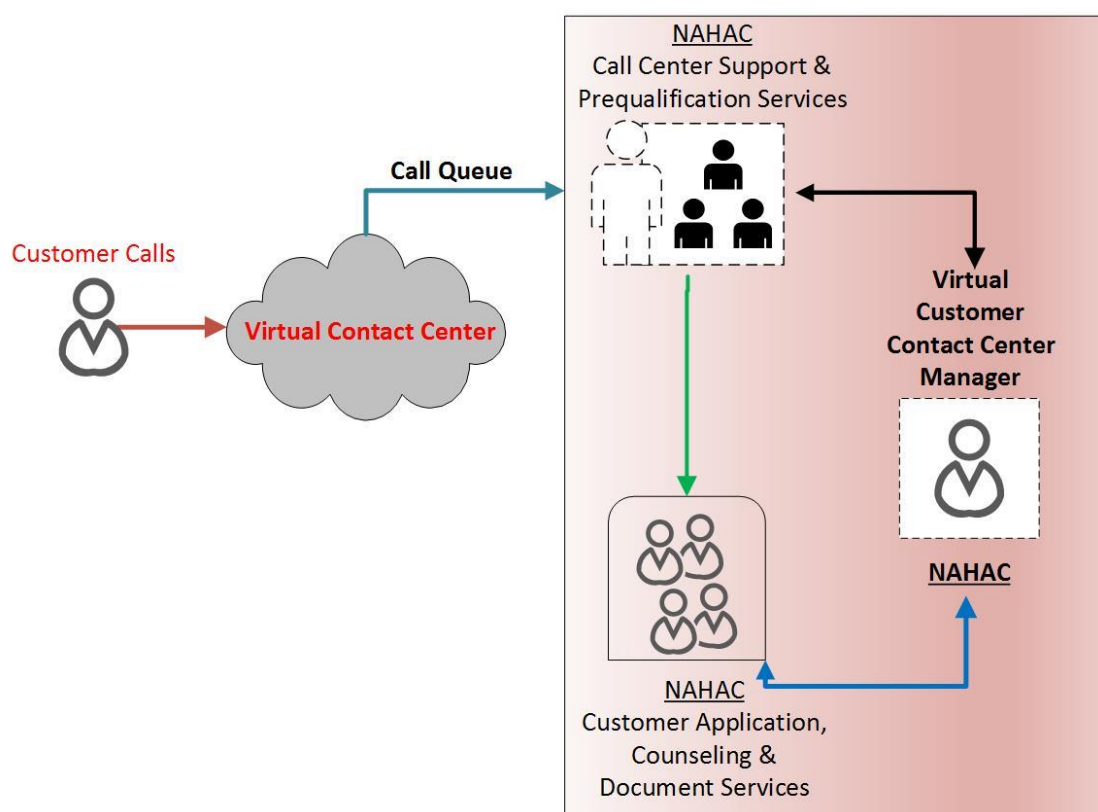


9/26/2017

Nevada Affordable Housing Assistance Corporation

Front-end Process – Budget Report



Customer Contact Center

Front-end Processing Budget Report

Background

The Nevada Affordable Housing Assistance Corporation (NAHAC) is the "Eligible Entity" pursuant to the HFA Participation Agreement entered into by the United States Department of Treasury, the Nevada Housing Division (NHD) and NAHAC to provide foreclosure prevention services, implementing the Hardest Hit Funds Program® (HHF).

The primary goal of NAHAC, is to disseminate the remaining Treasury allocations (approximately \$78.9 million) by December 31, 2020, which marks the end of the HHF Program. A major step in reaching this goal is to make more Nevada homeowners aware of the HHF program's existence so that more homeowners will apply for program funding. In general, this awareness process can be accomplished by the introduction of any number of marketing methods such as television advertising, community outreach, press releases, etc.

NAHAC currently utilizes disjoint automated software applications and service providers to accomplish its mission. These systems and providers include the following:

<u>System</u>	<u>Software or Application</u>	<u>Hosting Location</u>
Office email system	Microsoft Office 365	Microsoft Cloud Server
Office software systems MS Word, MS Excel, etc)	Microsoft Office 2010	On-premise (Terminal Server)
Office file system	NA	On-premise storage
HHF Homeowner document management	NMAS	Virtual Server
Homeowner contact management	Credit.org (in-house system)	Credit.org
NAHAC website	NA	BRAINTRUST virtual server environment

Currently, there are changes taking place to the NAHAC Information Technology (IT) environment which will greatly assist NAHAC in accomplishing its mission while allowing NAHAC to benefit from increased staff efficiency and team collaboration.

In February 2017, NAHAC received approval from its Board of Directors to move forward with the development of the Nevada Mortgage Assistance System (NMAS). NMAS automates the end-to-end workflow process used by NAHAC to qualify homeowners, counsel homeowners, collect homeowner documents, process homeowner applications, and award or deny funding based on NAHAC program criteria. Phase 1 of the NMAS system went live on July 3rd, 2017. Phase 2 of the NMAS system, which mainly includes the Treasury reporting modules will be completed in early October 2017.

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NAHAC is also in the process of combining its office software and file systems with its office email system as a part of NAHAC's Microsoft Office 365 cloud-based office environment.

The NAHAC public website has been redesigned as a part of NAHAC's efforts to increase its customer base by means of a consolidated marketing effort.

Along with the development of NMAS, NAHAC is considering making modifications to the front-end work flow sub-processes (which includes prequalification, intake and document collection/processing) to reduce costs, improve efficiencies and to create an environment of collaboration between NAHAC staff and partner organizations. Currently the document collection/processing sub-process has been relocated in-house as a part of NMAS.

NAHAC's near future IT environment will consist of the following systems and providers:

<u>System</u>	<u>Software or Application</u>	<u>Hosting Location</u>
Office software & file systems	Microsoft Office 365 (SharePoint, MS Word, MS Excel, etc)	Microsoft Cloud Server
HHF Homeowner document management & automated workflow system	NMAS	Rackspace Virtual Server environment
Homeowner contact management system	Clarity Connect	Cloud-based environment
NAHAC public website	NA	BRAINTRUST virtual server environment

NAHAC will integrate portions of these systems where possible to streamline its operation and increase staff productivity.

Customer Contact Center

Front-end Processing Budget Report

Current Front-end Processing Environment

To manage its funding allocations and accomplish its primary goal, NAHAC has implemented a front-end workflow process that begins with the initial call from a Nevada homeowner via an 800 number to the credit.org call center or face-to-face homeowner intake sessions with licensed Housing and Urban Development Housing Counseling Agencies (HCAs). The front-end workflow process ends when NAHAC receives a complete homeowner package via fax, email or mail.

NAHAC has contracted with credit.org to provide services to homeowners on behalf of NAHAC via homeowner telephone calls to the credit.org call center facility. As a NAHAC vendor, credit.org is contracted to provide homeowner services which include answering homeowner general questions, conducting homeowner Triage (pre-qualification questionnaire) to see if a homeowner may qualify for funding under one of the NAHAC programs, and homeowner application processing (intake processing) for qualified homeowners, (see Table 1). The term of this contract is from June 19, 2017 to October 31, 2017. Under this contract, the previously provided **Document Collection and Processing Services** provided by credit.org, have been transferred to NAHAC and are now incorporated in the NMAS system.

Credit.org Contracted Services

Services	Description	Rates
Call Center Support and Triage Processing	<ol style="list-style-type: none"> Contractor will answer all incoming calls to the NAHAC designated 800# from 8a to 5p PST Monday through Friday excluding all Contractor Holiday's and weekends. Contractor will, as applicable and to the extent information to contractor is available, answer general caller inquiries and for all others, as needed, coordinate with NAHAC personnel transfer of inquiry. For new homeowners calling for NAHAC program eligibility, Contractor will perform Triage Services, collecting Homeowner responses to the general criteria questions (promulgated by and through NAHAC) for the express purpose of determining general NAHAC program eligibility utilizing the NAHAC designated workflow system, NMAS. Using the system provided results and agreed upon scripting, if the Homeowner does not meet the general eligibility criteria Contractor will verbally advise them of this fact including the reason(s) they do not meet program criteria. If the Homeowner meets the general NAHAC Program eligibility, Contractor will invite the homeowner to complete the 	<ol style="list-style-type: none"> Monthly, \$5.50 per call

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	application session, either on-demand or alternative time.	
Application /Counseling	<p>1) Homeowners that have been determined generally eligible and qualified for a NAHAC Program will be invited to complete the application session. Contractor shall obtain general and program specific information from the Homeowner as required in determining NAHAC Program eligibility. Contractor shall perform a NAHAC Program application within NAHAC's operational system. Once the system application is completed, contractor will advise homeowner of system generated program eligibility and provide Homeowner with results and if eligible, provide general overview of next steps.</p> <ul style="list-style-type: none"> ○ Once the application process is completed, contractor's role is considered complete and the NAHAC system and or direct personnel are responsible for all next steps with the homeowner. <p>4. Springboard Solutions will perform outreach process for unsuccessful application outreach (incomplete counseling sessions) as outlined in "Schedule B"</p>	<p>1) \$85.00 Per completed application Direct reimbursement for any mail related charges</p>
Document Collection and Processing	<p>1. Facilitate receipt of NAHAC's initial required client document package (Exhibit A) for files in process with 33 percent or more documents collected.</p> <ul style="list-style-type: none"> ○ Answer client questions and perform, as needed, several client follow up telephone calls and email communications for incomplete, incorrect or outstanding documents. ○ For inactive or unresponsive clients, enable at least 3 out-bound calls and/or email follow up attempts per client within 15 days of application complete date. 	<p>1. \$150 per completed file. When the file is 75% completed, 75% of the fee in the amount of \$112.50 will be paid. The remainder of the fee, \$37.50, will be paid when 100% of requested documents and data are received.</p> <p>2. A file is deemed 75% complete when the documents and data identified on "Schedule A-1" to this Exhibit A are received and in the file.</p> <p>3. No later than July 21, 2017, Springboard Solutions will provide all remaining client documents to NAHAC. NAHAC will pay Springboard</p>

Customer Contact Center

Front-end Processing Budget Report

Credit.org Contracted Services (continued)

	<ul style="list-style-type: none"> ○ Initiate file closure as incomplete or withdraw status in NMAS at: <ul style="list-style-type: none"> a. Clients verbal or written request; b. No contact, response or client activity within 7 business days of requests and/or messages to submit documentation. 2. Update NMAS notes relative to work performed. 3. Ensure packet is completed in NMAS Initiate file <ul style="list-style-type: none"> ○ 	<p>Solutions for all files at or above 75% completion as defined in "Schedule A-1."</p> <p>4. NAHAC will not be charged for any files below 75% completion as defined in "Schedule A-1."</p> <p>2)</p>
Program Management Services.	1) Management oversight and administration by Contractor in overseeing, directing and supporting assigned work under this SOW.	<p>1. Supervisor/Manager at a rate of \$35 per hour and Director/Executive, \$75 per hour</p> <ul style="list-style-type: none"> ○ Any amounts/hours exceeding below require prior NAHAC written approval <ul style="list-style-type: none"> 1. July, \$3,500 <ul style="list-style-type: none"> ○ August-October, not to exceed a total of 20 Hours (not to exceed up to 15 hours for Supervisor/Manager, not to exceed 5 hours for Director/Executive) Hours will be tracked and a written report provided monthly.
Training	1) Coordinate the training and change management for all program and term sheet changes.	1. Training session of \$1,500 for current changes or system change, up to 12 hours of training, including manager and staff time.

Table 1

It should be noted that a set fee increase of **\$5000 per month** has been added to this services agreement to cover supervisor and manager/executive services costs.

Customer Contact Center

Front-end Processing Budget Report

As a NAHAC vendor, HCAs provide similar services to that of credit.org on behalf of NAHAC but provide these services in conjunction with other (non-NAHAC) program offerings. The HCAs are currently working under a contract that provides compensation to HCA organizations for providing services to homeowners under a 3-Tier service structure (see Figure 1). A maximum compensation of \$500 can be earned by an HCA for providing completed services to a single homeowner under all 3 tiers.

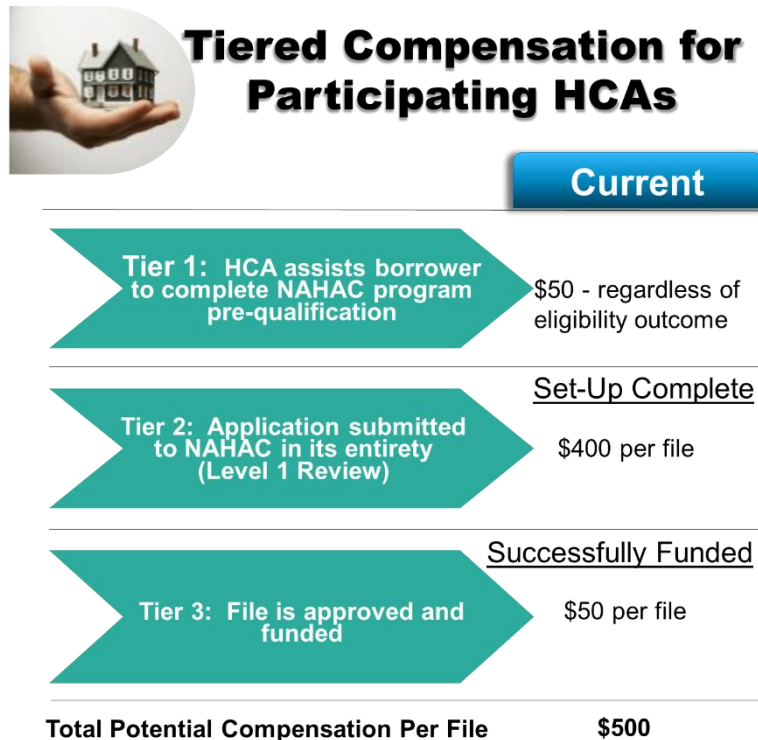


Figure 1

Problem Statement

There are multiple problems with the current method by which NAHAC vendors provide their front-end processing services to homeowners on behalf of NAHAC. These problems include:

- Under the new Services Contract with credit.org, beginning in July 2017, credit.org no longer provides Document Collection and Processing Services. These services have been moved in-house and are now integrated into the NMAS system (see Chart 1). Although the cost of this service has been eliminated, the cost for both Calls Received and Pre-Eligibility Services have increased. For August 2017 the cost of these two services is \$22,281. As NAHAC implements a comprehensive marketing plan, it is estimated that the cost of these two services could increase to over \$67,000. A monthly fee of \$5000 has also been added to the Services Contract to cover supervisor and manager/executive services costs.

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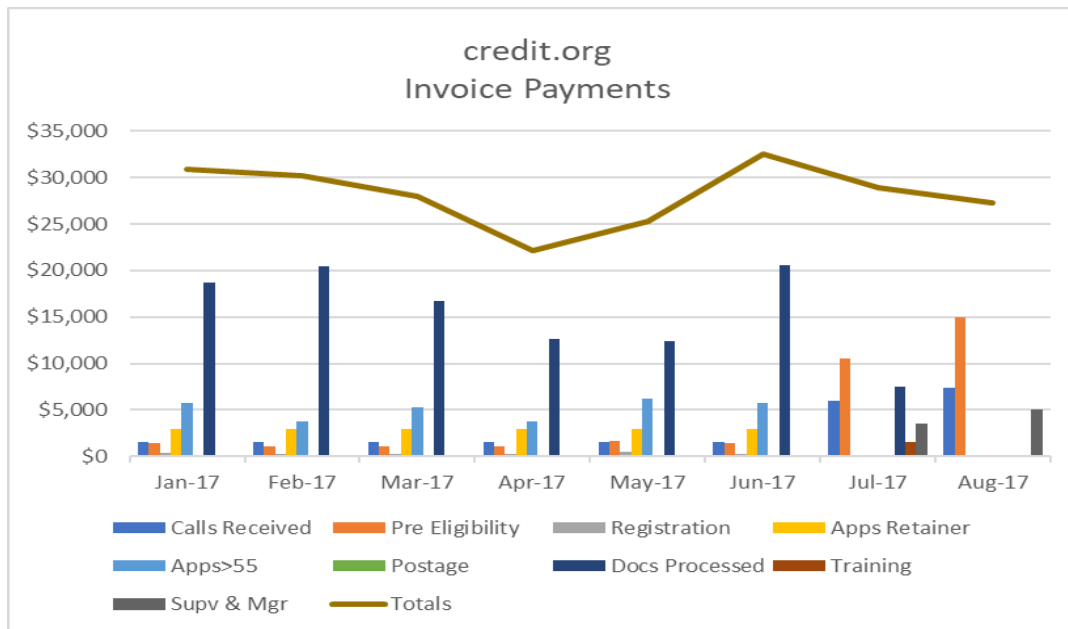


Chart 1

- The services provided by the HCA's on behalf of NAHAC are usually conducted during face-to-face sessions with homeowners. Although conducting these services via face-to-face sessions is very helpful to the homeowners, it slows NAHAC's front-end workflow process tremendously which results in longer lead times for NAHAC to receive the homeowner files so that it can begin processing. Additionally, HCAs have less resources than credit.org and therefore process a much smaller volume of homeowner files.
- NAHAC management is responsible for controlling the costs as it relates to the contracted services that the vendors of the front-end processing service provide. NAHAC has no means of collecting real-time data from vendors to verify what quantity of services (for example how many calls are coming into the credit.org call center) that NAHAC is paying for. Although NAHAC can produce Call Center reports from NMAS, these are not real-time reports and are usually produced monthly to calculate and verify vendor monthly costs.
- It is not possible for NAHAC to monitor the quality of the conversations being conducted between the credit.org representatives and the homeowners. The ability to monitor calls is one of the basic capabilities required by the managers of customer contact center systems.
- NAHAC now utilizes staff to provide Document Collection and Processing Services. These staff personnel cannot be utilized for other Call Center related activities.
- NAHAC has no way of storing and retrieving actual voice recordings and call data that can address Treasury compliance and audit issues.
- NAHAC has been criticized for outsourcing front-end processing services to a vendor outside of Nevada.

Customer Contact Center

Front-end Processing Budget Report

The Solution

To address the rising costs of and lack of control over front-end processing, it appears to be more cost effective for NAHAC to bring the remainder of the front-end processing services, including the homeowner prequalification services and the homeowner intake processing services, in-house. Bringing these services in-house will accomplish the following:

- NAHAC will be able to provide Call Center services equal to that of credit.org at less costs
- NAHAC will be able to Manage Call Center systems such as call quality control, call routing management, call conversation archiving and receive real-time call statistics
- NAHAC will be able to provide better coordination between its Call Center, which will provide Pre-qualification and Intake Services, and the rest of the services that are a part of the NAHAC workflow processes.
- NAHAC will require additional personnel to directly support the Call Center but also has the flexibility of utilizing existing Document Collection and Processing Services staff that can rotate into Call Center Representative positions when required. Being able to take on dual roles results in a more flexible NAHAC work environment and better use of NAHAC staff assets.
- NAHAC has already identified and prepared office space within the existing complex to house up to an 8-man Call Center. This can be accomplished without increasing rental space costs.
- NAHAC will be able to build integration between the Call Center system and NMAS which will allow other NAHAC staff personnel access to information on previous communications that have taken place with homeowners.
- NAHAC will be able to keep money currently sent to support a California business entity in Nevada.

To accomplish this NAHAC will require the addition of customer contact center staff and an automated system to assist in managing the customer contact environment.

The following analysis compares the costs associated with leaving the current front-end processes in place versus NAHAC bringing these services in-house.

Customer Contact Center Front-end Processing Budget Report

The Analysis Baseline

Based on NAHAC funding goals, it is projected that funding allocations will be exhausted by January 2020. This analysis will include front-end cost projections covering a 29-month period (September 2017 – January 2020) (see Table 2).

		Baseline Projected Funding Goals											
		Sep-2017	Oct-2017	Nov-2017	Dec-2017	Jan-2018	Feb-2018	Mar-2018	Apr-2018	May-2018	Jun-2018	Jul-2018	Aug-2018
Estimate of the remaining monthly program allocations (does not include Admin)	\$78,869,494	\$77,869,494	\$76,744,494	\$75,494,494	\$73,744,494	\$71,744,494	\$69,619,494	\$67,369,494	\$64,869,494	\$62,119,494	\$59,119,494	\$55,994,494	\$52,744,494
Baseline Funding Goals		\$1,000,000	\$1,125,000	\$1,250,000	\$1,750,000	\$2,000,000	\$2,125,000	\$2,250,000	\$2,500,000	\$2,750,000	\$3,000,000	\$3,125,000	\$3,250,000

Baseline Projected Funding Goals																	
Sep-2018	Oct-2018	Nov-2018	Dec-2018	Jan-2019	Feb-2019	Mar-2019	Apr-2019	May-2019	Jun-2019	Jul-2019	Aug-2019	Sep-2019	Oct-2019	Nov-2019	Dec-2019	Jan-2020	29-month total
\$49,494,494	\$46,244,494	\$42,994,494	\$39,744,494	\$36,494,494	\$33,244,494	\$29,994,494	\$26,744,494	\$23,494,494	\$20,244,494	\$16,994,494	\$13,744,494	\$10,494,494	\$7,244,494	\$3,994,494	\$744,494	\$0	
\$3,250,000	\$3,250,000	\$3,250,000	\$3,250,000	\$3,250,000	\$3,250,000	\$3,250,000	\$3,250,000	\$3,250,000	\$3,250,000	\$3,250,000	\$3,250,000	\$3,250,000	\$3,250,000	\$3,250,000	\$3,250,000	\$744,494	\$78,869,494

Table 2

To calculate the current costs of front-end processing services, this analysis had to project the number of calls that would be received by the NAHAC vendor's customer call center and the number of applications processed (intake) by the vendors (see Table 3), all based on the established NAHAC funding goals identified in Table 2. Actual data for a 3-month period from June 2017 thru August 2017 plus the projected data for September 2017 and October 2017 were used to project the values for each of these categories as a part of this analysis.

Customer Contact Center

Front-end Processing Budget Report

	Baseline Projected Count of Files Funded, Applications Processed, New Calls Received & Total Calls Received												
	Sep-2017	Oct-2017	Nov-2017	Dec-2017	Jan-2018	Feb-2018	Mar-2018	Apr-2018	May-2018	Jun-2018	Jul-2018	Aug-2018	Sep-2018
Projected Count of Files Funded (Totals)	28	31	34	48	55	59	62	69	76	83	86	90	90
Projected Count of Homeowner Applications Processed (Intake)	166	186	207	290	332	352	373	414	456	497	518	539	539
Projected Count of Total Calls Received by credit.org (reduced by 10%)	1,188	1,337	1,485	2,079	2,376	2,525	2,673	2,970	3,267	3,564	3,713	3,861	3,861

	Baseline Projected Count of Files Funded, Applications Processed, New Calls Received & Total Calls Received																
	Oct-2018	Nov-2018	Dec-2018	Jan-2019	Feb-2019	Mar-2019	Apr-2019	May-2019	Jun-2019	Jul-2019	Aug-2019	Sep-2019	Oct-2019	Nov-2019	Dec-2019	Jan-2020	29-month totals
Projected Count of Files Funded (Totals)	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	21	2,176
Projected Count of Homeowner Applications Processed (Intake)	539	539	539	539	539	539	539	539	539	539	539	539	539	539	539	123	13,074
Projected Count of Total Calls Received by credit.org (reduced by 10%)	3,861	3,861	3,861	3,861	3,861	3,861	3,861	3,861	3,861	3,861	3,861	3,861	3,861	3,861	3,861	885	93,702

Table 3

Customer Contact Center

Front-end Processing Budget Report

Front-end Processing Cost Projections – (Vendor Provided Services)

Under the current Statement of Work, credit.org performs and is compensated for providing three (3) of four (4) front end processing services (see Table 1). Based on the compensation criteria shown in Table 1 and the projected count of calls received and files processed shown in Table 3, we can project the monthly compensation that would be paid to credit.org over the 29-month analysis period.

Under the current 3-Tiered structure, HCAs are compensated for providing homeowner services on behalf of NAHAC. Based on the NAHAC projected funding goals and the amount of compensation earned by HCAs over a 3-month period (June 2017 thru August 2017, we can project the monthly compensation that would be paid to the HCAs over the 29-month analysis period. Additionally, an HCA Board has been established which will act as an interface between the HCA's and NAHAC. The cost of this Board is set at \$5,000 per HCA per year.

Table 4 shows the projections for front-end processing services that would be paid to both credit.org and the HCAs for the analysis period (September 2017 thru January 2020).

Front-end Processing Support Services (vendor provided services)	Sep-2017	Oct-2017	Nov-2017	Dec-2017	Jan-2018	Feb-2018	Mar-2018	Apr-2018	May-2018	Jun-2018	Jul-2018	Aug-2018	Sep-2018
credit.org (Call Center Support & Triage Processing)	\$6,534	\$7,351	\$8,168	\$11,435	\$13,069	\$13,886	\$14,702	\$16,336	\$17,970	\$19,603	\$20,420	\$21,237	\$21,237
credit.org (Intake Services (Apps/Counseling))	\$14,090	\$15,852	\$17,613	\$24,658	\$28,181	\$29,942	\$31,703	\$35,226	\$38,749	\$42,271	\$44,032	\$45,794	\$45,794
credit.org (Program Management Services)	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Total credit.org Costs	\$25,625	\$28,203	\$30,781	\$41,093	\$46,249	\$48,828	\$51,406	\$56,562	\$61,718	\$66,874	\$69,452	\$72,030	\$72,030
Housing Counseling Agencies Costs	\$10,157	\$15,801	\$6,446	\$9,025	\$10,314	\$10,958	\$11,603	\$12,892	\$17,181	\$15,471	\$16,115	\$31,760	\$21,760
Front-end Services Cost Totals	\$35,782	\$44,004	\$37,227	\$50,118	\$56,563	\$59,786	\$63,009	\$69,454	\$78,899	\$82,345	\$85,568	\$103,790	\$93,790

Front-end Processing Support Services (vendor provided services)	Oct-2018	Nov-2018	Dec-2018	Jan-2019	Feb-2019	Mar-2019	Apr-2019	May-2019	Jun-2019	Jul-2019	Aug-2019	Sep-2019	Oct-2019	Nov-2019	Dec-2019	Jan-2020	29-month total
credit.org (Call Center Support & Triage Processing)	\$21,237	\$21,237	\$21,237	\$21,237	\$21,237	\$21,237	\$21,237	\$21,237	\$21,237	\$21,237	\$21,237	\$21,237	\$21,237	\$21,237	\$21,237	\$4,865	\$515,362
credit.org (Intake Services (Apps/Counseling))	\$45,794	\$45,794	\$45,794	\$45,794	\$45,794	\$45,794	\$45,794	\$45,794	\$45,794	\$45,794	\$45,794	\$45,794	\$45,794	\$45,794	\$45,794	\$10,490	\$1,111,301
credit.org (Program Management Services)	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$145,000
Total credit.org Costs	\$72,030	\$72,030	\$72,030	\$72,030	\$72,030	\$72,030	\$72,030	\$72,030	\$72,030	\$72,030	\$72,030	\$72,030	\$72,030	\$72,030	\$72,030	\$20,355	\$1,771,663
Housing Counseling Agencies Costs	\$26,760	\$16,760	\$16,760	\$16,760	\$16,760	\$16,760	\$16,760	\$19,760	\$16,760	\$16,760	\$31,760	\$21,760	\$26,760	\$16,760	\$16,760	\$3,839	\$487,721
Front-end Services Cost Totals	\$98,790	\$88,790	\$88,790	\$88,790	\$88,790	\$88,790	\$88,790	\$91,790	\$88,790	\$88,790	\$103,790	\$93,790	\$98,790	\$88,790	\$88,790	\$24,194	\$2,259,385

Table 4

Customer Contact Center

Front-end Processing Budget Report

Front-end Processing Cost Projections – (NAHAC in-house process)

Under this cost projection, NAHAC would bring all front-end processing services, including the homeowner prequalification services and the homeowner intake processing services in-house. The

Front-end Processing Support Services (NAHAC In-House Solution)	Sep-2017	Oct-2017	Nov-2017	Dec-2017	Jan-2018	Feb-2018	Mar-2018	Apr-2018	May-2018	Jun-2018	Jul-2018	Aug-2018	Sep-2018
Transition Period (Outside Vendor Front-end Processing Services)	\$25,625	\$28,203	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Customer Contact Center Supervisor (salary plus benefits)	\$0	\$0	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000
Intake (Triage, Client Counseling & Application Processing) Temp Staff	\$0	\$0	\$10,055	\$10,584	\$12,701	\$11,491	\$13,306	\$12,701	\$13,306	\$12,701	\$15,876	\$17,388	\$14,364
Housing Counseling Agencies Costs	\$10,157	\$15,801	\$6,446	\$9,025	\$10,314	\$10,958	\$11,603	\$12,892	\$17,181	\$15,471	\$16,115	\$31,760	\$21,760
Interpreter Services			\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200
Call Center System - one-time setup fee		\$3,676											
Clarity Connect customer rep seats		\$522	\$522	\$522	\$593	\$593	\$593	\$593	\$593	\$664	\$664	\$664	\$664
Skype for Business Complete Enterprise (w/existing E3 Licenses)		\$57	\$57	\$57	\$57	\$57	\$57	\$57	\$57	\$57	\$57	\$57	\$57
Skype for Business Complete Enterprise Plus Voice (w/ Existing E3 Licenses)		\$94	\$94	\$94	\$112	\$112	\$112	\$112	\$112	\$131	\$131	\$131	\$131
Polycom VVX 411-Microsoft Skype for Business edition VVX 411 w/power supply - rent to Own 9		\$199	\$199	\$199	\$199	\$199	\$199	\$199	\$199	\$199	\$199	\$199	\$199
Clarity Connect customer rep seats	\$0	\$0	\$747	\$747	\$996	\$996	\$1,031	\$1,031	\$1,031	\$1,031	\$1,031	\$1,031	\$1,102
Desktop Computers (small form factor)		\$1,700											
Call Center Cubicles		\$2,900											
Call Center Chairs		\$520											
Call Center headsets		\$352											
Front-end Services Cost Totals	\$35,782	\$54,024	\$22,320	\$25,428	\$29,172	\$28,607	\$31,101	\$31,786	\$36,680	\$34,454	\$38,274	\$55,430	\$42,477

Front-end Processing Support Services (NAHAC In-House Solution)	Oct-2018	Nov-2018	Dec-2018	Jan-2019	Feb-2019	Mar-2019	Apr-2019	May-2019	Jun-2019	Jul-2019	Aug-2019	Sep-2019	Oct-2019	Nov-2019	Dec-2019	Jan-2020	29-month total
Transition Period (Outside Vendor Front-end Processing Services)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$53,828
Customer Contact Center Supervisor (salary plus benefits)	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$108,000
Intake (Triage, Client Counseling & Application Processing) Temp Staff	\$16,632	\$14,364	\$15,120	\$19,051	\$17,237	\$19,958	\$19,958	\$19,958	\$18,144	\$23,285	\$23,285	\$21,168	\$23,285	\$20,110	\$21,168	\$22,226	\$459,421
Housing Counseling Agencies Costs	\$26,760	\$16,760	\$16,760	\$16,760	\$16,760	\$16,760	\$16,760	\$19,760	\$16,760	\$16,760	\$31,760	\$21,760	\$26,760	\$16,760	\$16,760	\$3,839	\$487,721
Interpreter Services	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$5,400
Call Center System - one-time setup fee																	\$3,676
Clarity Connect customer rep seats	\$664	\$664	\$664	\$735	\$735	\$735	\$735	\$735	\$735	\$735	\$735	\$735	\$735	\$735	\$735	\$735	\$18,735
Skype for Business Complete Enterprise (w/existing E3 Licenses)	\$57	\$57	\$57	\$57	\$57	\$57	\$57	\$57	\$57	\$57	\$57	\$57	\$57	\$57	\$57	\$57	\$1,603
Skype for Business Complete Enterprise Plus Voice (w/ Existing E3 Licenses)	\$131	\$131	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$3,723
Polycom VVX 411-Microsoft Skype for Business edition VVX 411 w/power supply - rent to Own 9	\$199	\$199	\$199	\$199	\$199	\$199	\$199	\$199	\$199	\$199	\$199	\$199	\$199	\$199	\$199	\$199	\$5,569
Clarity Connect customer rep seats	\$1,386	\$1,386	\$1,386	\$1,386	\$1,386	\$1,457	\$1,457	\$1,457	\$1,457	\$1,457	\$1,457	\$1,670	\$1,670	\$1,670	\$1,670	\$1,670	\$34,794
Desktop Computers (small form factor)																	\$1,700
Call Center Cubicles																	\$7,400
Call Center Chairs																	\$520
Call Center headsets																	\$352
Front-end Services Cost Totals	\$50,029	\$37,761	\$38,536	\$42,538	\$40,723	\$43,516	\$43,516	\$46,516	\$41,702	\$46,842	\$61,842	\$49,938	\$57,055	\$43,880	\$44,938	\$33,076	\$1,192,443

Table 5

Customer Contact Center

Front-end Processing Budget Report

Customer Contact Center Support Services that are currently provided by outside vendors would be phased out starting in November 2017. NAHAC would require additional temporary staff to support these services and a Customer Contact Center Supervisor as shown in Table 5. These services and staff personnel would be supported by the Clarity Connect cloud based Customer Contact Center System. The following relates to the information outlined in Table 5.

Transition Period - (Outside Vendor Front-end Processing Services)

The front-end processing services currently provided by credit.org are limited to pre-qualification and client application (Intake) processing services until November 2017 at which time NAHAC would bring these services in-house.

Customer Contact Center Supervisor

The position of Customer Contact Center Supervisor will not be required until November 2017 when all front-end processing services are brought in-house. From November 2017 thru December 2017, this individual may work in a dual role as a supervisor and customer call center agent until the workload requires an increased staff to provide front-end processing services.

Intake (Triage, Client Counseling & Application Processing) Temp Staff

The intake services provided by credit.org would be phased out by November 2017 at which time NAHAC staff would assume the responsibility for providing these services. Based on the call volume projections it would take between 4 to 8 staff personnel to provide these services between November 2017 and the projected end of program funding (January 2020).

Housing Counseling Agencies Costs

With an increase in the number of Housing Counseling Agencies and changes to the HCA compensation system it is projected that the compensation to HCAs will increase during the 29-month analysis period. Additionally, an HCA Board has been established which will act as an interface between the HCA's and NAHAC. The cost of this Board is set at \$5,000 per HCA per year.

Interpreter Services

The United States Department of Treasury guidance (Federal Register /Vol. 70, No. 23 / Friday, February 4, 2005) regarding persons with limited English proficiency requires recipients of federal financial assistance to ensure meaningful access to their programs and activities by persons with limited English proficiency (LEP) pursuant to Title VI of the Civil Rights Act of 1964.

Using California's (CalHFA's) interpreter access process as a model, NAHAC plans to undertake a "pay-as-you-go" system which allows for seamless access to interpreters in over 200 languages to facilitate all aspects of homeowner interaction, from first contact through closing and funding of assistance.

Because NAHAC and its partner HCAs have Spanish bilingual staff trained to perform the duties outlined above, the cost for 'non-Spanish' foreign language interpreter services is anticipated to be quite low, averaging approximately \$200 or less per month.

Customer Contact Center

Front-end Processing Budget Report

Clarity Connect Customer Contact Representative seats and One-time Setup Fee

NAHAC is seeking a flexible licensing agreement which will allow NAHAC to increase and reduce the number of Clarity Connect seats required by NAHAC based on call center staff requirements. Monthly Licensing cost will vary from 4 to 8 seats during the 29-month analysis period depending on the inclusion of HCAs in the customer contact center system. This line item includes a non-recurring setup fee (\$3,676) which would occur in October 2017.

Skype for Business Complete Enterprise (w/existing E3 Licenses)

NAHAC currently has Skype for Business E3 Licenses as a part of its Office 365 Office environment. This line item will be required for non-Call Center office staff as a part of the NAHAC overall phone communications systems.

Skype for Business Complete Enterprise Plus Voice (w/ Existing E3 Licenses)

NAHAC currently has Skype for Business E3 Licenses as a part of its Office 365 Office environment. This line item will be required for Call Center staff as a part of the NAHAC overall phone communications systems.

Polycom VVX 411-Microsoft Skype for Business/Lync edition VVX 411 w/power supply - rent to Own

As a part of transitioning to an in-house call center, NAHAC will replace its antiquated office phone system and handsets. The new system will be a hosted Voice over IP phone system. This analysis includes the cost of 17 phone handsets. The purchase of these handsets should occur in October 2017.

Computers

The NAHAC Call Center will require seven (7) computers with dual screen monitors. NAHAC will purchase five (5) refurbished computers and ten (10) 19" monitors through techsoup's non-profit purchasing plan. The additional two (2) systems will be pulled from the current NAHAC inventory.

Furniture (cubicles and chairs)

The NAHAC call center room will include seats for eight (8) Call Center Representatives. It is estimated that the cost of cubicles and chairs will be \$3,420 and this procurement will occur in October 2017.

Call Center Representative headsets

All Call Center Representatives will require a headset to communicate with homeowners and staff. These headsets will take the place of the standard phone handsets used by other NAHAC office personnel.

Analysis Results

The results of this analysis (see Chart 2) shows that there would be a significant monthly cost savings to NAHAC by bringing the remainder of the front-end processing services in-house. Over the 29-month analysis period, the cost of using vendors to provide the front-end processing services is estimated to be **\$2,259,385**. By bringing these services in-house it is estimated that the cost of these services will be **\$1,187,943**.

Customer Contact Center Front-end Processing Budget Report

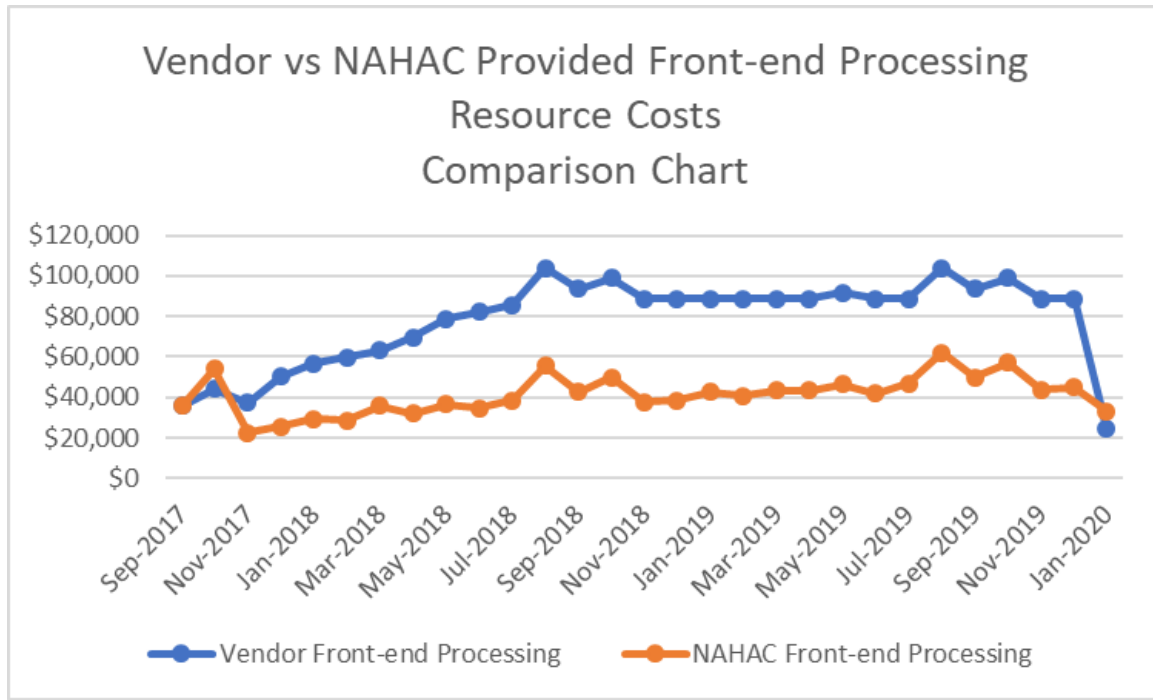


Chart 2

Customer Contact Center Features

It is recommended that NAHAC implement the Clarity Connect cloud-based Customer Contact Center System that will provide a tool that would be utilized by NAHAC staff and credit.org while interfacing with NAHAC homeowner clients.

The Clarity Connect customer contact center would provide the following features:

- **Interactive Voice Response (IVR) tools**

The Web-based visual call-flow editor allows users to create powerful and intelligent, user-experience focused flows that can process voice calls and chat sessions.

- Powerful call- and chat-flows with simple custom configuration through intuitive IVR tools
- Third-party web-based integration for intelligent routing and customer lookups
- Custom IVR attendant with speech recognition or DTMF entry and global, and queue-based calendar ruling
- Manage IM/audio through a single call flow

- **Call Routing capabilities**

Allows callers to get connected to the best available agent quickly using our automated call distributor (ACD).

- Skills-based routing with multi-level skills per
- Configurable queues with separate metrics and custom messaging per queue

Customer Contact Center

Front-end Processing Budget Report

- Control panel for configuration of IVRs, queues, skills, agents, KPI-based alerts, and dynamic routing
- Callback and forwarding options for calls in queue. Exit2VM and/or external transfer
- **Call recording capabilities**
 - Recording can be configured for all (compliance recording), a percentage of calls, on-demand, or none, with override at the queue or agent level
 - Direct inbound and outbound call recording for agents
- **Customer Surveying & Insight**
 - Post-call, -chat surveying supported by powerful, easy-to-use survey development tools
 - Build-out custom surveys and generate insightful reports with real impact providing a real-time feedback loop for your customers

Additionally, NAHAC will benefit from the following:

- Because NAHAC currently has approximately forty (40) Office 365 E3 non-profit licenses for its internal office systems and the recommended Customer Contact Center system is based on Office 365's Skype for Business, then internally NAHAC can leverage its current licenses without additional cost
- A NAHAC customer contact center manager can manage all representatives independent of their location. Credit.org and HCA supervisors can still supervise their individual reps.