

**WRITTEN QUESTIONS AND ANSWERS**  
**ANSWERS ARE IN BLUE**

1.	<p><b>RFQ Bid Solicitation Document</b></p> <p><i>Section 2.2, B:</i> In addition to the total parolee counts provided, is Arkansas Community Correction able to release counts of high and moderate risk parolees released per year? Because the RFQ is requesting services for the recently released, these numbers would assist vendors in anticipating case flow and necessary program size.</p> <p>Answer: See final RFQ Section 2.1.</p>
2.	<p><b>RFQ Bid Solicitation Document</b></p> <p><i>Section 2.2, D:</i> Which actor (provider, intermediary, project manager, State of Arkansas) will be responsible for the procurement of an evaluator and should an estimated evaluation cost be included as part of vendors' project budgets?</p> <p>Answer: See final RFQ Section 2.2.D.</p>
3.	<p><b>RFQ Bid Solicitation Document</b></p> <p><i>Section 6.1, Tables 1 and 2:</i> As currently described, much of the financial modeling exercise contained in the Technical Proposal for Service Providers constitutes an exercise that has typically been performed by the Intermediary in other PFS projects. Why does the state believe this task should fit here given the precedent set elsewhere?</p> <p>Answer: See Financial Modeling Exercise of the Technical Proposal Packet – Service Provider, and Technical Proposal Packet – Fiscal Intermediary.</p>
4.	<p><b>Service Provider Technical Proposal Packet</b></p> <p><i>Section SP.10:</i> Does Arkansas Community Correction or Arkansas Department of Corrections recommend a specific source to estimate the cost of incarceration for individuals in Arkansas?</p> <p>Answer: See SP.10 of the Technical Proposal Packet – Service Provider.</p>
5.	<p><b>Service Provider Technical Proposal Packet</b></p> <p><i>Section SP.10:</i> When calculating potential benefits of an intervention, is the state willing to consider savings across multiple agencies (prisons, jails, policing, healthcare, etc) or should providers present only benefits that accrue to the state budget?</p> <p>Answer: See SP.10 of the Technical Proposal Packet – Service Provider.</p>
6.	<p><b>Service Provider Technical Proposal Packet</b></p> <p><i>Section SP.10:</i> When calculating potential benefits of an intervention, is the state willing to recognize foregone victimization costs and/or other social good measures?</p> <p>Answer: See SP.10 of the Technical Proposal Packet – Service Provider.</p>

7.	<p><b>Service Provider Technical Proposal Packet</b>  <i>Section SP.10:</i> Can there be further explanation of the following note from the provider technical proposal document:</p> <div data-bbox="269 323 1492 810" style="background-color: #f0f0f0; padding: 10px; border: 1px solid #ccc;"> <p style="text-align: center;"><b>FINANCIAL MODELING EXERCISE</b></p> <p style="text-align: center;"><b>The below information must be responded to in a separate document which should be separately sealed from the above responses, and marked as “Financial Modeling Exercise”.</b></p> <p><b>NOTE: This financial modeling exercise is included to evaluate the capacity of RFQ respondents to provide programming that will provide the necessary benefits to make a Pay for Success contract viable. All costs included in this exercise <i>shall not</i> be estimates for the cost of services in Arkansas and <i>shall not</i> be described as such – describing them as such <i>shall</i> result in disqualification from consideration. However, estimates of costs and benefits should be based on the most reputable sources available for similar programming elsewhere and/or provide other developed justifications – they should not be fictionalized. Responses which include actual costs to the State of Arkansas <i>shall</i> be disqualified.</b></p> </div> <p>When calculating costs and benefits does this suggest that providers should not attempt to estimate cost drivers in Arkansas but rather illustrate benefits and costs using a similar operating environment/state? Alternatively, should estimates be a best attempt at illustrating costs in Arkansas but not represented as true costs to the state?</p> <p><a href="#">Answer: See Financial Modeling Exercise of the Technical Proposal Packet – Service Provider, and Technical Proposal Packet – Fiscal Intermediary.</a></p>
8.	<p>Would Arkansas provide clarification regarding the Independent Program Success Evaluation/Validation described in section 2.2 D of the RFP (see page 11 of 23)? Who will be performing this evaluation/validation? Will it be performed by a vendor selected for one of the three roles included under this procurement? Will the services be contracted under a separate, forthcoming procurement? Or has this work already been awarded? In addition, what is the anticipated timeline for the evaluation (for example, the evaluation design, implementation and data collection, and analysis and reporting)?</p> <p><a href="#">Answer: See final RFQ Section 2.2.D.</a></p>
9.	<p>Question in reference to Section 2.2 (A) – Overview and Background: Criminal Justice Reform in Arkansas – Does current legislation open the RFQ process to bids from other governmental departments (such as Department of Human Services) other than the Department of Community Corrections so that youth in the juvenile justice system as well as adults in justice system may be served?</p> <p><a href="#">Answer: See final RFQ Section 2.2.B.</a></p>
10.	<p>Question in reference to Section 2.2 (B) – Overview and Background: Target Population – Please clarify the target population and ages to be served. Should respondents plan to serve Opportunity Youth, ages 16-24?</p> <p><a href="#">Answer: See final RFQ Section 2.2.B.</a></p>

11.	<p>Question in reference to Section 3 thru 5 – Vendor Requirements (Service Provider, Intermediary, Project Manager) – May applicants applying for service roles, under separate contracts, specify desired partnerships with specific providers, intermediaries, and/or project managers in their applications, especially if they have partnered in previous locations on PFS projects? Or would suggestions of partnerships be undesirable for this application?</p> <p><a href="#">Answer: See final RFQ Section 2.1.A, NOTE.</a></p>
12.	<p>Question in reference to Section 6: Criteria for Selection: Table 1: Service Provider Scoring SP.4: Intervention Model - May service providers propose models that are evidence informed and models that blend evidence based strategies and evidence informed strategies?</p> <p><a href="#">Answer: ACC encourages the use of high-quality evidence where it's appropriate in the RFQ response packet.</a></p>
13.	<p>Section 1.7.A.5.c; 1.8.B. RFQ page number 4;5. A Voluntary Product Accessibility Template (VPAT) is listed as a required form for submission, but no VPAT was included with the draft RFQ. Will bidders be required to submit this document even if they do not propose the use of new technology or software?</p> <p><a href="#">Answer: No, the Voluntary Product Accessibility Template (VPAT) is not a requirement of this RFQ.</a></p>
14.	<p><b>Page 6 of Bid Solicitation 1.15 Prime Contractor Responsibility. A.</b></p> <p>Question: [VENDOR] is a non-profit association representing all twenty-two (22) public community colleges in Arkansas. [VENDOR] intends on submitting a response as a Prime Contractor.</p> <p>More specifically, [VENDOR] will submit a joint response bid on behalf of a group of community colleges who will be subcontractors for a single service role of providing education and training services to the target population. Does [VENDOR] qualify for submitting as a Prime Contractor?</p> <p><a href="#">Answer: See final RFQ Section 1.14.A.</a></p>
15.	<p><b>Page 10 of Bid Solicitation Document – B. Target Population Information</b></p> <p>Question: How is moderate and high risk defined?</p> <p><a href="#">Answer: Moderate and High risk refers to an individual's likelihood to reoffend while on supervision, as determined by a risk assessment. Arkansas uses the Arkansas Offender Risk Assessment (ARORA).</a></p>
16.	<p><b>Page 11 of Bid Solicitation – C. Types of Service Provider Programs.</b></p> <p>Question: Can programming include services such as tuition payments and payments for childcare, transportation and other support services for the target population? Are there any restrictions on the services that can be provided to the target population and paid for with Pay for Success funding?</p> <p><a href="#">Answer: See final RFQ Section 2.2.C.</a></p>

17.	<p><b>Page 11 of Bid Solicitation – C. Types of Service Provider Programs.</b></p> <p>Question: Can programs target populations who are soon to be released from prison. If so what would be the time period for soon to be released: within 9 months of release, 6 months of release, or some other time period?</p> <p>Answer: See final RFQ Section 2.2.B.</p>
18.	<p><b>Page 2 of Technical Proposal Packet – Service Provider – SP.7, A. Scaling the Program</b></p> <p>Question: What is meant by “scaling up the service beyond the target population if the Pay for Success program is successful”. Does this mean serving more ex-offenders beyond those originally targeted in the program? Or serving some other population that might not necessarily be ex-offenders?</p> <p>Answer: See SP.7, NOTE, of the Technical Proposal Packet – Service Provider.</p>
19.	<p><b>Page 18 of Bid Solicitation – 7.1 - Payment and Invoice Provisions. C.</b></p> <p>Question: How long is a vendor expected to cover program operation expenses before getting reimbursed?</p> <p>Answer: See final RFQ Section 7.1.D. and Section 7.1.E.</p>
20.	<p><b>Page 18 of Bid Solicitation – 7.1 - Payment and Invoice Provisions. D.</b></p> <p>Question: What does this statement mean: “Payment will be made only after the vendor has successfully satisfied the agency as to the reliability and effectiveness of the goods or services purchased as a whole”?</p> <p>Answer: See final RFQ Section 7.1.E.</p>
21.	<p>Will bond investors be able to choose the service provider the investor would like to invest in, or will bond investors simply invest in Pay for Success and then the state will direct the investors funds to programs selected by the state to receive funding?</p> <p>Answer: Despite occasionally being called “Social Impact Bonds,” Pay for Success contracts are not bonds. A Services Provider or providers will be selected during the RFQ evaluation process, and the Fiscal Intermediary will raise funds from private and philanthropic funders later on. The packaging of the financing will be arranged by the Fiscal Intermediary.</p>
22.	<p>How much funding in total will be available for Pay for Success?</p> <p>Answer: See final RFQ Section 2.3.</p>
23.	<p>Is there any cap on how much funding any one service provider bid can request?</p> <p>Answer: See final RFQ Section 3.1.C.</p>

24.	<p>Can a service provider serve inmates being released from the new Arkansas Community Corrections center in West Memphis?</p> <p><a href="#">Answer: See final RFQ Section 3.1.D.</a></p>
25.	<p><b>Question regarding solicitation item 1.19 (Qualification &amp; Award Process), section B (Negotiations):</b></p> <p>Is it ACC's intent to sequence contract negotiations with vendors for each of the service roles? i.e., will ACC begin negotiations with an intermediary, before selecting the service provider(s) to negotiate with? Can an intermediary and/or project manager participate in the selection of the service provider(s)?</p> <p><a href="#">Answer: See final RFQ Section 1.18.B.1.</a></p>
26.	<p><b>Question regarding solicitation item 1.7 (Response Documents):</b></p> <p>How can intermediaries/project managers and service providers indicate that they want to work together?</p> <p><a href="#">Answer: See final RFQ Section 2.1.A, NOTE.</a></p>
27.	<p><b>Question regarding solicitation item 2.2 (Overview &amp; Background), section B (Target Population Information):</b></p> <p>Is ACC interested in interventions that target moderate-and/or high-risk youth? Do the caseload figures included on page 11 of the draft RFQ include youth involved in the juvenile justice system?</p> <p><a href="#">Answer: See final RFQ Section 2.2.B.</a></p>
28.	<p><b>Question regarding solicitation item 2.2 (Overview &amp; Background), section D (Independent Program Success Evaluation/Validation):</b></p> <p>Who will be responsible for procuring the independent evaluator? Should the cost of an evaluation be included in the intermediary's financial modeling exercise?</p> <p><a href="#">Answer: See final RFQ Section 2.2.D.</a></p>
29.	<p><b>Question regarding solicitation item 2.2 (Overview &amp; Background), section D (Independent Program Success Evaluation/Validation):</b></p> <p>How does ACC define "counterfactual"?</p> <p><a href="#">Answer: A counterfactual is the subset of individuals from the same of similar target population who were not referred to the program. Their outcomes can be compared to those of people who were referred to the program to determine the program's impact.</a></p>
30.	<p>Will the fiscal intermediary be able to choose another provider that did not submit a proposal if the chosen provider is not getting the desired outcomes? If so, how will they be chosen?</p> <p><a href="#">Answer: See final RFQ Section 7.8.</a></p>

31.	<p>What is the anticipated timeframe for the project?</p> <p>Answer: See final RFQ Section 2.3.</p>
32.	<p>How does the state intend to measure outcomes of success?</p> <p>Answer: See final RFQ Section 2.2.D.</p>
33.	<p>What are the measures of success for payment?</p> <p>a. From what point in the project will success be measured, i.e. after first quarter, second quarter?</p> <p>b. For how long should the citizen not recidivate for the program to be considered a success?</p> <p>Answer: Success measures and project timelines will be determined during contract negotiations. The goal of this project is to reduce the size of Arkansas's prison system, but it has not been determined that recidivism will be one of these success measures. See also Section 2.2.D.</p>
34.	<p>Will the agency guarantee investment of potential investors if the project manager or service provider does not perform according to expectations or if the Government shuts down this project?</p> <p>a. Example: In the New York PFS program, The Rockefeller Foundation provided a "first-loss guarantee to protect up to \$1.3 million of investor principal, approximately 10 percent of the total capital raised" (Pay for Success in New York State, Detailed Project Summary, March 2014)</p> <p>Answer: Remedies for early termination or non-performance of various project partners will be determined during the course of contract negotiation. It is not typical for government to guarantee a minimum repayment to funders; in the New York example described above, a foundation provided the backstop, not a government agency. The fiscal intermediary will be responsible for working with funders to identify terms and structuring a financial package that will satisfy their needs.</p>
35.	<p>Under what conditions will the Government pay the Intermediary for distribution to the Investor or the Service Provider?</p> <p>Answer: See final RFQ Section 2.2.D.</p>
36.	<p>What are the expected returns for the Investors?</p> <p>Answer: See final RFQ Section 2.1.B.</p>
37.	<p>If there are excess funds after the program is deemed a success, what will happen to those funds? Will they be distributed to the Investors as an incentive?</p> <p>Answer: See final RFQ Section 2.3.</p>
38.	<p>Are we allowed to submit proposals for more than one vendor position, i.e. one proposal for Project Manager and one proposal for Service Provider?</p> <p>Answer: See final RFQ Section 1.7.A.</p>

39.	<p>What proportion of the 20 million project cap will be allocated for each vendor position?</p> <p>Answer: See final RFQ Section 2.3.A.1.</p>
40.	<p>How will you verify that the Project Manager is equipped to manage the Service Provider without the Project Manager knowing the specific plan for the Service Provider?</p> <p>Answer: The Project Manager's capabilities will be determined based on their responses to the questions asked in the RFQ.</p>
41.	<p>The presentation on PFS roles at the vendor's conference described the intermediary as a "Fiscal Intermediary" whereas the draft RFQ describes the role as an "Intermediary". Does ACC envision the intermediary's scope of work to be limited to the financial terms of a PFS agreement?</p> <p>Answer: See final RFQ Section 4.1.A.</p>
42.	<p>Does the current PFS legislation in Arkansas enable ACC to make outcome payments to the intermediary, or some subset of the intermediary team, as was described in the presentation on PFS?</p> <p>Answer: The current legislation authorizes the creation of a government Social Innovation Fund that can be used to make success payments as part of this project.</p>
43.	<p>Is the state open to exploring alternative performance-based contracting mechanisms? (E.g. rate cards, opportunity compacts, prevention funds, etc.)</p> <p>Answer: The State's primary interest is to improve outcomes in a budget neutral manner and ensure that taxpayer dollars are being spent efficiently. The State may be willing to explore alternative arrangements in the future that could achieve this goal, but is primarily interested in the Pay for Success model described in this RFQ.</p>
44.	<p>Section 7.1 PAYMENT AND INVOICE PROVISIONS, states "It is not anticipated that any invoicing will take place for this contract in its initial stages." Does this provision apply to each role? It appears the project manager role will be engaged early in the process to assist with planning and execution of the remaining two roles. If this is the case, then is the State asking the PM vendor to wait six or more months before being paid? Is this requirement negotiable?</p> <p>Answer: The timeline of paying the fiscal intermediary and the project manager has not yet been determined and will be established during negotiations, but it is possible that each vendor may be paid upon producing specific project development deliverables, upon the independent evaluator finding the PFS program has met contractually specified outcomes, or based on other terms. See also final RFQ Section 7.1.</p>

45.	<p>Can you provide more information on the different types of vendors' roles and responsibilities?</p> <p>Answer: This RFQ is unusual in that most other Pay for Success procurements have had the Fiscal Intermediary and Project Manager roles performed by a single "Intermediary" organization.</p> <p>More information about how this RFQ defines these roles is included in the bidders' conference presentation, "Attachment 1 – Vendor Conference Presentation," attached to this RFQ with detailed notes.</p> <p>More information on how Pay for Success projects have developed in other states can be found at <a href="http://govlab.hks.harvard.edu">govlab.hks.harvard.edu</a> or <a href="http://www.payforsuccess.org">www.payforsuccess.org</a>.</p>
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