

June 13, 2012

ITEM NO. B2

AUTHORIZATION TO ENTER INTO A CONTRACT WITH SCREENING REPORTS, INC. FOR TENANT, APPLICANT AND LANDLORD SCREENING SERVICES

To the Honorable Board of Commissioners:

RECOMMENDATION

It is recommended that the CHA execute a contract with Screening Reports, Inc. to provide screening services for public housing tenants and housing choice voucher (HCV) applicants, participants, and landlords, for the two- year period of August 1, 2012 through July 31, 2014 for an amount not-to exceed \$1,012,500.00, with one (1) one-year option not-to exceed \$506,250.00.

→ **The purpose of this contract is to determine if tenants, participants and landlords are compliant with CHA policy regarding criminal background and financial history.**

BACKGROUND ON CHA SCREENING PROCEDURES

The CHA conducts approximately 79,000 screenings each year of the following:

1. Public Housing Residents (screened during transfer, lease addition, and residual process)
 2. HCV Participants (screened at admission and bi-annually)
 3. HCV Landlords (screened annually)
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1. **Public Housing Tenant Screening:** In accordance with the Admissions and Continued Occupancy Policy and HUD regulations, CHA's Occupancy Department conducts screening of criminal and credit backgrounds of all resident adults at the following times:
 - a. Prior to transferring to another unit,
 - b. When requesting to add a household member to the unit (including live-in aides),
or
 - c. When requesting a residual member to become the Head of Household if the current Head has died or left the unit.

CHA conducts approximately 8,000 of these screenings each year.¹

2. **HCV Participant Screening:** In accordance with the Administrative Plan and HUD regulations, the CHA screens all adult participants (head of households, household

¹ In addition, CHA's Private Property Managers conduct criminal background and credit history screenings of all adult applicants prior to admission, as well as all adult tenants at annual recertification. Those Private Property Manager screenings are not part of this proposed agreement.

members, and live-in-aides) for certain types of criminal activity. Screenings are conducted prior to admission, during bi-annual recertification and moves. HCV conducts approximately 50,000 participant screenings each year

3. **HCV Landlord Screening:** Effective March 1, 2012, the CHA now also screens all HCV landlords to ensure they meet the same standards as participants for criminal behavior as well as CHA standards for financial history. HCV conducts approximately 21,000 landlord screenings each year.

FUNDING

Funding for this agreement will come from the General Fund.

PROCUREMENT HISTORY

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|---|-----------------------|--|---|
| Recommended Vendor: | | Screening Reports, Inc. Wood Dale, Illinois 60191 220 Gerry Drive | |
| Specification No. | RFP # 12-00897 | Date Advertised: | March 1, 2012 |
| Contract Type: | Professional Services | Pre-Proposal Conference: | March 8, 2012 |
| Base Contract Period: | 2 Years | Date Proposals Due: | April 5, 2012 |
| Base Contract Amount: | \$1,012,500 | Advertisement Publication(s) | March 1, 2012. |
| Option Contract Period: | 1 Year | Advertisement Locations | Sun Times, Extra, Defender, CHA Website |
| Option Year Amount: | \$506,250 | # of Vendors Solicited | 80 |
| M/B/DBE Participation: | | # of Pick-ups | 40 |
| ___ MBE ___ WBE ___ DBE Waiver ___ Yes (Yes/No) | | # of Proposals Received | 8 |
| Section 3 Hiring: 2 Hiring ___ Subcontracting ___ Other Economic Opportunities | | | |

EVALUATION PROCESS

After the evaluation committee completed its analysis of the proposals, the Contracting Officer set the competitive range. Five firms scored within the competitive range. Oral presentations, clarification, and negotiations were held with the firms in the competitive range and the best and final offers were submitted. Based upon the evaluation of the written proposals, oral

presentations, negotiations and best and final offers, it was determined that the proposal of Screening Reports, Inc. would provide the best overall service and value to the CHA.

SCOPE OF WORK

Screening Reports, Inc. will provide comprehensive screening services for tenants, HCV participants and applicants, and HCV landlords which include: credit reports, social security traces, criminal history searches (including multi-county, statewide, nationwide, multi-state sex offender searches and reports), and tenant history analysis, along with automated tools to facilitate interpretation of the results.

- Screening Reports will provide a minimum of six training sessions for staff to understand how to utilize the screenings and reports.
- Screening Reports will customize the criminal background screening in accordance with both the HCV and Public Housing programs' respective eligibility guidelines.
- Each criminal screening will cost \$6.00 per screening.
- Each credit screening will cost \$4.25 per screening (\$10.25 for both criminal & credit).

The scope of work to be completed by Screening Reports is more comprehensive and less expensive than the other proposals received. The cost of a combined credit and criminal screening is 2.4% less per screening than the current contract for screening services (\$10.25 versus \$10.50 under the current agreement), with an estimated cost savings of \$6,750 using the projected usage for criminal and credit reports for the requested base and option terms. The cost per screening is less than other commercially available national or local screening services.

CONCLUSION

Based on the foregoing, it is in the best interest of the CHA to enter into contract with Screening Reports, Inc. to provide tenant screening services for public housing tenants and housing choice voucher applicants, participants, and landlords, for the two- year period of August 1, 2012 through July 31, 2014, for an amount not-to exceed \$1,012,500.00, with one (1) one-year option not-to exceed \$506,250.00.

RESOLUTION NO. 2012-CHA-47

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated June 13, 2012 entitled "Authorization to Enter into a Contract with Screening Reports, Inc. to Provide Tenant Screening Services to Public Housing and Housing Choice Voucher Programs";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to enter into a contract with Screening Reports, Inc. to provide screening services for public housing tenants and housing choice voucher applicants, participants, and landlords, for the two-year period of August 1, 2012 through July 31, 2014, for an amount not-to-exceed \$1,012,500.00, with one (1) one-year option not-to exceed \$506,250.00, resulting in total not-to-exceed compensation in the amount of \$1,518,750.00 for the combined base and option terms.

