State Regulatory Registry LLC
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Washington, DC 20036

SAFE Mortgage Licensing Act – Testing and Education Management Services Requirements

REQUEST FOR PROPOSALS

Released FEBRUARY 3, 2012
Updated FEBRUARY 21, 2012
Updated MARCH 8, 2012
Updated March 16, 2012
Updated March 22, 2012

> The February 21st update included corrections to Appendix B. The March 8 update included bidder Q&As, additional appendices and style and formatting changes to the RFP. The March 16 update included additional bidder Q&As which can be found at Appendix I-1. The March 22nd update included additional bidder Q&As which can be found at Appendix 1-2.

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40 **I.   Executive Summary**
41
42   The State Regulatory Registry LLC, an affiliate of the Conference of State Bank Supervisors and
43   the operator of the Nationwide Mortgage Licensing System and Registry (NMLS) seeks
44   proposals to provide services related to the testing and education requirements of Title V, the
45   SAFE Mortgage Licensing Act of the Housing and Economic Recovery Act, Public Law 110-
46   289.
47
48   **II.   Background**
49
50   The Conference of State Bank Supervisors (CSBS) was established in 1902 to serve as a clearing
51   house of ideas to solve common problems of state bank regulators. For more than one hundred
52   years, CSBS has been uniquely positioned as the only national organization dedicated to
53   protecting and advancing our nation's dual banking system. Each state bank commissioner, as
54   well as the commissioners in the District of Columbia and the American territories, is a member
55   of CSBS.
56
57   CSBS, in cooperation with the American Association of Residential Mortgage Regulators
58   (AARMR), established the State Regulatory Registry LLC (SRR) on September 29, 2006. SRR
59   is to develop and operate nationwide systems for state regulators in the financial services
60   industry. Such systems are intended to enhance states' ability to protect consumers; improve
61   supervision and enforcement of licensed entities; and streamline licensing and other processes
62   for state agencies and the industry through the use of modern technology and centralizing
63   redundant state agency operations.
64
65   SRR currently operates NMLS that has been developed by state mortgage regulators. NMLS
66   began operations on January 2, 2008 and is used by state residential mortgage regulators to
67   process licenses by mortgage lenders, brokers and/or professionals. In 2009, SRR launched
68   NMLS Consumer Access, an online public database disclosing the licensing information of firms
69   and individuals, which will eventually include any state enforcement history. On January 31,
70   2011, NMLS began allowing federally regulated depository institutions and subsidiaries to
71   register MLOs as required by the final rule promulgated by the federal agencies.
72
73   On July 30, 2008, President Bush signed into law the Housing and Economic Recovery Act,
74   Public Law 110-289. Title V of the law, the Secure and Fair Enforcement of Mortgage
75   Licensing Act (SAFE Act), requires the states and territories to develop systems of licensing for
76   individual mortgage loan originators (MLOs) that meet minimum standards. A link to the law,
77   title V, a summary of Title V, the mandates of SAFE, and MLO requirements, is included here
78   http://mortgage.nationwidelicensingsystem.org/safe/Pages/default.aspx
79   Title V includes various mandates for the mortgage loan industry, the states, HUD (now the
80   Consumer Financial Protection Bureau (CFPB)), the federal banking agencies (now CFPB),
81   CSBS and AARMR and NMLS.
82
83   More specifically the SAFE Act mandated NMLS to:

84
85   • Establish protocols for the issuance of unique identifiers for all MLOs.
86
87   • Must receive and process fingerprints for national and state criminal history background
88   checks for all MLOs.
89
90   • Must review and approve, using reasonable standards, pre-licensure and continuing
91   education courses.
92
93   • Must develop a qualified written test and approve test providers.
94
95   • Must develop a mortgage call report.
96
97   • Must provide public access to licensing information.
98
99 **III.   General Information Including Instructions for Submitting Proposals**
100
101 The issuer of this Request for Proposals (RFP) is SRR..
102
103 **RFP Timeline** – The following table lists events, tasks and dates included in this RFP process.
104 SRR reserves the right to modify these dates at any time, and if so, will notify prospective
105 bidders.
106

Event/Task	Date
RFP Issued	Friday, February 3, 2012
Calls with prospective bidders to answer questions about the RFP. (*Individual calls will be scheduled with qualified vendors who would like an opportunity to ask questions about the RFP.*)	February 15, 16, 17, 21 & 22
Letter of Intent to Bid	Monday, February 27, 2012
Final Day to Submit Proposals	Friday, March 30, 2012
Evaluation period	March 30 – May 18, 2012
Letter(s) of Intent to Contract (Could be 1,2,or 3)	May 21 – June 29, 2012
Contract Negotiation	May 21 – July 27, 2012
Start Transition with Vendor(s)	May 21, 2012

107
108 *Prospective vendors wishing to participate in these one-on-one calls should contact Pete Marks,
109 Vice President, Mortgage Testing and Education Programs, via email, at pmarks@csbs.org to set
110 up an appointment on one of the five days listed. Following the individual vendor calls, SRR
111 will publicize the answers to material questions.
112
113
114

> The RFP describes three separate components. Interested parties may submit proposals that address one or more of the components. If you choose to bid on more than one component, please submit a separate statement of work and fee schedule for each unique component of the RFP. For more information on the RFP components, please refer to Section IV, Statements of Work.

115
116 **Proposal submission requirements**:
117
118 Companies submitting a Notice of Intent to Bid (see Appendix B) will be provided with separate
119 instructions regarding the bid submittal process. SRR will employ a secure online document and
120 project management application to manage the receipt of bid material and correspondence with
121 bidders. SRR will provide bidders with appropriate instructions following the Notice of Intent to
122 Bid date, February 27, 2012. All bidders should refer to Appendix H – Proposal Submission
123 Requirements, for detailed information and instructions.
124
125 SRR must receive all submissions **no later than 5:00 pm Eastern Time (ET), Friday March
126 30, 2012.** SRR reserves the right not to accept proposals received after this date and time.
127 Vendors may submit their proposals any time prior to the stated deadline.
128
129 SRR maintains the right to accept or reject any proposal without further discussion or
130 justification.
131
132 SRR bears no responsibility for any costs or fees any vendor incurs to develop or deliver its
133 proposal.
134
135 See Section V, General Proposal Requirements, for information regarding the requirements for
136 the content and format of proposals.
137
138 **IV.   Statement of Work**
139
140 This is a request for proposals for three (3) separate but related service components regarding the
141 implementation and maintenance of SAFE Act testing and education requirements. For each
142 separate component, this statement of work includes the following:
143
144   1.) Description of the SAFE requirements SRR must meet including summary of the SAFE Act
145 and CFPB final rules as posted at:
146 http://mortgage.nationwidelicensingsystem.org/safe/Pages/default.aspx
147 2.) Service(s) a vendor is expected to deliver, and
148 3.) Estimated timeline for the delivery of the services.
149

> *Interested and qualified vendors may offer solutions to a single component, two components, or all components. Please refer to Sections III and V for more instructions about how to submit your proposal to address the multiple component aspect of this RFP.*

150   The three major components include:
151
152   1.   **Test Maintenance**
153
154   A.   Maintenance of the National Component of the SAFE MLO Test.
155
156   B.   Maintenance of multiple State Components of the SAFE MLO Test.
157
158   2.   **Test Administration -** Administration of the National and State Components for all
159   persons required to be tested under the SAFE Act.
160
161   3.   **Education Management System –** Implementation and maintenance of an online system
162   to manage course providers, course approval processes, and recording of course
163   completions for the pre-licensure and continuing education requirements of the SAFE
164   Act.
165

166   **Component 1. – Maintenance of the National and State Components of the SAFE MLO**
167   **Test**

168
169   *NMLS Requirements under SAFE Act, Section 1505 (d)*
170
171   SRR must develop a qualified written test for Mortgage Loan Originators (MLOs).
172
173   It has met the requirements of the SAFE Act by developing a single SAFE MLO Test with
174
175   1. A National Component and
176   2. Unique State Components for 53 states/jurisdictions.
177
178   The National Component includes ethics, federal law and regulation pertaining to mortgage
179   origination; and federal law and regulation, including instruction on fraud, consumer protection,
180   the nontraditional mortgage marketplace, and fair lending issues. The most current Content
181   Outline for the National Component can be found on the NMLS Resource Center at this url:
182   http://mortgage.nationwidelicensingsystem.org/profreq/testing/Content%20Outlines/National%2
183   0SAFE%20Mortgage%20LO%20Test%20Content%20Outline.pdf
184
185   The Unique State Components include state specific laws and regulations. The most current
186   Content Outlines for the State Components can be found on the NMLS Resource Center at this
187   url:
188   http://mortgage.nationwidelicensingsystem.org/profreq/testing/Pages/TestContentOutline.aspx
189
190

191 Each state, regardless if it has two or more agencies which regulate mortgage loan origination
192 activities, has a single State Component test.
193
194 The SAFE Act sets a passing score of 75% for the SAFE MLO Test.
195
196 *High Level Test Specifications*
197
198 The SAFE MLO test employs four-option, single select multiple choice questions. The National
199 Test Component is 90 scored questions and 10 un-scored questions. The test duration is 150
200 minutes and the appointment time is 180 minutes. The Unique State Test Components are 45 –
201 55 scored questions and 10 un-scored questions. The test duration is 90 minutes and the
202 appointment time is 120 minutes. The appointment time includes 15 minutes for a tutorial
203 session and 15 minutes for an optional candidate post-test survey.
204
205 Four forms are used for the National Test Component and three forms for each of the unique
206 State Test Components. No two forms for the same test component have more than 50% of their
207 items in common*.
208
209

> *Vendors may propose a non-fixed form approach which must produce the equivalent outcome as a forms based approach.

210
211 *Testing and Education Statistics*
212
213 SRR has been administering testing and education requirements under the SAFE Act since June,
214 2009. Prospective respondents are encouraged to refer to SRR's three annual reports (2008,
215 2009 and 2010) which include a variety statistics about testing and education activities which
216 have taken place since the passage of the SAFE Act. The annual reports can be found on the
217 CSBS web site at this url: http://www.csbs.org/mortgage/Pages/AboutSRR.aspx
218
219 *NMLS Functionality and the Interface with SAFE MLO Testing*
220
221 NMLS is the legal system of record for non-depository, financial services licensing or
222 registration for participating state agencies, including the District of Columbia and U.S.
223 Territories. NMLS is the official system for companies and individuals seeking to apply for,
224 amend, renew and surrender licenses managed through NMLS on behalf of the jurisdiction's
225 governmental agencies. NMLS itself does not grant or deny license authority.
226
227 NMLS is the sole system of licensure for mortgage companies for 58 state agencies and the sole
228 system of licensure for mortgage loan originators under the SAFE Act.
229
230 NMLS is also the legal system of record for the registration of depositories, subsidiaries of
231 depositories, and mortgage loan originators under CFPB's Registration of Mortgage Loan
232 Originators Final Rule published July 28, 2010.

233   After each candidate completes an attempt of one of the SAFE MLO Test Components, within
234   72 hours the results of the test attempt are posted to NMLS. Once the results are posted any
235   person or company with the appropriate access and all regulators may view the applicant's or
236   licensee's test results.   With few exceptions, a candidate's first passing score is considered his or
237   her official test result and if the candidate has not passed, then the result from the most recent
238   attempt is considered the official result.
239
240   *Uniform State Test*
241
242   A Uniform State Test (UST) is under development and if implemented, will be used to replace
243   an unknown number of state specific test components. As currently designed, the UST will not
244   be administered as a separate test component but rather the uniform state content will be
245   incorporated into the existing National Test Component. The number of items on the National
246   Test Component will be increased to accommodate the new UST content. A final decision
247   regarding the number of items which will be added to the National Component has not been
248   determined. In the spring – summer of 2012, states will be given the opportunity to adopt the
249   UST or retain their current state specific test components. The earliest date the expanded
250   National Component with uniform state content will be available for testing is estimated to be
251   January 2, 2013.
252
253   *Services that a vendor will be expected to deliver.*
254
255   **Testing Standards** - The vendor must be able to maintain any and all specified test components
256   in such a way that they will meet or exceed state and federal requirements, applicable standards
257   as presented in the Standards for Educational and Psychological Testing and other generally
258   accepted psychometric standards for providing valid and reliable examinations, which establish
259   minimal competency for entry-level mortgage loan originators, and include but are not limited to
260   the content listed above.
261
262   **Content Management System** - The vendor must have appropriate technology and related
263   systems to manage content for the maintenance of national and state test content.
264   1.   The capability to receive from the current vendor approximately 12,000 separate items
265   which are available for use in the National Component and the 53 unique State
266   Components.
267   2.   The capability to securely maintain the items, to appropriately catalog them for use in the
268   various test components, to catalog them by ownership status[1], and any other types of
269   reasonably defined categories.

_____

[1] CSBS/SRR owns or has rights to use all of the items which will be transferred to the test maintenance vendor.

270   3. The capability to collect and maintain for each item appropriate psychometric
271   measurements.
272   4. The capability to collect and maintain for each item the activity and actions taken by test
273   committees and the vendor's personnel.
274   5. The capability to author new items and revise existing ones.
275   6. The capability to transmit forms to the test administration vendor.
276   7. The capability to receive from the test administration vendor test performance results and
277   any relevant data necessary to perform the maintenance requirements.

278   **Content Maintenance Services** – The vendor must have appropriate personnel and management
279   capability to conduct maintenance services for the National Component and up to 53 State
280   Components.
281   1. Annually, on a mutually agreed upon schedule, the vendor will conduct formal
282   maintenance sessions for the **National Component** including its test forms and item
283   bank.
284   2. Annually, or on a less frequent basis for selected states, on a mutually agreed upon
285   schedule, the vendor will conduct formal maintenance sessions for **State Components**
286   including their test forms and item banks.*
287   3. The capability to conduct such maintenance sessions using online virtual meeting
288   technology and procedures.**

*Note: The Puerto Rico State Test Component was developed and is administered as an English/Spanish bi-lingual test. Prospective vendors must have demonstrated experience and capabilities to develop and maintain tests which require Spanish and other language translation and related testing services.

289
290

**Vendors may also propose how to conduct maintenance meetings in face-to-face formats or blended formats, but vendors must have demonstrated capability with virtual maintenance meetings.

291
292   a. SRR will be responsible for recruiting appropriate subject matter experts who
293   comprise the national and state test committees. Once recruited, the vendor will
294   have the responsibility to coordinate all maintenance activities with the
295   committee.
296   b. In its most recent meeting in 2011, the national test committee included
297   approximately 60 members.
298   c. Each state committee has between 6 and 8 members.
299   d. In 2012 SRR has scheduled maintenance for 15 state tests plus the National Test
300   Component
301   4. During the formal maintenance the vendor will be expected to perform the following
302   a. Review the test content outline
303   b. Review all items for content accuracy

304   c. Conduct analysis of the performance of each item
305   d. Evaluate the impact from changes in federal/state legislation and determine the
306   impact on the item bank
307   e. Retire obsolete and poorly performing items
308   f. Replace them with new pre-tested items
309   g. Oversee the writing of new items as required
310   h. Equate forms
311   i. Republish forms
312   j. Perform appropriate quality assurance
313   k. Transmit forms to the test administration vendor
314   l. Perform any necessary services to ensure that the test component is meeting
315   appropriate standards.
316   5. Provide item and form surveillance on a regular basis. On a mutually agreed upon
317   regular schedule, monitor the performance of the National and State Components to
318   ensure that the forms and items are performing within accepted psychometric standards
319   and other mutually agreed upon standards set by SRR and the vendor.
320   a. Report regularly to SRR, not less than monthly, on the status of the performance
321   of the National and State Components regarding all relevant measurement criteria
322   and make necessary revisions to items and forms. Provide requested reports such
323   as candidate pass/fail reports.
324   b. In cooperation with SRR, respond to items which are determined to be impacted
325   by changes in federal or state legislative changes.*
326   c. Respond in a timely manner to SRR's requests for ad hoc reports, information and
327   assistance regarding the items, forms, and test components.

> *SRR has implemented the practice of assigning "effective dates" to its test components. As part of their tasks, maintenance committees will assign an effective date to their respective state components upon approving all the content. SRR will assume the primary responsibility for monitoring federal and state legislative changes and notifying the maintenance vendor when prospective legislative changes may impact any test items. Components with effective dates may not need to undergo any related maintenance until the next scheduled formal maintenance. Components without effective dates may require immediate maintenance to ensure their accuracy.

328

329 **Technical Report** – The vendor must produce annually a technical report summarizing the item
330 and test maintenance activities, general psychometric analyses conducted on the tests, forms, and
331 items developed, maintained and administered during the prior year. The high level content of
332 the report would include
333   1. Item and Test Development Activities,
334   2. Item and Test Analyses, and
335   3. Test Taker Performance.

336 **Test Complaints** – The vendor must have the capability to respond in a timely manner to test
337 complaints received by SRR from test candidates or generated by candidates from test event
338 incident reports (EIRs) and forwarded to the vendor for research and potential action. SRR

339 received 164 complaints in 2010 and 133 complaints in 2011. Many but not all complaints
340 required research by the test maintenance vendor.
341
342 **Practice Analysis** – The vendor should have demonstrated experience and capability to manage
343 all the tasks associated with a successful practice (job) analysis development. SRR does not
344 have an imminent need for this service but anticipates one or more job analyses will need to be
345 conducted during the life of the contract.
346
347 *Timeline for delivery of Test Maintenance Services*
348
349 The successful bidder for the Component 1 services can expect to begin work on test
350 maintenance tasks on or about October 1, 2012 and be working with test maintenance
351 committees in January, 2013.
352
353 <u>**COMPONENT 2: ADMINISTRATION OF NATIONAL AND STATE TESTS**</u>
354
355 *NMLS Requirements under SAFE Act, Section 1505 (d)*
356
357 NMLS(SRR) must develop a qualified written test which is administered by an approved test
358 provider.
359
360 Every applicant for state mortgage loan origination licensure must take and pass the SAFE MLO
361 Test with a passing score of not less than 75 percent correct answers to questions.
362
363 The SAFE MLO Test consists of a National Component and a State Component for each
364 jurisdiction in which the applicant wishes to become licensed.
365
366 Once a candidate successfully passes any component, he or she is not required to retake the
367 component again.[2] SRR policies prohibit candidates from retaking test components once they
368 have passed them.
369
370 A candidate whose attempt results in failure may retake the component after waiting 30 days.
371 After three (3) unsuccessful attempts, the candidate must wait 180 days prior to retaking the
372 component again[3]. The candidate who has not achieved a passing result may retake the same

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[2] The SAFE Act requires state licensed MLOs who fail to maintain a valid license for a period of 5 years or longer to retake the test, not taking into account any time during which such individuals are registered MLOs.
[3] In June, 2011, HUD issued final rules which changed the number of retakes from 4 to 3 prior to a candidate being required to wait 180 days. The new rule went into effect on August 29, 2011.

373   component as many times as he or she wishes according to the wait-period cycle described
374   above.
375   All persons who were MLOs at the passage of the SAFE Act in July, 2008 had until December
376   31, 2010 to complete their state licensure requirements. Therefore, most candidates who sought
377   state licenses after that date were considered to be new entrants to the mortgage industry. In
378   2011, SRR administered 130,279 SAFE MLO Test Components which included 46,293 National
379   Test Components and 83,986 State Test Components. The table at Appendix C-1 lists the
380   distribution of tests taken by component.* In 2011 there were 25,202 first-time attempts for the
381   National Test Component. The table at Appendix C-2 lists the test components delivered in
382   2011 according to the states in which candidates took the tests. The table at Appendix C-3 lists
383   the tests delivered by month in 2011.
384

> * Vendors should note that test candidates may take any test component in any state and the test
> volume for any particular state does not imply that all the candidates took their tests in the states
> in which they were seeking licensure.

385
386   As of December 31, 2011, according to NMLS records, there were 117,459 individuals who held
387   226,023 state MLO licenses. In addition, there were 375,654 individuals who were federally
388   registered MLOs. Those registrants are not subject to SAFE Act testing and education
389   requirements, but should they wish to become state licensed, then they would be required to
390   satisfy the SAFE Act testing and education requirements.
391
392   SRR does not make projections about the number of persons who are likely to be SAFE MLO
393   Test candidates nor can it provide any other information about what the actual number of test
394   takers and attempts will be.
395
396   There are no pre-requisites for candidates to take the SAFE MLO Test other then they must be
397   taking the test(s) to seek or maintain state licensure, must agree to the NMLS User Agreement,
398   and must agree to the Rules of Conduct (ROC) for test takers. The current ROC can be found at
399   Appendix D. In addition, each candidate must have an NMLS Unique Identifier (UI) in order to
400   enroll. Any candidate may get his/her UI in NMLS without cost. In most states, an applicant
401   must satisfy the testing and education requirements before he or she can file an application with
402   the state.
403
404   ***Services that a vendor will be expected to deliver.***
405
406   **Test Administration – test center network**
407
408   1. The vendor will maintain adequate test sites with adequate seating capacity in all states and
409   territories, with at least one testing site per state.   (Note: *Please refer to Section V, Other*
410   *Submission Requirements, for instructions regarding the vendor's testing sites.)*
411   a. Demonstrated capability and experience operating a large-scale network of physical
412   testing sites which are used primarily or exclusively for high-stakes licensure and/or
413   certification tests.

414		b.	Each center must have:
415		i.	Adequate parking or access to public transportation with proper signage to
416			identify the test center,
417		ii.	Facilities which are in compliance with federal and state ADA laws,
418		iii.	Adequate restroom facilities,
419		iv.	Adequate secure facilities and related procedures to accommodate the
420			personal belongings of candidates while they are testing,
421		v.	Video surveillance of the entire test center including the registration area,
422			locker area, and the candidate testing areas with video retention of at least 30
423			days,
424		vi.	Adequate staffing levels to ensure that each candidate receives prompt and
425			professional service and to ensure that SAFE MLO tests are administered in
426			compliance with the Rules of Conduct (ROC) which apply to all candidates
427			for SAFE MLO Tests,
428		vii.	Convenient and minimum hours of operation to adequately meet the demands
429			of candidates in the center's marketplace,
430		viii.	Adequate IT infrastructure to accommodate test takers and communicate with
431			NMLS, and
432		ix.	Enterprise and center software which meets SRR's security standards.

433

Test Administration – candidate scheduling system

435

436 2. The vendor will provide and maintain an infrastructure, system and related processes to
437   schedule candidates who have successfully enrolled for the SAFE tests. The vendor must
438   have the following capabilities:

> SRR expects to continue to use NMLS as the system where candidates enroll and pay for the
> test(s) they wish to take. Once candidates successfully enroll for their test(s) the vendor will be
> expected to interface with NMLS to receive enrollment information. Beyond the candidate's
> name, NMLS UI, and contact information, the vendor will not be expected to receive, process, or
> store candidate personal identifying information (PII).

439
440		a.	Process candidate appointments in a convenient and secure online system,
441		b.	Process candidate appointments by phone,
442		c.	Process group appointments, and
443		d.	Produce regular and ad hoc reports about appointments processed, appointments
444			pending, the status of test center capacity and utilization and other relevant reports.

445

Test Administration – special accommodations

447

448 3. The vendor will provide a capability to receive and process candidate requests for
449   accommodations under the federal Americans with Disability Act (ADA) or applicable state
450   laws.

451   i.   Must have properly trained and qualified staff to evaluate and approve/deny
452   requests for special testing accommodations.
453   ii.   Candidates for the SAFE MLO Test have requested special accommodations
454   in the past two years as follows: 2010 – 282 and 2011 – 213.
455

456   **Test Administration – test delivery and related services**
457   4. The vendor will provide an infrastructure and related processes to deploy appropriate test
458   forms to candidates and maintain item and form security.
459   a. Test centers must have capability to distribute to each candidate "reusable white
460   boards" or similar devices (not scratch paper) and distribute to each candidate a basic
461   4-function calculator.
462   5. Score licensing tests.
463   a. Provide candidates with immediate unofficial results upon completion of their test
464   attempts including an appropriate diagnostic test report.
465   b. In a timely manner, validate test results and transmit official test results to NMLS
466   where the results will be accessible to candidates, authorized companies and
467   regulators.
468   6. Provide processes for candidate feedback regarding their experiences with enrollment,
469   payment, scheduling, test taking and related vendor and NMLS services.
470   a. Must have capability to administer a post-test survey, which can be customized by
471   SRR and the ability to aggregate and report the results from time-to-time to SRR.
472   7. Provide and report to SRR on a regular basis mutually agreed to performance information on
473   each site including but not limited to staff availability, staff/candidate interactions,
474   registration processes, complaint resolution, and related service measurements.
475   a. Provide to SRR on a frequent basis information on all mutually agreed to incident
476   reports which take place at testing sites and are reported either by candidates or test
477   center administrators (TCAs).
478

479   **Test Administration – Testing Handbook**
480

481   8. In cooperation with SRR maintain an information handbook, **The MLO Testing Handbook,**
482   that explains SRR, NMLS and the vendor's policies and practices, instructions for
483   registration and test scheduling, fees, testing sites, and related candidate testing information.
484   The url for the current testing handbook is:
485   http://mortgage.nationwidelicensingsystem.org/profreq/testing/Documents/MLO%20Handbo
486   ok.pdf
487

488   *Timeline for delivery of Component 2. Services:*
489

490   The successful bidder for Component 2. services can expect to administer tests on January 2,
491   2013 and must be capable of processing candidate appointments approximately a month prior to
492   that date.
493

494
495 **COMPONENT 3: IMPLEMENTATION AND MAINTENANCE OF AN EDUCATION**
496 **MANAGEMENT SYSTEM (EMS)**
497
498 NMLS is soliciting proposals for the implementation and maintenance of an online system to
499 manage course provider and course approval processes, course scheduling, and the recording and
500 compliance tracking of the pre-licensure (PE) and continuing education (CE) requirements of the
501 SAFE Act. The EMS will be required to interface with NMLS, and must provide comprehensive
502 system administrator tools, reporting, and analytical capabilities.
503
504 *NMLS Requirements under SAFE Act, Section 1505 (c) and Section 1506 (b)*
505
506 In meeting its requirements under the SAFE Act, NMLS employs a two-part process for course
507 approvals. First, NMLS approves organizations seeking to offer PE or CE courses. Once
508 approved, the organization may submit courses for approval.
509
510 In accordance with the SAFE Act, NMLS is required to apply reasonable standards in its review
511 and approval of courses. To meet this requirement, NMLS has written policies and established
512 technical standards that all courses must meet in order to be approved. NMLS evaluates course
513 approval applications against these standards as part of its review process. The requirements for
514 NMLS Approved Course Providers and the technical specifications that all courses must meet
515 may be found on the NMLS Resource Center at this url:
516 http://mortgage.nationwidelicensingsystem.org/courseprovider/Course%20Provider%20Resourc
517 es/2012%20Functional%20Specification%20RLM.pdf
518
519
520 NMLS requires each course provider and all approved courses to go through a renewal cycle to
521 maintain approval status. The renewal cycles run on a bi-annual and annual basis respectively.
522
523 As a condition for licensure, all MLO candidates are required to complete 20 hours of pre-
524 licensure education; in some cases the MLO may also be required to complete additional hours
525 of state-specific education. The 20 hours of pre-licensure education (PE) must include the
526 following subjects:
527
528   1. 3 hours – federal law and regulations
529   2. 3 hours – ethics, including fraud, consumer protection, and fair lending issues,
530   3. 2 hours – instruction related to lending standards for the nontraditional mortgage products
531   marketplace, and
532   4. 12 hours – elective pertaining to residential mortgage lending
533   5. A number of state agencies have an additional requirement for state-specific education.
534   A current breakdown of each licensing agency's PE and CE requirement may be found
535   online at the NMLS Resource Center at this url:
536   http://mortgage.nationwidelicensingsystem.org/courseprovider/Course%20Provider%20R
537   esources/Education%20Hours.pdf

538
539 Once licensed, MLOs are required to complete eight hours of annual continuing education (CE).
540 The SAFE Act prohibits the taking of the same CE course in successive years. The eight hours of
541 annual CE must include the following subjects:
542   1. 3 hours – federal law and regulations
543   2. 2 hours – ethics, including fraud, consumer protection, and fair lending issues
544   3. 2 hours - training related to lending standards for the nontraditional mortgage products
545   marketplace
546   4. 1 hour – elective pertaining to residential mortgage lending
547   5. A number of agencies have an additional requirement for state-specific education. A
548   current breakdown of each licensing agency's PE and CE requirement may be found
549   online at the NMLS Resource Center at this url:
550   http://mortgage.nationwidelicensingsystem.org/courseprovider/Course%20Provider%20R
551   esources/Education%20Hours.pdf
552
553 Since the passage of the SAFE Act, SRR has written policies and institutionalized the necessary
554 work processes required to receive, approve, and audit course providers and courses. Within 11
555 months of the passage of the SAFE Act in July 2008, SRR began accepting applications from
556 organizations to become approved course providers. A month later, SRR began accepting
557 applications for course approvals, and in September 2009, the first NMLS-approved courses
558 were being offered to the industry. In August 2010, SRR began the annual course renewal
559 process; the bi-annual course provider renewal process began in June 2011. As of January 2012,
560 SRR has approximately 170 approved course providers; over 1,200 courses have been approved
561 since 2009. SRR receives approximately 1,225 course applications a year (725 new and 500
562 renewals). Approximately 90% of course providers renew annually.
563
564 The current course approval process requires all course material to be submitted by course
565 providers electronically. Electronic documents are then shared with an external team of course
566 evaluators who are located around the country. SRR employs a commercial project management
567 portal called Base Camp to assist in the collection, routing, tracking, archiving and
568 communication with stakeholders regarding the status of course approvals and audits.
569
570 *Education Management Services that the Vendor is Expected to Deliver*
571
572 SRR will consider proposals that include the implementation and maintenance of a turnkey
573 system to be used by SRR to collect and maintain course provider data, assist in the management
574 of the course application and approval process and course scheduling process. The recording of
575 course completion and tracking of compliance for the pre-licensure (PE) and continuing
576 education (CE) requirements of the SAFE Act is a critical requirement for SRR. The Education
577 Management System (EMS) must be able to collect, retain, and transmit course completion and
578 compliance information from a host system to NMLS based upon the MLO's NMLS ID number
579 (the EMS will not collect and/or maintain personal identifying information (PII) (i.e. SSN, DOB,
580 etc.). It is expected the EMS will be equipped with system administrator tools and possess

581 reporting and data analytics capabilities. The EMS will be expected to meet the following
582 requirements:
583
584   1.   **Course Provider Application Functionality**
585   a. Ability for an organization to submit online an application and supporting
586   documentation to become an approved course provider.
587   b. Collect, store, update, and query against any number of standard business
588   demographic data.
589   c. Ability for course providers and system users to upload/download supporting
590   documents in a variety of standard file formats including large files.
591   d. Ability for system administrators to set and change application process statuses.
592   e. Assign approved course provider numbers, set renewal dates, and set approval
593   statuses.
594   f. Ability for SRR to set variable fees and ability for approved providers to pay fees via
595   an online payment system using credit cards and ACH.
596
597   2.   **PE and CE Course Approval, Course Offering, and Course Catalog**
598   **Functionality**
599   a. Provide the ability for approved course providers to electronically submit for
600   approval various types of PE and CE courses along with supporting
601   documentation in a variety of standard file formats including large files.
602   b. Ability to assign and change course approval statuses.
603   c. Capability to manage work flow processes and assign and route course documents
604   to work queues for the review and approval of course material(s).
605   d. Ability for SRR to set variable fees and ability for approved providers to pay fees
606   via an online payment system using credit cards and ACH.
607   e.   Ability to generate a public facing online catalog, with multiple search options,
608   of approved course providers, approved PE and CE courses, and course offerings.
609   f. Ability to generate and maintain course approval numbers.
610   g. Ability for SRR system administrator to inactivate and/or reactivate a course for
611   any reason.
612
613   3.   **Course Provider Renewal**
614   a. Functionality to support the requirement for approved course providers to submit
615   for renewals, which is bi-annually.
616   b. Ability for the course provider to submit a renewal application and supporting
617   documents electronically.
618   **c.** Capability to download documents and manage process work flow to assign and
619   route renewal application and documents to work queues for review and approval.
620   d. Ability for SRR to set variable fees and ability for approved providers to pay fees
621   via an online payment system using credit cards and ACH.
622   e. Capability to assign renewal statuses and communicate with approved course
623   providers.

624   f. Ability for SRR system administrator to suspend approved course providers and
625   any approved courses if renewal fees and/or documents are not submitted on time.
626   g. Ability for SRR system administrator to remove the suspension of an approval
627   status in the event fees and/or application documents are submitted late.
628
629 4. **PE and CE Course Renewal Functionality**
630   a. Ability for approved course providers to submit course(s) for annual renewal.
631   b. Ability to accept electronic submission of a course renewal application and
632   supporting documents in a variety of standard file formats.
633   c. Capability to manage work flow processes and to assign and route course renewal
634   documents to work queues for the review and approval of the application and
635   associated documents.
636   d. Ability for SRR to set variable fees and ability for approved providers to pay fees
637   via an online payment system using credit cards and ACH.
638   e. Capability to assign renewal statuses and communicate with approved course
639   providers.
640   f. Ability to for SRR system administrator to suspend approval status of a course if
641   renewal fees and/or documents are not submitted on time.
642   g. Ability for SRR system administrator to remove the suspension of a course
643   approval in the event fees and/or application documents are submitted late.
644
645 5. **Credit Banking Functionality**
646   a. Ability to support the requirement for approved course providers to report course
647   completions (both PE and CE) into the EMS for the tracking and reporting of
648   licensing requirements. Course providers must be able to submit course
649   completions as part of a manual input process or through a standard format file
650   upload process.
651   b. Ability for SRR to generate any number of course provider activity/roster reports.
652   c. Ability for SRR to set variable fees and ability for approved providers to pay fees
653   via an online payment system using credit cards and ACH.
654   d. The ability for SRR system administrator to make corrections, remove, and/or
655   apply course completion credit to a record or records in accordance with
656   established policies.
657
658 6. **Education Compliance Tracking Functionality**
659   a. Ability to recognize NMLS approved course types and to apply credit hours to
660   specific federal requirements and to track, report, and display compliance.
661   b. Ability to recognize state course topic requirements, and to track, report, and
662   display compliance.
663   c. Employ a dynamic business rules engine to apply course credit hours in
664   accordance with established and evolving NMLS and SRR business rules, and to
665   track/display compliance by MLO name and NMLS ID number.
666   d. Business rules engine must have the ability to be updated and tested by SRR in a
667   testing environment.

668   e. Ability to generate and display in real-time an MLO's course completion and
669   compliance record (transcript). The course completion record must provide a
670   comprehensive history, by year and courses completed (both PE or CE) of all
671   SAFE Act-related education an MLO has completed, to include but not limited to,
672   the break-down of federal and state education requirement topics, status of
673   progress (by hours applied against requirements), completed course title(s),
674   course completion date(s), and credit banking processing date(s).
675   f.   The ability for NMLS system administrator to make corrections, remove and/or
676   apply course completions to a MLO record or records in accordance with
677   established policies.
678
679   7.   **Requirement to Import, Host, and Validate Existing Education History Data**
680   a. Vendor must be able to import and host the education history of existing
681   population of MLOs. The existing database contains over 525,000 individual
682   records (approximately 150,000 state-associated individuals and 375,000 federal
683   registrants). The EMS must support the ability for an MLO to transition from
684   being federally registered (where there is no SAFE Act testing and education
685   requirement) to becoming state-licensed.
686   b. Vendor must be able to import and host existing course provider and approved
687   course data.
688   c. Vendor will be required to data map existing education history to new dynamic
689   business rules engine, and apply existing course credit hours in accordance with
690   established and evolving NMLS business need to track federal and state education
691   requirements.
692   d. Vendor will be required to support testing, validating, and as necessary, make
693   updates to existing education history database to ensure information is accurate,
694   and that the business rules engine is functioning properly prior to full-deployment.
695   e. Vendor will be required to integrate the display of course completion information
696   with NMLS to provide seamless user experience as well as provide a secure and
697   timely data transmission process to regularly exchange information to support
698   critical NMLS system business processes like notifying the system that PE or CE
699   compliance has been achieved, setting the annual requirement for CE, notifying of
700   deficiencies, etc.
701   f.   Vendor must maintain and make available to SRR a testing environment.
702   g. Additional vendor qualifications/requirements:
703   i. Vendor is required to provide copy of standard Service Level Agreement.
704   ii. Vendor must also describe their development process/methodology for
705   system development and testing to include:
706   1. Description of quality control and stress testing
707   2. Narrative of how changes to the product are developed and
708   deployed.
709   iii. Vendor is to describe the tools/resources available in the EMS for
710   customer configuration and/or customization.

711 iv. Provide a detailed approach for how existing data will be migrated from
712   existing system to vendor's EMS.
713 v. Description of customer support capabilities and/or options.
714

715

716

717 *Timeline for Delivery of Services in Component 3.*

718 The vendor must be prepared to begin all data migration (existing course provides, courses, and
719 MLO records) by March 2013, with full implementation/NMLS integration no later than June
720 30, 2013.

721 The vendor should be prepared to have initial configuration, business rules defined, and be
722 prepared for initial stages of testing by Q4 2012.
723
724 **V.   General Proposal Requirements**
725
726 **Format for Submission of a Proposal**
727
728 Responses to this RFP should follow the following format using the same numbering as supplied
729 below (sections 1 – 9). Bidders are encouraged to plainly label each section using tabs or similar
730 markings.
731
732 **1.   Cover page –** Please refer to the template of the Cover Page at Appendix A. The cover
733 page includes vendor contact information and is used to list which components are included in
734 the proposal.
735
736 **2.   Executive summary or Abstract -** This should include a high level overview of the
737 vendor's proposal.
738
739 **3.   Management Overview** – This narrative should convince SRR that the bidder
740 understands the objectives the contract is intended to meet, the nature of the required work and
741 the level of effort necessary to successfully complete the contract.
742
743 **4.   Overview of your organization, services provided, and resources**. This section should
744 describe the corporate organization of the firm including ownership status and, if appropriate,
745 any controlling interests. It should also include the bidder's financial capacity and capabilities to
746 undertake and successfully complete the contract. The bidder should submit audited financial
747 statements including a Statement of Condition, Income Statement and Statement of Cash Flows
748 and all applicable notes for the two (2) most recent calendar years or the bidder's two (2) most
749 recent fiscal years. If the organization is a subsidiary of a parent organization, it should submit

750 the parent's audited financial statements and provide appropriate information about its financial
751 and operational status.
752
753 **5.   Experience and Professional References** - Document experience relevant to the project.
754 Describe and discuss your organization's ability and capacity to perform the required tasks and
755 provide three performance references from work on similar projects. Include the following
756 information for each reference: description of the project and name, affiliation, title, and current
757 telephone number and email address of the principal to be contacted.
758
759 **6.   Statement of Work** – Describe in detail the methods, procedures, plans and resources
760 you will use to perform and complete each task. Include a proposed project and task schedule,
761 including the sequence of tasks and a realistic estimate of the time each task will take. Describe
762 all deliverables. Suggestions for the modification of tasks, if any, may be included in this
763 section.
764

> Note: There should be a separate Statement of Work for each component of the RFP for which
> you are submitting a proposal. If your proposal integrates all components, please indicate such
> in your single proposal.

765
766 **7.   Management Plan and Deliverables** - Include a plan for the coordination of the project
767 with SRR, NMLS and potential other vendors and specific techniques for monitoring and
768 reporting activities related to the implementation of all tasks. Indicate the support you will
769 require from SRR, NMLS, and other potential vendors to complete project tasks. Indicate the
770 completion date for all tasks.
771
772 **8.   Staffing Plan** - Present a complete listing of the professional and technical staff who will
773 be assigned to the project including name, educational credentials, job title, work experience
774 relative to the tasks performed and time to be allocated to this project. Indicate their additional
775 responsibilities within your company. Include resume or vitae (not longer than one page per
776 person) for all professional and technical staff.
777
778 **9.   Fees and Reimbursement** - In the final section of the proposal, distinct from the other
779 parts of the proposal, include your proposed fees. Please refer to Section VI. of this document
780 for more details regarding your presentation of prices, fees, reimbursements, etc.
781
782 **Other Submission Requirements**
783
784 **Confidential Information** - Anything of a confidential nature that a bidder includes in the
785 proposal(s) or related submissions must be clearly marked as such. If respondents do include
786 confidential information in their submissions, they may enclose it in a separate document and
787 reference that document in the appropriate places in their proposal. All other information not
788 clearly marked will be considered public information.
789

790 **Component 2 - Test Sites**: For those respondents who are submitting proposals for Component
791 2, Test Administration, please include a list of all test sites you currently employ or are
792 scheduled to open by January 1, 2013. (Likewise, those scheduled to be closed or no longer
793 utilized after January 1, 2013, should not be listed.) Please organize your list by state
794 alphabetical order in which your sites are located. If there are distinctions among the sites, such
795 as company-owned versus franchise-owned, or other ways in which you might categorize the
796 sites, please annotate your list with those distinctions. The list of sites should also include the
797 number of testing seats at each site and a measure of the utilization of these seats in the two most
798 recent calendar years. In addition to the list of test sites and related information, respondents
799 should also describe in general and specific terms, how many candidates have utilized their
800 various testing sites during the most recent calendar years. The list should also include the days
801 and hours when sites are typically open and available for testing.
802
803 **VI.   Fees and Reimbursement**
804
805 Depending on the components for which a bidder submits proposals, a vendor may wish to list
806 and describe several options for being reimbursed for the services it provides. For example, if
807 the vendor submits proposals for components 1 and 2, than the vendor may wish to be
808 compensated solely by the fees it receives from the administration of tests to candidates. Or it
809 may wish to propose a compensation scheme that includes fees received from test candidates and
810 direct reimbursement from NMLS.
811
812 **Component 1 - Test Maintenance Pricing** For bidders who are submitting proposals for
813 Component 1, Test Maintenance, please use Appendix E to submit your pricing information.
814
815 **Component 2 – Test Administration Price Table**   For bidders who are submitting proposals
816 for Component 2, Test Administration, please use the Test Administration Price Table which can
817 be found at Appendix F.
818
819 **Component 3 – Education Management System** For bidders who are submitting proposals for
820 Component 3, Education Management System, please refer to the EMS Pricing Table which can
821 be found at Appendix G. (This is a change from the first two versions of the RFP.)
822
823 **VII.   Proposal Evaluation and Selection Process**
824
825 Proposals will be reviewed by staff members of SRR, CSBS, and consultants who may be
826 retained by SRR. A recommendation will be made to the Board of Managers of the State
827 Regulatory Registry LLC which will approve the final selection(s).
828
829 Selection will be based on technical quality, qualifications and experience of the vendor and its
830 staff, and cost effectiveness.
831
832 The following considerations will be used in reviewing the technical quality of the proposal and
833 the qualifications of the vendor.

834
835   •   Does the proposal demonstrate the vendor clearly understands the tasks stated in the
836   RFP?
837   •   Are the approaches and procedures sufficiently detailed so that they can be clearly
838   understood?
839   •   Does the proposal demonstrate that the vendor has the ability and capability of designing
840   and managing the procedures to accomplish the tasks being offered?
841   •   Is the approach (or approaches) flexible enough to accommodate unforeseen conditions
842   and problems?
843
844 The following considerations will be used in reviewing the cost effectiveness of the proposals.
845
846   •   The fees required to maintain tests
847   •   The fees required to administer tests to candidates
848   •   The fees required to develop and maintain the Education Management System
849   •   Any other fees associated with delivering products and services
850

851 **Appendices**

852

853 Appendix A – Cover page template

854

855 Appendix B – Notice of Intent to Bid Form

856

857 Appendix C-1 – Table of Tests Taken by Component 2011

858

859 Appendix C-2 – Table of Tests Delivered by State 2011

860

861 Appendix C-3 – Table of Tests Administered by Month 2011

862

863 Appendix D – Rules of Conduct (ROC) for Test Takers

864

865 Appendix E – Test Maintenance Pricing Table

866

867 Appendix F – Test Administration Pricing Table
868 Appendix G – Education Management Pricing Table

869

870 Appendix H – Proposal Submission Requirements

871

872 Appendix I – Bidder Q&As (as of March 7, 2012)

873

874 Appendix I-1 – Additional Bidder Q&As (as of March 16, 2012)

875

876 Appendix 1-2 – Additional Bidder Q&As (as of March 22, 2012)

877 **Appendix A**
878
879 **State Regulatory Registry LLC (SRR)**
880 **SAFE Mortgage Licensing Act**
881
882 **Proposal Submitted for Testing and Education Services**
883

> **Cover Page** – This document must be the top or first page of any proposal submitted by the vendor. If the proposal is submitted in a binder or other bound format, this page can be the first internal page of the submission.

884
885 Please mark below which component(s) of the RFP are included in this submission.
886
887 ❑   Component 1. Test Maintenance
888
889 ❑   Component 2. Test Administration
890
891 ❑   Component 3. Education Management System
892
893 ❑   Other _____
894
895
896 **Bidder Contact Information**
897
898 Company Name _____
899
900 Address _____
901
902 Telephone _____
903
904 Email address _____
905
906 Contact name _____
907
908 Name and Title _____
909
910 Date of Submission _____
911
912
913

914 **Appendix B**
915
916 **State Regulatory Registry LLC**
917 **Testing and Education Services RFP**
918
919 **Notice of Intent to Bid**
920 **Testing and Education Services**
921
922
923 All interested parties who intend to bid on one or more components of the SAFE Testing and
924 Education RFP released on February 3, 2012, may use this form to notify SRR of their intent to
925 bid. Interested parties may also notify SRR of their intent to bid using their own format (letter,
926 email, etc) as long as the following information is provided. Potential bidders should submit
927 their notices on or before Monday, February 27, 2012.
928
929 Notices sent may be sent electronically to Peter C. Marks, Vice President, Mortgage Testing and
930 Education Programs, pmarks@csbs.org, or via fax to 202-296-1928, or via mail to: Conference
931 of State Bank Supervisors, Attn: Peter C. Marks, 1129 20th St. NW, Washington, DC 20036.
932
933 Please indicate the component or components for which you intend to submit a bid.
934
935 ❑ Component 1. Test Maintenance
936
937 ❑ Component 2. Test Administration
938
939 ❑ Component 3. Education Management System
940
941
942 I understand by submitting this intent to bid that the firm named below is not bound to submit a
943 bid and it may at its option not bid, or change the component(s) for which it intends to bid.
944
945 Company Name _____
946
947 Officer Name and Title _____
948
949 Signature _____
950
951 Date _____
952
953
954

955   **Appendix C-1**

956

957   **State Regulatory Registry LLC**
958   **Testing and Education Services RFP**

959

960   **Tests Taken by Component 2011**

961

National	46,293	MT	338
AK	325	NC	1,971
AL	1,714	ND	272
AR	701	NE	426
AZ	2,038	NH	714
CA	8,673	NJ	2,383
CO	2,219	NM	698
CT	1,793	NV	1,088
DC	589	NY	2,346
DE	834	OH	2,266
FL	6,933	OK	742
GA	2,574	OR	1,472
HI	705	PA	2,987
IA	483	PR	208
ID	534	RI	449
IL	2,630	SC	1,842
IN	1,723	SD	252
KS	822	TN	1,472
KY	934	TX	5,326
LA	1,052	UT	712
MA	1,470	VA	3,047
MD	1,950	VI	68
ME	1,611	VT	293
MI	2,010	WA	2,361
MN	1,756	WI	1,211
MO	1,172	WV	693
MS	811	WY	293
Total Tests Taken in 2011			**130,279**

962
963

964   **Appendix C-2**
965   **State Regulatory Registry LLC**
966   **Testing and Education Services RFP**
967   **Tests Delivered by State 2011**
968

Test Location	NATIONAL Component	STATE Component	Grand Total	Percentage
AK	33	40	73	0.1%
AL	592	688	1,280	1.0%
AR	99	86	185	0.1%
AZ	1,057	3,274	4,331	3.3%
CA	9,950	11,780	21,730	16.7%
CO	939	1,626	2,565	2.0%
CT	243	447	690	0.5%
DC	78	127	205	0.2%
DE	120	498	618	0.5%
FL	4,459	6,609	11,068	8.5%
GA	894	1,882	2,776	2.1%
HI	292	353	645	0.5%
IA	181	353	534	0.4%
ID	122	160	282	0.2%
IL	1,455	1,923	3,378	2.6%
IN	662	1,402	2,064	1.6%
KS	219	516	735	0.6%

969
970

Test Location	NATIONAL Component	STATE Component	Grand Total	Percentage
KY	447	1,085	1,532	1.2%
LA	702	493	1,195	0.9%
MA	453	828	1,281	1.0%
MD	931	2,400	3,331	2.6%
ME	175	393	568	0.4%
MI	1,748	9,094	10,842	8.3%
MN	603	879	1,482	1.1%
MO	872	2,474	3,346	2.6%
MS	461	202	663	0.5%
MT	59	50	109	0.1%
NC	1,397	2,578	3,975	3.1%
ND	43	58	101	0.1%
NE	142	109	251	0.2%
NH	137	393	530	0.4%
NJ	1,340	3,637	4,977	3.8%
NM	173	157	330	0.3%
NV	694	804	1,498	1.2%
NY	1,303	2,120	3,423	2.6%
OH	1,138	4,422	5,560	4.3%
OK	297	564	861	0.7%

971
972

Test Location	NATIONAL Component	STATE Component	Grand Total	Percentage
OR	449	640	1,089	0.8%
PA	1,272	4,209	5,481	4.2%
PR	580	189	769	0.6%
RI	210	1,718	1,928	1.5%
SC	437	565	1,002	0.8%
SD	66	80	146	0.1%
TN	713	1,022	1,735	1.3%
TX	4,348	6,285	10,633	8.2%
UT	591	1,291	1,882	1.4%
VA	1,167	1,610	2,777	2.1%
VI	52	53	105	0.1%
VT	36	33	69	0.1%
WA	1,200	1,005	2,205	1.7%
WI	453	439	892	0.7%
WV	127	83	210	0.2%
WY	13	8	21	0.0%
Grand Total	46,224	83,734	129,958	100.0%

973
974

975
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977
978
979

Appendix C-3
State Regulatory Registry LLC
Testing and Education Services RFP
Tests Administered by Month 2011

Month	State	National
January*	9,736	5,150
February*	9,106	5,404
March*	8,616	4,724
April	8,401	4,704
May	5,872	3,357
June	5,818	3,147
July	6,615	3,403
August	5,179	2,966
September	5,148	2,749
October	6,916	3,686
November	5,393	2,949
December	7,137	4,008
Grand Total:	**83,937**	**46,247**

980
981
982   *Many applicants were still meeting their SAFE requirements in the first 3 months of 2011.
983
984

985   **Appendix D**
986
987   **State Regulatory Registry LLC**
988   **Testing and Education Services RFP**
989
990   **Rules of Conduct (ROC) for Test Takers**
991
992
993
994
995   Approved February 4, 2010, with amendments[4]
996
997   By the
998
999   Mortgage Testing and Education Board
1000
1001   Acting on behalf of the
1002
1003   State Regulatory Registry LLC (SRR)
1004   And
1005   Nationwide Mortgage Licensing System & Registry (NMLS)
1006

The text below appears on the computer screens of candidates taking the MLO SAFE Test: National and State Components.

1007
1008
1009   NMLS Rules of Conduct
1010
1011   Prohibition Against Assistance, the Use of Study Materials, and Misconduct
1012
1013   The purpose of this form is to make sure that you understand and acknowledge the
1014   rules of conduct you must follow in completing this test session. You must read and
1015   agree to these rules before you will be permitted to start your session.
1016
1017
1018

---

[4] Amended and effective 4/25/2011. Amended and effective 2/14/2011. Amended and effective 9/28/2010.
Amended and effective 8/19/2010. Adopted and effective 2/4/2010.

1019   I understand that:
1020
1021   1. I am attesting that I am the person I represent to be for
1022   this session.
1023
1024   2. I must not take or attempt to take any personal items including, but not limited to,
1025   notes, formulas, study materials, or electronic devices into the testing room.
1026   I will place all personal belongings in the locker provided by the testing vendor prior to entering
1027   the testing room.
1028
1029   3. I must not receive or attempt to receive any form of assistance during the test or
1030   restroom breaks.
1031
1032   4. I must not give or attempt to give any form of assistance during the test or
1033   restroom breaks.
1034
1035   5. I must not use or attempt to use a telephone, cellular phone, pager, hand held computer
1036   or other communication device, electronic or otherwise, during the test or restroom breaks.
1037
1038   6. I must only go to the restroom when on a break. I must not deviate during my travels to
1039   and from the restroom for any reason. I must not leave the building. I must not access my locker.
1040
1041   7. I must not remove or attempt to remove any written, printed, or recorded materials
1042   from the test center other than the score report provided by the center staff. The test materials
1043   remain the property of NMLS and/or developing organization(s), and I shall maintain the
1044   confidentiality of the materials, including the questions and my answers to them.
1045
1046   8. I must not engage in any conduct that is disruptive or threatening to a test center staff
1047   member or another candidate.
1048
1049   9. I must not engage in any conduct that creates a disturbance or interferes with the
1050   administration of the test or with the administration of other candidates' tests.
1051
1052   10. I must not engage in any conduct that would be contrary to good character or
1053   reputation, or engage in any behavior that would cause the public to believe that I would not
1054   operate in the mortgage loan business lawfully, honestly or fairly.
1055
1056   11. I must not engage in any conduct that is dishonest, fraudulent, or would
1057   adversely impact the integrity of the test or the test procedure.
1058
1059   I UNDERSTAND THAT TEST CENTER REPRESENTATIVES WILL
1060   REPORT ANY ALLEGED VIOLATIONS TO THE NMLS AND THAT NMLS MAY
1061   REPORT ALLEGED VIOLATIONS TO THE STATE(S) IN WHICH I AM SEEKING
1062   LICENSURE, OR ANY OTHER STATES.

1063
1064   I FURTHER UNDERSTAND THAT THE RESULTS OF ANY INVETIGATION
1065 INTO MY ALLEGED VIOLATIONS MAY BE REPORTED TO THE STATE(S) IN WHICH
1066 I AM SEEKING LICENSURE, OR ANY OTHER STATES.
1067
1068   REPORTS OF ALLEGED VIOLATIONS OR RESULTS OF INVESTIGATIONS
1069 INTO ALLEGED VIOLATIONS MAY SUBJECT ME TO DISCIPLINARY ACTION BY
1070 THE STATES(S), INCLUDING DENIAL OR REVOCATION OF MY LICENSE(S).
1071
1072
1073
1074   Please select the AGREE or DISAGREE button. If you prefer to use
1075   the keyboard, press Alt-A to signify AGREEMENT or Alt-D to signify
1076   DISAGREEMENT.
1077
1078
1079   You have indicated that you DISAGREE to the terms of the individual
1080   certification for testing. Testing policy requires that you agree
1081   to the terms of this certification prior to taking the test. The
1082   certification statement will now be displayed again for you to
1083   indicate your response a second time.
1084
1085
1086
1087   IF YOU SELECT DISAGREE AGAIN, THE TEST SESSION WILL BE
1088   TERMINATED AUTOMATICALLY, AND YOU WILL NOT BE PERMITTED
1089   TO TAKE THE TEST.
1090
1091
1092
1093   Select the NEXT button on the display or
1094   type Alt-N on the keyboard to continue
1095
1096
1097

1098   **Appendix E**
1099
1100   **State Regulatory Registry LLC**
1101   **Testing and Education Services RFP**
1102
1103   **Test Maintenance Pricing Table**
1104
1105   **Test Maintenance Pricing**
1106
1107   Please use the table below or a representation of it to present pricing for test maintenance. At a
1108   minimum, please provide a Unit Price for the items described. The characteristics of each
1109   maintenance item are described below. In the Comments Column, please add any relevant
1110   information that applies to the Unit Price. For example, a minimum charge or a maximum
1111   charge, other factors that bear on the Unit Price, and any other elements of the pricing scheme.
1112
1113   National Component* - Annual formal maintenance (*may include uniform state content)
1114
1115   State Component – formal maintenance, not less than once every other year.
1116

Test Type	Unit Price Year 1 (2013)	Unit Price Yr 2 (2014)	Unit Price Yr 3 (2015)	Comments
National Component				
State Component				

1117
1118   Due to the development of a Uniform State Test (UST) and other factors, the volume of state
1119   components to be maintained annually is not known. (Fifteen state tests are scheduled to go
1120   through formal maintenance in 2012.) In addition to the State Component Unit Pricing above,
1121   bidders are encouraged to provide pricing based on different tiers of volume (tests maintained)
1122   and may do so using the table below or a representation of it. Please note carefully that the
1123   vendor must supply the volume parameters that make up each tier. The Comment area should be
1124   used to provide clarification or additional details about the Tiered Pricing Quotes
1125

State Test Component	Tier 1, Volume Parameters	Tier 2, Volume Parameters	Tier 3, Volume Parameters	Tier 4, 5, etc if applicable
Please replace the variables with your particular volume parameters	0 through X	X+1 through Y	Y+1 through Z	
Unit Price per Tier				

1126
1127

1128 **Appendix F**
1129
1130 **State Regulatory Registry LLC**
1131 **Testing and Education Services RFP**
1132
1133 **Test Administration Price Tables**
1134
1135 **Test Unit Pricing**
1136
1137 Please use the table below or a representation of it to present a Unit Price for test administration.
1138 A Unit Price is defined as the price for a single candidate to take at one sitting one of the defined
1139 components of the SAFE MLO Test. The characteristics of each component are described
1140 below. In the Comments Column, please add any relevant information that applies to the Unit
1141 Price. For example, a minimum charge or a maximum charge or some other fact that bears on
1142 the Unit Price.
1143
1144 National Component without Uniform State Test (UST) Content
1145   Number of items; 90 scored and 10 unscored; total 100
1146   Test time is 150 minutes*
1147   Appointment time is 180 minutes
1148
1149 National Component with UST Content
1150   Number of items (estimated); 115 scored and 10 unscored; total 125
1151   Test time (estimated) is 190 minutes*
1152   Appointment time (estimated) is 220 minutes
1153
1154 State Component
1155   Number of items: 45 – 55 scored and 10 unscored; total 55 – 65
1156   Test time is 90 minutes*
1157   Appointment time is 120 minutes*
1158
1159 *Candidates are permitted to take one or more unscheduled breaks during the test and must be*
1160 *checked out and checked back in for each break. Appointment time includes 15 minutes for a*
1161 *candidate tutorial and 15 minutes for an optional candidate post-test survey.*
1162

Test Type	Unit Price Year 1 (2013)	Unit Price Yr 2 (2014)	Unit Price Yr 3 (2015)	Comments
National Component w/o UST				
National Component w/UST				
State Component				

1163

1164 **Volume or Tiered Pricing**
1165
1166 In addition to the unit pricing above, SRR will accept a volume or Tiered Pricing approach when
1167 receiving price quotes related to test administration in Component 2. Bidders who wish to give
1168 pricing that is dependent on different tiers of volume (of test takers) may do so using the table
1169 below or a representation of it. Please note carefully that the vendor must supply the volume
1170 parameters that make up each tier. The Comment area should be used to provide clarification or
1171 additional details about the Tiered Pricing Quotes
1172
1173

	Tier 1, Volume Parameters	Tier 2, Volume Parameters	Tier 3, Volume Parameters	Tier 4, 5, etc if applicable
Please replace the variables with your particular volume parameters	0 through X	X+1 through Y	Y+1 through Z	
Unit Price per Tier				
Comment –				

1174
1175

1176 **Appendix G**
1177
1178 **State Regulatory Registry LLC**
1179 **Testing and Education Services RFP**
1180
1181 **Education Management System Pricing**
1182
1183
1184 SRR will consider one or more pricing options for Education Management Services (EMS) in
1185 Component 3 to include software licensing fee and/or configuration management fee, and fees
1186 related to data import, hosting, and/or maintenance, **OR** a transaction model based upon system
1187 activity (for example: course provider submittals, course submittals, student credit banking, etc.),
1188 **OR** a combination thereof. In the Comments Column, please add any relevant information that
1189 applies to pricing. For example, a minimum charge or a maximum charge, other
1190 factors/assumptions which may impact the pricing proposal. Vendors who do not wish to use the
1191 tables below should present their pricing in a format which includes comparable information and
1192 descriptions.
1193
1194 **Software Licensing and/or Configuration and/or Annual Maintenance Fee Table:**
1195
1196

EMS	Price Year 1 (2013)	Price Year 2 (2014)	Price Year 3 (2015)	Comments
Licensing				
Initial Configuration				
Annual Maintenance				
Other				

1197
1198 **Transaction Fee Table**
1199
1200 Vendors who are presenting pricing based on transactions are requested to use this table or a
1201 comparable one. The Comment area should be used to provide clarification or additional details
1202 about the pricing proposed such as volume discounts, etc.
1203

Transaction Type	Price Year 1 (2013)	Price Year 1 (2014)	Price Year 1 (2015)	Comments
[Insert name of transaction type; for example, Course Provider Submittals]				

1204

1205

Transaction Type	Price Year 1 (2013)	Price Year 1 (2014)	Price Year 1 (2015)	Comments
[Insert name of transaction type; for example, Course Submittals]				

1206
1207

Transaction Type	Price Year 1 (2013)	Price Year 1 (2014)	Price Year 1 (2015)	Comments
[Insert name of transaction type; for example, Credit Banking]				

1208
1209

Transaction Type	Price Year 1 (2013)	Price Year 1 (2014)	Price Year 1 (2015)	Comments
[Insert name of transaction type; for example, Other]				

1210
1211

1212 **Appendix H**
1213
1214 **State Regulatory Registry LLC (SRR)**
1215 **Testing and Education Services, Request for Proposal**
1216
1217 **Proposal Submission Requirements**
1218
1219
1220 **Proposal submission requirements**:
1221
1222 The bidder must submit two (2) printed copies of each full and complete proposal, in three-ring
1223 binders. The bidder must also provide an electronic copy of the proposal in both **.pdf** and **.doc**
1224 file formats, to be submitted via the Testing & Education RFP Portal of Basecamp, a secure
1225 online document and project management application.
1226
1227 SRR must receive all submissions at the address below **no later than 5:00 pm Eastern Time**
1228 **(ET), Friday, March 30, 2012.** SRR reserves the right not to accept proposals that do not arrive
1229 by this date and time. Vendors may submit their proposals any time prior to the stated deadline.
1230
1231 SRR shall have the right to accept or reject any proposal without further discussion or
1232 justification.
1233
1234 SRR shall have no responsibility for the costs any vendor incurs to develop or deliver its
1235 proposal.
1236
1237 **Proposals shall be submitted to**:
1238
1239 SRR
1240 Attention: Peter C. Marks
1241 1129 20th Street NW
1242 9th Floor
1243 Washington DC 20036
1244
1245
1246 **Testing & Education RFP Portal of Basecamp**
1247
1248 SRR is employing Basecamp, a secure online document and project management application to
1249 manage the receipt of bid material and correspondence with bidders. All vendors will submit
1250 electronic copies (in both .pdf and .doc file formats) of their proposals to Basecamp. Proposals will
1251 only be visible to SRR and to the company that submitted the proposal. Vendors will not have access
1252 to any other vendor's proposals.
1253
1254

1255   All vendors must provide to Alana Chamoun (achamoun@csbs.org) a list of all individuals
1256   (including full name and email address) who will need access to the T&E RFP Portal. Each
1257   individual will be sent login and password instructions, as well as a link to the Basecamp website
1258   via email. Any questions about the RFP submission process can be directed to Alana Chamoun
1259   at 202-728-5755.
1260

1261   **Appendix I**
1262
1263   **State Regulatory Registry LLC**
1264   **Testing and Education Services RFP**
1265
1266   **RFP Bidder Calls Introduction**
1267
1268   **Summary** – Following the release of the SRR Testing and Education RFP on February 3, 2012,
1269   interested parties were invited to schedule one-on-one bidder calls with SRR. Several calls were
1270   held with staff between February 15 and 22nd. The purpose of these calls was to give interested
1271   vendors an opportunity to discuss the RFP and ask questions. This Appendix addresses many of
1272   the questions which were generated during the calls. Many questions were similar and they have
1273   been consolidated. Other questions have been revised to be more useful to all vendors and some
1274   questions are not answered.
1275
1276   This document has been arranged as follows: Questions and answers are presented in the order
1277   which best matches them to the appropriate line item of the RFP, beginning with Component 1
1278   and going through Component 3. Questions which address more general aspects of the RFP are
1279   presented last.
1280
1281   **Additional Inquiries** – SRR recognizes that vendors may have follow-up or additional inquiries
1282   to help with the preparation of their proposals. Here is guidance regarding that process.
1283
1284   Vendors who have follow-up questions, new questions, or other inquiries following the release
1285   of these initial Questions and Answers, should send them via email to Pete Marks,
1286   pmarks@csbs.org. SRR will make every effort to respond to all questions as soon as possible
1287   (generally within 48 hours during the business week). To ensure efficient management of any
1288   question(s), please designate one person in your organization who will be responsible for
1289   submitting inquiries and who will receive responses.
1290
1291   On or before March 16th and 23rd SRR will update the Q&A Appendix to reflect any new
1292   information. SRR will also send notices to vendors and post the revised RFP to the NMLS
1293   Resource Center.
1294
1295   After the close of business on Friday, March 23, the "Additional Inquiry" period will be closed
1296   and no additional material inquiries will be considered through the proposal deadline of Friday,
1297   March 30th.
1298
1299   If vendors would like to ask follow-up questions about any of the items in the RFP or this Q&A
1300   Appendix, they should reference the posting date and the question number if applicable.
1301
1302
1303

1304
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1306
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1308
1309
1310

Appendix I

State Regulatory Registry LLC
Testing and Education Services RFP

Bidder Calls Q&A

Question Number	RFP Section	Question and Answer
1	Component 1	Q. Does the National and State Components include 10 unscored or pre-test questions all the time? *A. Yes. Each form of each test component employs 10 unscored items.*
2	Component 1	Q. Will the Uniform State Test replace the state specific test components? *A. Each state will have the option of adopting the Uniform State Test or allowing its state specific test component to continue in use.*
3	Component 1	Q. In light of the development of the Uniform State Test, please indicate the number of state specific exams that will require maintenance. *A. The number of states which may ultimately adopt the UST is unknown. It is believed that based on current information, a number of states will look favorably upon adopting it. But, states have not yet considered any formal proposals.*
4	Component 1	Q. Is the successful bidder expected to construct test specifications for the UST to accommodate common themes across each jurisdiction? *A. No. The UST should be completed by the time the next maintenance vendor is in place and this activity should not be required.*
5	Component 1	Q. Will the expanded national component (including the UST) be expected to have references to each jurisdiction for each question that has a common theme/topic? *A. No. The UST content is high level and is not expected to reference any particular state statutes, regs etc. Most likely the UST content will reference the SAFE Act and the CSBS/AARMR model state law.*

1311

Question Number	RFP Section	Question and Answer
6	Component 1	Q. Do the questions to be imported into an item-banking database contain historical item statistics from previous test administration cycles? What data is available? *A. Yes, the questions which will be transferred to a new vendor do contain item statistics from previous test administrations. Here is a description of the information which will be provided for each question.* ***Classification****: This is a description of the content outline content area(s) associated with the item.* ***Reference(s)****: This lists the legal reference(s) or otherwise associated with the item.* ***Statistics:*** - *N count for the item* - *P-value* - *Pt. Biserial* - *item difficulty* - *standard error of measure* - *infit* - *outfit* - *displacement* ***Source****: This field indicates who originally developed or provided the item* ***Owner:*** *This field indicates who "owns" or, is licensed to use the item.* ***Status:*** *This is the current status of the item as it relates to test development and delivery (e.g., operational, pretest, pretest used, pretest in use, problem).* ***Last Review Date:*** *The date on which the item was last reviewed by an SME committee.* ***Test Form:*** *The test form on which an item was last used.*
7	Component 1	Q. Are the items stored by state item bank? *A. Yes.*
8	Component 1	Q. Does SRR own all the items? And who would own any new items created? *A. SRR either owns or has a license to use the items which will be transferred to the new vendor and SRR would own all new items created.*

Question Number	RFP Section	Question and Answer
9	Component 1	Q. Can SRR elaborate on the extent to which the activity and actions taken by test committees and personnel are to be collected and documented? *A. SRR would like the selected vendor to collect and document the activities taken by the committees and vendor staff, such as when an item is reviewed, for what purpose, and what recommendations did the committee make. The result would be to have a narrative of the history of the item.*
10	Component 1	Q. How long do maintenance meetings (for the National and State tests) typically last? *A. All the activities in one formal maintenance event usually last 3 - 4 months. This includes from the time the test committee is solicited until the vendor completes the last steps in the maintenance cycle. Committee meetings themselves are often times 4 hours long but some committees may prefer shorter meetings but more of them. Committees may meet 4 - 6 times during a maintenance event.*
11	Component 1	Q. Regarding content maintenance services, will there be penalties if the selected vendor does not undertake the requested action within the requested period of time by SRR? *A. In cooperation with the selected vendor, SRR will establish service level agreements (SLAs).*
12	Component 1	Q. If 15 state tests are going through formal maintenance in 2012, will the balance of state tests (38) need to go through formal maintenance in 2013? *A. After the test maintenance vendor is selected, in cooperation with the vendor, SRR will determine the number of state tests which will require formal maintenance in 2013.*
13	Component 1	Q. What type of Spanish was used to construct the Puerto Rico State Component ? *A. The component is presented in a bi-lingual English/Spanish format and the items were developed with an emphasis on Puerto Rican Spanish.*
14	Component 1	Q. Is the PR bi-lingual test developed as one or two tests? *A. It is developed and administered as a single test with both English and Spanish presented to the candidate. The tutorial is in Spanish too.*
15	Component 1	Q. Who pays for the participation of the SMEs? What are the typical expenses involved? *A. All test development and maintenance has been conducted through virtual meetings (conference calls and webinars), therefore the only out-of-pocket expenses have been phone charges and webinar expenses. Those expenses are expected to be covered by the vendor unless the vendor explicitly states otherwise in its bid.*

1312

Question Number	RFP Section	Question and Answer
16	Component 1	Q. When is maintenance for the 15 states in 2012 taking place and will the new vendor take part in that? *A. Maintenance on the 15 states as well as the National Test is taking place through most of 2012 and will end on or around the end of the Q3. The new vendor will not have any responsibilities for those maintenance activities.*
17	Component 1	Q. Are the test items cataloged to a greater degree of detailed taxonomy than shown in the content outlines. If so, please provide the detail. *A. The items are categorized according to the domains in the published content outlines.*
18	Component 1	Q. If there is significant deviation between or among the pass rates on a state's forms, what action will SRR expect the vendor to undertake? If action is expected, what is the anticipated timeframe for completion? *A. SRR will work with the vendor to determine appropriate next steps and the anticipated timeline. The vendor should be prepared to recalibrate the forms if needed.*
19	Component 1	Q. Is the exam calibrated used classical or IRT statistics? *A. The exams are calibrated using IRT. IRT statistics are used for test form construction and equating. Classic statistics are also computed and saved to the item banks for evaluation purposes. Items with poor classical statistics are flagged for content review and/or are marked as problem items.*
20	Component 1	Q. What approach to standard setting has been used? How often are the standards recalibrated? A. *The Angoff method has been used for SRR for national and state exams. The current vendor had the capability to conduct standard setting using other approaches, such as Modified Angoff and Bookmark, if required or appropriate. The standards are reevaluated if a new job task analysis or practice analysis is warranted, or if content specifications change. For the SRR testing program, the vendor conducted the standard setting for the national exam in 2009. Other standard settings were held for the state exams in 2009 and 2010 respectively. It is expected that another standard setting will be conducted in 2012 with the implementation of Uniform State Test.*

1313

Question Number	RFP Section	Question and Answer
21	Component 1	Q. Will SRR require the selected vendor to produce a test volume report? If so, does SRR want that report delivered on a weekly, monthly, or less regular basis? *A. Yes. Currently we receive this report monthly, and we would like to continue to receive it on a monthly basis.*
22	Component 1	Q. Will SRR require the selected vendor to produce a pass/fail analysis by attempt report? If so, how frequently will that report be required? *A. Yes. Currently we receive this report monthly, and we would expect to maintain this reporting frequency.*
23	Component 1	Q. If items are identified in the item statistics report that may potentially need to be replaced, will SRR expect their selected vendor to convene an SME committee and review the flagged items with that committee outside of regularly scheduled maintenance? If so, by when will SRR expect the vendor to convene that committee? By when would SRR expect the vendor to replace the items and republish the forms? Does SRR consider this activity to be part of the deployment process related to maintenance, or as a separate, unique test development task undertaken by the vendor? *A. SRR considers this activity to be part of the deployment process related to maintenance. SRR will work with the selected vendor to determine a reasonable timeline for convening a subject matter expert committee and republishing the forms.*
24	Component 1	Q. How does SRR intend to communicate the results of legislative reviews with the vendor? *A. SRR will work with the selected vendor to meet regularly (not less than monthly) to review the legislative changes. SRR will set up a protocol with the vendor regarding the maintenance, communication and actions regarding legislative changes.*
25	Component 1	Q. Can you provide a prior technical report and practice analysis report? *A. They have been produced and will be made available to the vendor(s) selected for test maintenance and/or administration.*
26	Component 1	Q. Will SRR require the selected vendor to produce a comprehensive state by state pass rate analysis report? If so, how often would this report be produced? *A. Yes. The timeline for this report can be determined in cooperation with the vendor at a later date.*

1314

Question Number	RFP Section	Question and Answer
27	Component 1	Q. Will SRR require the selected vendor to produce an item statistics report, which will identify items, based on statistical benchmarks agreed to between the vendor and SRR, to be analyzed and potentially replaced? If so, how often would this report be produced? *A. SRR will expect the selected vendor to produce item statistics reports in order to effectively monitor item, form and test performance. This report will likely be provided to SRR on an ad hoc basis, but it is anticipated that the vendor will regularly run and evaluate this report.*
28	Component 1	Q. With regard to the legislative analysis conducted by SRR, what action will SRR expect the selected vendor to undertake if SRR believes a state's test form or forms are impacted by a legal change? How quickly will SRR want the vendor to undertake that action? *A. If a legislative update effects test questions, the selected vendor would be expected to change or swap out the affected item(s). The timeline for the action to be taken will be determined depending on each specific legislative change and its effective date.*
29	Component 1	Q. Will practice analysis, when it is performed, cover both the National and State-specific components or National and the new Uniform State Components? *A. If and when a practice analysis is required, SRR will provide the requirements for that work.*
30	Component 1	Q. In Component 1, is there any particular methodology CSBS prefers with regard to practice analysis? Do you have a preliminary timeline for the practice analysis during the life of contract with regard to national and state tests? *A. Please refer to the RFP section on practice analysis.*
31	Component 1	Q. What is the anticipated dated of launch for new forms developed by the successful bidder? *A. The successful bidder will inherit a number of forms which are in operation. Assuming the bidder actively starts to work on maintenance activities early in 2013, then it's reasonable to expect that the first forms which would be republished from that initial committee work would be launched by the end of Q1 or the beginning of Q2 2013.*

1315

Question Number	RFP Section	Question and Answer
32	Component 1	Q. Following the release of new test forms as part of scheduled maintenance for the National or State tests, will SRR expect the selected vendor to conduct pass rate analysis on all forms to determine if item replacements or swaps are necessary? If so, by when will those changes need to be made to the forms after the analysis is complete? Does SRR consider this activity to be part of the deployment process related to maintenance, or as a separate, unique test development task undertaken by the vendor? A. *Yes. Depending on the analysis, swaps or replacements may need to be made. This activity is related to the maintenance of the test components.*
33	Component 3	Q. What is the estimated annual number of MLO candidates who are required to take Pre-licensure education? A. *SRR does not provide that estimate.*
34	Component 3	Q. What is the estimated annual number of MLO candidates who are required to take continuing education? A. *Please refer to the RFP, the section on Component 2, for data regarding the number of persons holding a state MLO license on December 31, 2011. Most state licensed MLOs who intend to renew their licenses for 2013 will be required to complete at least 8 hours of CE in 2012. Applicants who complete their PE in 2012 will be required to complete their initial CE in 2013.*
35	Component 1	Q. What is the role of the selected vendor in monitoring federal and state legislation? What tasks will SRR be responsible for? What tasks will be the responsibility of the test vendor? A. *SRR will be responsible for monitoring federal and state legislation and will communicate with the vendor regarding federal and state legislation which may have an impact on tests.*
36	Component 2	Q. Please provide a breakdown of the 130,279 national and state exams by the states in which they were administered in 2011. A. *Appendix C-2 provides test administration in 2011 by states in which tests were administered.*
37	Component 2	Q. Please provide a monthly breakdown of the 130,279 exams administered in 2011. A. *Appendix C-3 provides test administration in 2011 by month.*
38	Component 2	Q. Regarding video surveillance, is it a requirement that there be audio capabilities in the registration area as well as the testing area? A. *It would be preferred but is not a requirement.*
39	Components 1 and 2	Q. What are the security standards which SRR will require for data communication, etc. A. *Will provide to bidders later in the evaluation/selection process.*

Question Number	RFP Section	Question and Answer
40	Component 2	Q. Are mobile testing capabilities (to serve off-site groups) necessary? *A. They are not necessary but vendors may provide information about that capability in their proposals.*
41	Component 2	Q. Do candidates need to take both components together? *A. No*
42	Component 2	Q. What are the NMLS system interface requirements for candidates' exams reservations? *A. Candidates enroll and pay for their test enrollments in NMLS. NMLS will supply the vendor's reservation system with enrollment data. At a later date in the evaluation process, SRR will make available appropriate data requirements for the system interface.*
43	Component 2	Q. Please clarify the collection of test administration fees, disbursements, etc. And who is responsible for credit card fees for amounts remitted back to SRR? *A. Please refer to the RFP, Component 2, section on candidate scheduling for the answer.*
44	Component 2	Q. How many candidate phone calls were handled by the current testing vendors in 2011? *A. The total call volume was 55,735; 30,997 calls were for initial appointment-scheduling, and 24,738 were for rescheduling, cancellations and requests for other information.*
45	Component 2	Q. What are the stats on group scheduling? How often is it used and how many people are usually scheduled at any one time? *A. In 2011, approximately 5,400 candidate reservations were made via group scheduling. It is estimated that the number of candidates scheduled per request is about five.*
46	Component 2	Q. Can you confirm that vendors currently use a single FINRA driver to administer all exams rather than having individual vendors utilize their own test drivers. *A. Yes*
47	Component 3	Q. What are the current prices for course provider approval and renewal; course approval and renewal and credit banking of students' hours? *A. Bidders are requested to visit the NMLS Resource Center and specifically the course provider page which includes a fee schedule for all testing and education services which MLOs or course providers must pay.*
48	Component 3	Q. Can a single course apply to more than one PE/CE requirement, where a requirement is a specific course category such as ethics, or fair housing? If so, is the amount of credit hours constant for each requirement? Or can the credit hours vary per requirement? *A. Bidders are encouraged to review the reference listed in the RFP which details various course categories and how credits are applied to satisfy licensing requirements.*

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Question Number	RFP Section	Question and Answer
49	Component 3	Q. Are courses renewed annually? Are there any exceptions? If yes, please describe. *A. Courses are renewed on an annual basis. The renewal period is based on the anniversary month of initial approval. There are no exceptions.*
50	Component 3	Q. Are providers renewed every two years? Are there any exceptions? If yes, please describe. *A. Providers must renew on a bi annual basis. Again, the renewal period is based the anniversary month of initial approval. There are no exceptions.*
51	Component 3	Q. Is the current course categorization system (i.e. federal, ethics, non-traditional, comprehensive, core, etc, etc.) likely to be revised? *A. No. The system is effective and SRR expects to retain it.*
52	Component 3	Q. Do any states require individuals to meet unique state requirements that are different than the federal/national requirements for PE or CE? Approximately how many states will have state-specific requirements? Are there state-specific courses that only apply to a specific state's requirements, and, hence, do not apply to the Federal standard? Are there cases where these unique state requirements are more stringent or require more CE or PE hours than the federal/national requirement? Please describe the state requirements for CE and PE for each state that requires state level requirements. How are the unique requirements of each state to be maintained in the EMS system? For an individual MLO, what conditions determine his or her "state" for purposes of licensure? *A. Vendors are encouraged to review the reference listed in the RFP which details various course categories and how credits are applied to satisfy licensing requirements. The State-Specific Education Chart also referenced in the RFP explains every agency's education requirements (both PE and CE). A link to both of these documents is available in the RFP. Requirements for state-specific CE is determined by current license status; the "mechanics" to determine the setting of a requirement for state-specific PE will have to be determined.*
53	Component 3	Q. How are course and provider applications and renewals reviewed? Do you need to route applications and renewals to third parties? Please describe the workflow. *A. Applications are submitted to the NMLS education team via the EMS. The education team uses the Basecamp portal to collect the required documents. Once the required documents have been uploaded, they are routed to a team of geographically dispersed review team of SMEs. The review team evaluates the application and submits its recommendation to SRR for final approval or denial.*

Question Number	RFP Section	Question and Answer
54	Component 3	Q. Is the new vendor expected to perform course audits as part of the required services? *A. No. SRR currently has in place an operational audit capability which employs internal SRR staff and external resources.*
55	Component 3	Q. Will SRR entertain proposals for course auditing services? *A. Vendors may include in their proposals their capabilities in this area but SRR is not actively seeking solutions for this particular requirement.*
56	Component 3	Q. Can SRR provide more detail about the file structure of the data which would be transferred from the current vendor's application? *A. SRR will make more information to prospective vendors later in the evaluation and selection process.*
57	Component 3	Q. Please list and describe all interfaces between the EMS and NMLS. What information (data elements) will be sent from NMLS to the vendor's EMS system? How frequently does this occur? Is any state level data provided? How are data corrections in the vendor's EMS system moved to NMLS? *A. NMLS will send data updates to the EMS regarding newly created NMLS accounts for individual MLOs (both state-licensed and federal registrants). This information will consist of names and NMLS ID numbers. This information is currently transmitted daily. Specific state-licensing information may be exchanged in the future as part of the requirement to track state-specific education requirements. SRR is seeking vendor solutions for efficiently ensuring data exchanges/corrections are made in a timely manner.*
58	Component 3	Q. Please define and describe the ability for Administrators to change renewal dates. *A. The RFP does not mention the ability to "change" renewal dates, instead it says "set renewal dates." The intent of the requirement is for the system to automatically assign a renewal date so SRR does not have to manage this manually.*
59	Component 3	Q. Please define or describe the ACH payment method mentioned throughout the RFP. *A. Currently course providers are limited to credit card for all payments. SRR is seeking solutions which will give course providers the option to pay for fees via ACH payments which are linked to providers' checking accounts.*

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Question Number	RFP Section	Question and Answer
60	Component 3	Q. What accounting functionality is required in the EMS regarding the collection of fees? *A. In addition to processing the fees from course providers and MLOs described in the RFP, the vendor's system must maintain sufficient recordkeeping in order to verify and audit all SRR related financial transactions. The system must include fundamental reporting such as total transactions, type of transactions, revenue collected, etc, etc. The vendor's system will not have any direct interface with MLOs or their companies. The vendor will be expected to remit funds on a regular basis to SRR. Bidders should assume that credit card fees or other payment services fees will be allocated proportionately between the vendor and SRR, if the vendor retains a portion of the fees.*
61	Component 3	Q. What role in the course approval process will the vendor's staff be responsible for? *A. The vendor's staff will have no active role in the course approval process other than implementing and operating a system through which courses are submitted for approval and fees are collected. SRR staff and external technical and subject matter expert resources manage all phases of the course approval process utilizing the vendor's system and other related systems.*
62	Component 3	Q. Will state (administrators) be allowed or required to review and approve courses (for example, for their state level requirements)? *A. No, this function rest solely with SRR.*
63	Component 3	Q. Are time zones relevant for course offerings? For example, do course offerings need to be scheduled displaying the local time zone for the course? Or using a GMT-based time zone? Or can all offerings be scheduled in a common time zone (i.e., ET), and require users to adjust and convert to their local time zone? *A. The requirement is to generate a catalog that displays course offerings nation-wide, thus time zones are relevant to course offerings. It's SRR's objective for the catalog to be user-friendly and not to force users to make conversions in order to determine what time they need to be present in a course.*
64	Component 3	Q. Are time zones relevant for course completions? Please describe. When is the cut-off? For example, at midnight based on where the person lives? Or his or her Computer IP Address? Or some other factor or factors? *A. Course completion time is determined by the local time based on where the course is delivered.*

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Question Number	RFP Section	Question and Answer
65	Component 3	Q. What information is required to be included in the course catalog for each course (Id, Title, description, category, hours, etc)? *A. Course title, course number, PE/CE designation, course category, course format, number of hours, date, time, zip code, and course provider name.*
66	Component 3	Q. Where will the course catalog be published? For example, in the EMS? Or will it need to be exported to another system that will ultimately publish it? *A. SRR will consider various publishing solutions, however, at a minimum the catalog must be accessible via the NMLS Resource Center where it can be easily accessed by applicants and licensees.*
67	Component 3	Q. What is the average size of documents uploaded into the EMS for provider/course review? What is the requirement of the length of time these documents need to be retained in the system and when can they be archived? Will these files be uploaded and tracked in an external system or will the external system need to integrated into the EMS, or is it desired that the EMS have the functionality of document upload and management? *A. Basecamp allows files up to 100MB to be uploaded; there is not a limit to the number of files which can be submitted by a provider. Providers generally submit files in MS Word, PPT, Excel, and PDF formats. SRR currently retains all files electronically going back three years (since it began accepting courses for approval); files are routinely archived and then retrieved as necessary to perform an audit and/or to support the renewal process. SRR currently does not have a time frame in which it will no longer retain files. SRR is currently satisfied with the current Basecamp solution, however, we are open to vendor proposals for how to manage the uploading/downloading, routing, accessing, and archiving of course documents.*
68	Component 3	Q. Where is the information regarding the course reviewers stored (in the EMS or a third party system)? Are reviewers assigned to provider applications also or only to course submissions? How are the reviewers assigned to each submission (random, round robin, etc.)? *A. Information concerning the course review process is currently retained in Basecamp. Reviews are assigned based upon skills and availability and assigned to work independently or as part of a team. Provider applications/approvals are all processed by internal SRR staff. Course reviewers provide feedback on courses - final approval for both providers and courses remains solely with SRR. It should also be noted that SRR treats course audits similar to course approvals so specific projects are also set-up within Basecamp to assign audit team members and support the course auditing processes.*

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Question Number	RFP Section	Question and Answer
69	Component 3	Q. Is the course review done on an item-by-item basis or is there one determination for the entire course? Is there a concept of a primary reviewer who makes a yes/no determination for approval? *A. Reviewer comments are for the entire courses. There is no concept of a primary reviewer; final decisions regarding the status of any course lie solely with SRR.*
70	Component 3	Q. Would the reviewers logged into the portal see only the courses assigned to them or could they see the progress/communication history of all courses in review? *A. Reviewers see only those courses to which they are assigned.*
71	Component 3	Q. What happens if course providers are not approved? Are they allowed to reapply again or is there a time-out period? *A. If a course provider is not approved, it is informed of the reason and generally allowed to address any deficiency(ies). Generally if an organization is denied, there is nothing preventing it from applying again in the future.*
72	Component 3	Q. Is the total fee (price) for a course submission a sum of a flat fee per course, plus a fee per credit hour? *A. The fee for a course submission is currently $300 plus $20 per credit hour.*
73	Component 3	Q. Will there be any other complex fee (pricing) models for course submissions? If yes, please describe. *A. SRR would like the option of a complex fee pricing model in the future.*
74	Component 3	Q. How are the late fees for course submissions handled in the system? Do they automatically apply after a certain deadlines or does staff have the ability to apply them? *A. SRR currently does not have a policy nor a process to implement late fees. However, SRR is would like to see functionality to support this.*
75	Component 3	Q. Will there be any sequence of the course approval numbers? If a course provider applies for renewal, will the sequence number be changed or would its initial number remain the same? *A. Numbers are assigned to providers and courses on a sequential basis. The same number stays with a provider or course for the entire life of that approval. A number is never used twice. SRR desires to retain the existing numbering system and to transition all existing numbers to the new EMS.*

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Question Number	RFP Section	Question and Answer
76	Component 3	Q. If a course is made inactive, when are the providers unable to upload rosters for those courses? What if a provider had offered a course when it was active but was unable to upload the roster before it was made inactive? *A. If a course is made inactive, then the provider cannot credit bank against that course offering. If a course is not renewed, providers are given a 30-day window to complete all credit banking. SRR sometimes has to reactivate a course to enable a provider to perform late credit banking which is why the requirement is in the RFP.*
77	Component 3	Q. Please provide some examples of the types of emails that would be sent by the system? Course approvals/denials? Reminders? *A. The current system does not send e-mail; SRR currently has a number of word templates it uses within Basecamp as well as a whiteboard feature to maintain two-way communication with providers. SRR envisions the EMS to be able to send customizable notices informing providers of approvals status, course status, renewal reminders, auditing notices, and ad hoc communications.*
78	Component 3	Q. Please clarify Component 3, Course Provider Renewal, Sec f. Is this just the ability to manually change the status of a provider to inactive for not renewing? *A. It's the ability for SRR to manually change the status of any provider and/or courses for any reason to include not renewing, submitting documentation, enforcement actions, etc.*
79	Component 3	Q. How much different is the course renewal process from the initial course approval process? *A. Functionally the two processes are very similar and have the same steps, but the renewal process tends to be more streamlined and focuses on ensuring that content is accurate.*
80	Component 3	Q. Please provide an example of "capability to manage work flow processes." Will the work flow processes be the same for each course or could it change with course type? *A. Work flow processes essentially refers to the process SRR follows when evaluating a course. This process entails receiving an application, setting-up a project, the provider uploading documents, assigning evaluators to the project, collecting feedback, sharing that feedback, the provider addressing any issues, and then approving or denying the course application. Complete details for the entire process may be found in the User Guides available in the course provider section of the NMLS Resource Center.*

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Question Number	RFP Section	Question and Answer
81	Component 3	Q. In Component 3, PE and CE Corse Renewal Functionality, Sec. e, "Communicate with course providers." What is meant by that? Status change emails? *A. SRR expects the EMS to support the capability to maintain a record of all communications (both outbound and inbound) it has with providers via some sort of message board like functionality.*
82	Component 3	Q. Does the RFP accurately describe the various exceptions in terms of credit banking? *A. Yes.*
83	Component 3	Q. What is the estimated volume of MLOs who are likely to call the vendor seeking assistance? *A. None. MLOs do not interface with the vendor's EMS. Course providers are the only stakeholders (outside of SRR) who use the EMS. They may make an occasional call to the vendor, but they usually call the SRR staff for assistance.*
84	Component 3	Q. What kind of validation would need to be performed for the data upload as part of course completion upload? *A. Validation includes NMLS ID and MLO name match; course number and course offering match (based upon course provider - meaning provider X cannot credit bank on behalf of provider Y or against a course or course offering that does not exist). Additionally, to prevent and deter fraud, credit banking may not be done for a course offering in the future, nor can a provider set-up a course offering in the past (this is an SSR-only function).*
85	Component 3	Q. Can it be reasonably expected that the roster files will be provided in an error-free format or would the vendor need to build extensive error-checking for formatting errors? *A. SRR does not expect the EMS to correct file formatting (course providers are very good at working with a template). However, the EMS must do a validation check to ensure there is a valid NMLS ID number and that NMLS ID number and names match. The EMS should process any valid match and then reject any that are invalid. The EMS needs to inform the course provider of any invalid names/IDs so the provider can take appropriate action.*
86	Component 3	Q. Do regulators need to have the ability to bank credits on behalf of a provider, or as an exception? *A. No, only SRR.*

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Question Number	RFP Section	Question and Answer
87	Component 3	Q. The functionality mentioned in Component 3, Credit Banking Functionality, Sec d. would require retraction record updates to be sent automatically from EMS to NMLS. If an old course completion was retracted, it might invalidate an individual's compliance in the past, which impacts their current compliance status. Is this what you intended? *A. There is the potential that removal of a course completion which has been incorrectly submitted could result in a retraction update to be sent. Additionally, there is the potential that a licensee's previous compliance could be impacted.*
88	Component 3	Q. Please describe Compliance (PE/CE Information).What information (data elements) will be sent from the vendor's EMS system to NMLS? How often does the NMLS system need to be updated with Compliance from the Education Management System? Is the course completion record viewed in NMLS, and not in EMS? About how many web service calls occur per day? *A. The EMS must track PE/CE compliance against federal and state education licensure requirements. Course completion and compliance information must be updated daily. The MLO's course completion record (transcript) is accessed through NMLS. SRR is open to solutions for how to best display an MLO's complete education history (both PE and CE). During the peak renewal season approximately 5,000 calls per day are made to view an MLO's course completion record; approximately 1,000 calls per day are made during non-peak period.*
89	Component 3	Q. Who is responsible for maintaining state specific requirements in the EMS? *A. Only SRR would have access to the EMS and would be responsible for maintaining all state-specific education requirements within the EMS; this would also include implementing new requirements, making modifications, and testing configuration changes.*
90	Component 3	Q. Can an individual MLO be licensed in more than one State? *A. Yes*
91	Component 3	Q. Which state requirements take precedence? Or must MLOs meet the requirements for each state in which they are licensed? *A. States either have a requirement for state-specific content and/or additional hours of electives. State-specific content is tracked via the two-letter state code in the course title; hours are tracked by adding-up the federal requirements plus elective hours. To achieve compliance, an MLO must satisfy one or both of the conditions as required by a state agency.*

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Question Number	RFP Section	Question and Answer
92	Component 3	Q. Will state administrators for a given state see only a given MLO's state specific and federal requirements? Or will an administrator from any state be able to see all the requirements for ALL states in which the MLO is licensed? *A. All state regulators (administrators) will have "read only" access of the complete education history of any MLO in the system. Only SRR will be able to edit a record.*
93	Component 3	Q. If an MLO does not become compliant by the compliance deadline, how is he/she handled? Is there a reinstatement process for CE? Please describe it. *A. The status of MLO compliance and reinstatement periods vary from state to state. Several states/agencies have reinstatement periods for MLOs who failed to complete CEs in the previous year and allow them to make-up those CEs. SRR, in cooperation with a number of course providers, has configured several CE courses to allow their credits to be retroactively applied to the previous year. Agencies that do not allow for reinstatement have a requirement for MLOs to re-apply for a new license - in these cases the licensee is still required to make-up CE for the last year in which he/she was licensed.*
94	Component 3	Q. Will an MLO have portal access to the EMS? Would they be able to login and review all of the credit hours that have been reported on their behalf? If so, then is there a requirement for a single-sign on with another system (like NMLS) or would the EMS have separate login credentials? *A. An MLO will not have portal access to the EMS, only SRR and course providers will have portal access for provider and course approvals, renewals, course scheduling and reporting of course completions. SRR, state regulators, MLOs, and sponsoring companies will access course history/compliance information only using the interface provided through NMLS. Authentication will be provided through NMLS.*
95	Component 3	Q. How exactly would the compliance information be displayed? Is there an administrative function only or would that be displayed on the portal for individual users? *A. SRR is open to working with a vendor to determine the best interface for displaying compliance information. State regulators, SRR, the MLO, and the sponsoring company must be able to see an individual's education history (both PE and CE) and they should be able to see the progress the MLO is making towards compliance being met in the categories as stated in the RFP. State regulators need to know the exact date on which an MLO satisfied all of the education requirements (both state and federal) on an annual basis. Currently in NMLS the date of the course completion date of the last course which satisfied all requirements is the education compliance date.*

Question Number	RFP Section	Question and Answer
96	Component 3	Q. How do state regulators currently verify the completion of state specific PE/CE requirements by applicants or licensees? *A. In NMLS, the regulator must go into each MLO's record, and view the course completion record. The course titling and the number of credit hours banked informs the regulator about what has been completed and if the licensee has met the state-specific PE/CE requirements.*
97	Component 3	Q. Please provide examples of the "dynamic business rule" to apply course credit hours. *A. The EMS must be capable of knowing how to apply course completions based upon on an MLO's license status. For example: An MLO licensed in one state may not have a requirement for state-specific education. However, if the licensee is granted a license in an additional state that has an education requirement, the EMS needs to be able to recognize it and track against it. The easiest way to conceptualize this is to think about a college student's degree plan: depending on what major one declares, different course requirements will apply - if the student changes a major or seeks to double major, additional courses may be required and will need to be tracked.*
98	Component 3	Q. Will MLOs, regulators and company administrators need to have access to the vendor's system? *A. No. All those users access education information in NMLS. Only SRR staff and Course Providers will be accessing the vendor's EMS.*
99	Component 3	Q. Is there an EMS currently in use? If so, what platform is that system? What format can we expect the data to exported from? *A. There is an EMS currently in use. Vendors are requested to visit the CSBS web site and view the Press Release Archives, January 23, 2009, which describes the awarding of the current testing and education services contract and the parties involved. More information about the data format transfer will be provided to bidders later in the evaluation and selection process.*
100	Component 3	Q. Please provide a brief overview of how Basecamp is integrated with the current EMS. Please provide some details on the current steps involved in provider/course approvals. *A. Basecamp is not integrated into the current EMS. Based upon the applications which are submitted through the current EMS, SRR establishes specific projects within Basecamp. Complete work-flows and narrative of all processes may be viewed by going through the various User Guides which are available in the course provider section of the NMLS Resource Center.*

Question Number	RFP Section	Question and Answer
101	Component 3	Q. How exactly would an MLO transition from being federally registered to state-licensed? Is that done in NMLS and updated in the EMS? *A. As stated in the RFP, a vendor's system must host information on all MLOs regardless of their status in NMLS; state licensed or federally registered. There is no advance warning of a registrant's intention to transition. There is no minimum eligibility for an MLO to take a PE course other than to have a valid NMLS ID. The EMS needs to be prepared to begin tracking course completion information as soon as a course provider reports it into the system.*
102	Component 3	Q. In what format would the existing course provider/approved courses/existing education history data be provided? *A. SRR will coordinate the transfer of data from the current EMS to the new vendor's EMS. SRR will provide additional details about the file format later in the evaluation and selection process.*
103	Component 3	Q. Are there any requirements/restrictions on the kind of technology/platform used to build the system? *A. At this time SRR does not have any restrictions on the type of technology that may be employed to meet the requirements as detailed in the RFP.*
104	Component 3	Q. Can the EMS be provided by our company in a hosted environment or does SRR require it to be self-hosted? *A. SRR anticipates that the EMS will be hosted by the vendor; SRR does not envision hosting the EMS. The vendor should be prepared to provide a copy of its Service Level Agreement as part of its response to the RFP.*
105	Component 3	Q. Can SRR provide more statistics about the volume and characteristics of federal registrants which are in NMLS? *A. There is no more information regarding federal registrants than what is currently listed in the RFP, Component 3, Requirement to Import, Host, and Validate Existing Education History Data, Sec. a.*
106	Component 3	Q. Please provide more detailed description (who? what? when? how?) of what is meant by the EMS providing notifications of deficiencies in Component 3, Sec 7. e. *A. Notifications mentioned in the RFP refer to the data transfer occurring between the EMS and NMLS. Once compliance has been achieved, then the EMS should notify NMLS which will trigger the ability for a licensee to renew his/her license. Additionally, if a licensee is deficient in completing education requirements, this should show on the course completion record as well as on reports.*

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Question Number	RFP Section	Question and Answer
107	RFP General	Q. In general, what is the nature of the current vendor's contractual relationship with SRR? *A. Vendors are requested to visit the CSBS web site and view the Press Release Archives, January 23, 2009, which describes the awarding of the current testing and education services contract and the parties involved.*
108	RFP General	Q. Is SRR currently party to any legal actions regarding its testing program? *A. No.*
109	RFP General	Q. If a current NMLS approved Course Provider wishes to make a bid on one or more RFP components must it cease offering NMLS courses? *A. Yes. If a current NMLS Approved course provider submits a bid it would be considered a conflict of interest for that organization to remain a course provider and it would be required to relinquish its course provider status and cease delivering all courses.*
110	RFP General	Q. Will SRR accept proposals which satisfy some but not all requirements of Component #3. *A. Yes. SRR will accept and evaluate vendor proposals which may not satisfy all the requirements of a particular component. The vendor's proposal must clearly describe what requirements the proposal addresses and those that it does not.*
111	RFP General	Q. Does SRR need to own the EMS application which is developed? *A. No. The vendor should describe in the RFP the rights which SRR will and will not have in the vendor's system, software, etc.*
112	RFP General	Q. Does pricing in the bid need to be segregated from the technical response? *A. No, it can be included along with the technical responses in the proposal.*
113	RFP General	Q. Regarding the EMS referenced in Component 3, does SRR wish to "license and customize" a pre-existing software application or does it prefer a transaction pricing model? *A. Although SRR currently employs a transaction pricing model, it will consider different pricing proposals. Vendors should refer to Appendix G which provides guidance about EMS pricing.*

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1327 **Appendix I-1**
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1329 **State Regulatory Registry LLC**
1330 **Testing and Education Services RFP**
1331
1332 **Additional Bidder Call Q&As (as of March 16, 2012)**
1333

Question Number	RFP Section	Question and Answer
1.	Component 1	Q. In what format will the current vendor transfer the item bank and related statistics to a new vendor? *A. SRR will work with the existing vendor and the new vendor to determine a satisfactory format(s) for the transfer of items, their classifications, statistics and related information.*
2.	Component 1	Q. How does SRR currently ensure consistent difficulty levels from form to form for each test component? *A. SRR's current vendors perform regular surveillance and analyses of all tests and their forms to ensure that they are meeting appropriate psychometric standards. This includes analyses of the variance of pass rates among forms of the same test component. If and when those pass rates exhibit a variance which is outside the expected tolerances, than the vendor takes appropriate remedial action. SRR would expect the new vendor to maintain this type and level of service.*
3	Component 1	Q. Do all operational (scored) items that appear on test forms have statistics? *A. Yes.*

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1336 **Appendix I-2**
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1338 **State Regulatory Registry LLC**
1339 **Testing and Education Services RFP**
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1341 **Additional Bidder Call Q&As (as of March 22, 2012)**
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Question Number	RFP Section	Question and Answer
1a.	Component 2	Q. SRR testing policies allow test candidates to take unscheduled breaks. What type of breaks is this referring to (i.e. length, etc.)? *A. Candidates are allowed to take unscheduled breaks during their test sessions. Candidates are not limited in the number of breaks they may take or the length of the breaks. However, they may visit only the restrooms on these breaks and make no other deviations to their travels. They cannot access their lockers, they cannot go to another part of the test center building and they cannot leave the building. Any deviation from their travels to and from the restrooms is considered a violation of the Rules of Conducts (see Appendix D for the complete ROC) and test center administrators will be expected to advise candidates who violate these rules that the incidents will be reported to SRR. Candidates who do take unscheduled breaks will be expected to follow the center's procedure for requesting and taking unscheduled breaks and will be expected to go through appropriate security measures when they return from each break.*
1b.	Component 2	Q. Are the timed tests expected to be paused for unscheduled breaks? *A. The allotted time for candidates' test sessions are not paused while they are on breaks.*

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