



NEW MEXICO
FINANCE AUTHORITY

**QUESTIONS and ANSWERS TO
REQUEST FOR PROPOSALS**

**INVESTMENT ADVISORY SERVICES
VENTURE CAPITAL FUND PROGRAM**

DATE ISSUED: SEPTEMBER 22, 2022

Question: How are you viewing distinction between advice vs. asset management, i.e., how much of this is consulting and support to establish the parameters and operationalize the fund vs. managing the dollars ourselves?

Answer: The services requested are for advisory/consultant services for a \$35 million venture capital portfolio. Services in the first year are anticipated to support the establishment of the program. Once the program is established, ongoing services are expected to support investment activity including, without limitation, sourcing, structuring, and performing due diligence on venture capital private equity funds and/or New Mexico businesses, as defined under the NMFA's Venture Capital Program (please see the program page on the NMFA website for more detail). Ongoing services may also include portfolio monitoring and reporting. Proposals may be submitted to provide services supporting the establishment of the NMFA Venture Capital Program, ongoing investment and monitoring activities, or both. The successful Offeror will not have custody of the assets of the Venture Capital Program Fund and all decisions regarding investment of funds will be made solely in the discretion of the NMFA.

Question: I read that NMFA anticipates opening the Venture Capital Program in the second quarter of 2023. Is that still correct?

Answer: NMFA's current timeline anticipates initial investments under the NMFA's Venture Capital Program to be in second quarter 2023. This timeline is subject to change in NMFA's discretion.

Question: What is the duration for this work – will the work be ongoing post the “opening”?

Answer: NMFA typically enters into contracts for professional services for four-year terms, although depending on the scope of professional services offered, the contract may be for a shorter term.

Question: Is there any guidance you can provide on the contemplated budget?

Answer: NMFA will establish a budget based on cost proposals received. Note that the Venture Capital Fund has an appropriation of \$35 million, which is inclusive of administrative costs and fees. The Successful Offeror's cost proposal may include costs related to program establishment in the first year, and/or costs thereafter supporting ongoing investment and monitoring activities. The Successful Offeror's cost proposal may include fixed costs for specific services outlined in the scope of procurement, a flat annual fee or a percentage of committed capital, or a combination thereof.