



NEW MEXICO  
**FINANCE AUTHORITY**

**QUESTIONS & ANSWERS TO  
REQUEST FOR PROPOSALS**

**Small Business Recovery Loan Program  
Loan Portfolio Servicing**

DATE RFP ISSUED: April 26, 2024

DATE OF ANSWERS: May 6, 2024

**Question 1:** What happens after the contract term expires? Will NMFA takeover servicing?  
(Section Appendix B)

**Answer:** It is not NMFA's intent to take the SBRL portfolio back for loan servicing.

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**Question 2:** Request: Current Balance  
Charge off Date  
Charge off Amount  
Last Payment Date  
Last Payment Amount  
Next Payment Date  
Next Payment Amount  
Funded amount  
Date Funded  
Status of the Account – including definitions of the statuses they use. For example, on the file "SBRL from Salesforce Database" in the Application Status column they have statuses labeled: Active, Approved, Paid, Paid-off, Refinanced, and Sent to WF."

(Section in background)

**Answer:** This information will be provided at final contract negotiations.

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**Question 3:** Is a pay-by-phone option for borrower payments a requirement of the program?  
(Section I.C.2.7)

**Answer:** Not a requirement.

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**Question 4:** If litigation or bankruptcy proceedings are required, will NMFA be responsible for controlling these proceedings, or is NMFA expecting the contractor to fully control the proceedings, subject solely to NMFA's right to approve counsel? Who controls settlement discussions?

(Section I.C.8.0)

**Answer:** NMFA expects servicer to control all litigation over proceedings.

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**Question 5:** Will the borrowers have access to the NMFA portal to make payments, or are we to collect an ACH form to capture payments?  
(Section I.C.2.7)

**Answer:** NMFA is amenable to continuing to give borrowers access to its Wells Fargo-hosted portal, depending on the loan servicing plan proposed by the contractor.

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**Question 6:** When would the NMFA consider an account Charged-Off? Is this a forgivable loan?

**Answer:** A charge-off for NMFA means loans deemed no longer worth pursuing, because of their age and/or otherwise. This determination is made when it is demonstrated that a good faith effort has been made to collect under the agreed-upon collection guidelines. Loans determined to be no longer worth pursuing are removed from the active portfolio. NMFA expects contractor to propose the formula/set of criteria for such a determination, including the maximum age limit for a delinquent loan to be kept in the active portfolio. While the enabling legislation does not provide for loan forgiveness, reasonable modifications can be made to a loan agreement based on the determination that, given the borrower's economic condition, the resulting balance is the maximum amount that can be collected.

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**Question 7:** What are the adverse actions to not repaying the loan? Example: Treasury Offset, Judgement, etc.  
(Section I.C.4.2)

**Answer:** No Treasury Offset. NMFA would like bidders to propose best practice for pursuing borrowers who don't pay.

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**Question 8:** What are the guidelines on Refinance and Loan Modifications?  
(Section I.C.4)

**Answer:** NMFA expects contractor to propose these guidelines based on best practices as part of its response to the RFP, which will be finalized at time of contract negotiations.