



New Mexico Mortgage Finance Authority

Request for Proposal For External Audit Services

April 2023

TABLE OF CONTENTS

Part I: Background & General Information	3
Introduction.....	3
Purpose	3
Questions and Answers.....	3
Proposal Submission	3
Proposal Tenure	3
RFP Revisions and Supplements.....	4
Incurred Expenses.....	4
Cancellation of Requests for Proposal or Rejection of Proposals.....	4
Evaluation of Proposals, Award Notice and Negotiation.....	4
Interview	4
Award Notice	5
Proposal Confidentiality.....	5
Irregularities in Proposals	5
Responsibility of Offerors.....	5
Protest	6
Confidential Data	6
Timeline for Offeror Selection.....	7
Offerors Conference	7
Part II: Minimum Qualifications and Requirements	7
Part III: Services to be Performed	8
Part IV: Evaluation Criteria.....	10
Part V: Proposal Format and Instructions to Offeror	11
Part VI: Principal Contract Terms and Conditions	14
Contract Term.....	14
Exhibit A MFA Code of Conduct	16
Exhibit B Organizational Reference Questionnaire	19

**New Mexico Mortgage Finance Authority
Request for Proposals
To Provide External Audit Services**

Part I: Background & General Information

Introduction

The New Mexico Mortgage Finance Authority (“MFA”) is a governmental instrumentality, separate and apart from the state, created by the Mortgage Finance Authority Act, N.M. Stat. Ann. Sections 58-18-1, et seq. (1978) for the purpose of financing affordable housing for low- and moderate-income New Mexico residents.

Purpose

The purpose of this Request for Proposals (RFP) is to solicit proposals, in accordance with the New Mexico Mortgage Finance Authority Procurement Policy, from qualified firms which by reason of their skill, knowledge, and experience are able to furnish External Audit Services to MFA (“Offerors”).

Questions and Answers

Questions pertaining to this RFP and application must be submitted via the MFA website at <https://housingnm.org/rfps/rfps-rfq>. Then select “External Audit Services.” On the External Audit Services RFP page, select the “External Audit Services FAQs” link. Questions will be checked on a daily basis. The FAQ will open the day after the RFP issues and will close on May 4, 2023. To submit your questions, scroll down to the “Ask a question” section, enter your name, email address, organization, and type your question in the “Question” box and click on “Send my question”. MFA will make every attempt to answer questions within two (2) business days.

Proposal Submission

Proposal submissions must be received no later than May 12, 2023, at 5:00 p.m., Mountain Time. Proposals which are not received by this time will not be accepted.

Send to ysegovia@housingnm.org with a subject line of “Proposal to Furnish External Audit Services.” This is the preferred method and hard copies are not required.

Proposal Tenure

All proposals shall include a statement that the proposal shall be valid until contract award, but no more than ninety (90) calendar days from the proposal due date.

RFP Revisions and Supplements

If it becomes necessary to revise any part of this RFP or if additional information is necessary to clarify any provision of this RFP, the revision or additional information will be provided on the MFA website.

Incurred Expenses

MFA shall not be responsible for any expenses incurred by an Offeror in responding to this RFP. All costs incurred by Offerors in the preparation, transmittal or presentation of any proposal or material submitted in response to this RFP will be borne solely by the Offerors.

Cancellation of Requests for Proposals or Rejection of Proposals

MFA may cancel this RFP at any time for any reason and may reject all proposals (or any proposal) which are/is not responsive.

Offeror's Rights to Withdraw Proposal

Offerors will be allowed to withdraw their proposals by submitting a written withdrawal request addressed to ysegovia@housingnm.org.

Evaluation of Proposals, Selection and Negotiation

Proposals will be evaluated by an Internal Review Committee of MFA staff using the criteria listed in Parts II Minimum Qualifications and Requirements and III Services to be Performed, below, pursuant to the Evaluation Criteria and scoring shown in Part IV, Evaluation Criteria. Final selection shall be made by the full Board of Directors.

MFA may provide Offerors whose proposals are reasonably likely, in MFA's discretion, to be selected, an opportunity to discuss and revise their proposals prior to award, for the purpose of obtaining final and best offers. Proposals shall be evaluated on the criteria listed in Part IV Evaluation Criteria, below.

The MFA Board of Directors shall select the Offeror(s) whose proposal(s) is/are deemed to be most advantageous to MFA to enter into contract negotiations with MFA, subject to approval by the New Mexico State Auditor. If a final contract cannot be negotiated, then MFA will enter into negotiations with the other Offeror(s).

Interview

If selected as a finalist, Offerors agree to provide MFA the opportunity to interview proposed staff members identified by the Internal Review Committee. The Internal Review Committee may request a finalist to provide an oral presentation of the proposal as an opportunity for the Internal Review Committee to ask questions

and seek clarifications. All requests for interviews and oral presentations shall be made in MFA's sole discretion.

Award Notice

MFA shall provide written notice of the award to all Offerors within ten (10) days of the date of the award. The award shall be contingent upon successful negotiation of a final contract between MFA and the Offeror(s) whose proposal(s) is/are accepted by MFA, subject to approval by the New Mexico State Auditor. The MFA is subject to the New Mexico Audit Act Section 12-6-1 NMSA 1978 et seq., (Audit Act); therefore in accordance with independence requirements set forth therein, this award will not be made to the same firm that provides internal audit services to MFA.

Proposal Confidentiality

Offerors or their representatives shall not communicate with MFA's Board of Directors or staff members regarding any proposal under consideration or that will be submitted for consideration, except in response to an inquiry initiated by the Internal Review Committee, or a request from the Board of Directors, or its Finance Committee for a presentation and interview. A proposal will be deemed ineligible if the Offeror or any person or entity acting on behalf of Offeror attempts to influence members of the Board of Directors or staff during any portion of the RFP review process, including any period immediately following release of the RFP.

MFA will not disclose, discuss or otherwise make available the contents of any proposal to competing or potential Offerors prior to the expiration of the protest period, which in the event a protest is presented, shall not occur until after final determination of the protest by the Board of Directors.

Irregularities in Proposals

MFA may waive technical irregularities in the form of proposal of any Offeror selected for award which do not alter the price, quality or quantity of the services offered. Note especially that the date and time of proposal submission as indicated herein under "Part I Background and General Information" cannot be waived under any circumstances.

Responsibility of Offerors

If an Offeror who otherwise would have been awarded a contract is found not to be a Responsible Offeror, a determination that the Offeror is not a Responsible Offeror, setting forth the basis of the finding, shall be prepared and the Offeror shall be disqualified from receiving the award. A Responsible Offeror means an Offeror who submits a proposal that conforms in all material respects to the requirements of this RFP and who has furnished, when required, information and data to prove that his financial resources, facilities, personnel, reputation and experience are adequate to make satisfactory delivery of the services described in this RFP. The unreasonable failure of an Offeror to promptly supply information in connection with an inquiry with respect to responsibility is grounds for a determination that the Offeror is not a Responsible Offeror.

Protest

Any Offeror who is aggrieved in connection with this RFP or the award of a Contract pursuant to this RFP may protest to the MFA. The protest must be written and addressed to:

Yvonne Segovia, Controller
ysegovia@housingnm.org

The protest must be delivered to MFA within five (5) business days after the notice of award. Upon the timely filing of a protest, the Contact Person shall give notice of the protest to all Offerors who appear to have a substantial and reasonable prospect of being affected by the outcome of the protest. The Offerors receiving notice may file responses to the protest within five (5) business days of notice of protest. The protest process shall be:

- ◆ The protest will be reviewed by the Finance Committee of MFA's Board of Directors, and that committee shall make a recommendation to the full Board of Directors regarding the disposition of the protest.
- ◆ The Board of Directors shall make a final determination regarding the disposition of the protest, which determination shall not be subject to appeal.

Offerors or their representatives shall not communicate with MFA Board of Directors or staff members regarding any proposal under consideration, except when specifically permitted to present testimony to the committee of the Board of Directors, until the protest period has expired, which if there is a protest shall not expire until final determination by the Board of Directors. A proposal will be deemed ineligible if the Offeror or any person or entity acting on behalf of Offeror attempts to influence members of the Board of Directors or staff during any portion of the RFP review process, which remains in effect until the expiration of the protest period, or does not follow the prescribed proposal and protest process.

Confidential Data

Offerors may request in writing nondisclosure of confidential data which Offeror includes in its proposal. Such confidential information shall accompany the proposal and shall be readily separable from the proposal so as to facilitate public inspection of non-confidential portions of the proposal. After the expiration of the protest period, which shall include final determination of any protest by MFA's Board of Directors, all proposals will be open to the public for inspection pursuant to MFA's Request to Inspect Documents Policy. Confidential information shall only include such information as is excepted under Section 14-2-1 NMSA 1978.

If MFA receives a request for inspection of its records which would require the disclosure of information identified by Offeror as confidential information, it will examine Offeror's request for confidentiality and make a written determination that specifies which portions of the proposal, including any information identified by Offeror as confidential information, shall be disclosed. MFA will provide the Offeror with a written notice of determination which details which information MFA intends to disclose and the date it shall disclose such information.

Timeline for Offeror Selection

The MFA will make every effort to adhere to the following anticipated schedule for recommended Offeror selection:

<u>DATE</u>	<u>ACTIVITY</u>	<u>RESPONSIBILITY</u>
4/19/23	RFP goes to Board of Directors for approval	MFA
4/20/23	Issuance of RFP	MFA
4/26/23	RFP Offerors Conference	MFA
5/4/23	RFP FAQ closes – deadline to submit questions	Offerors
5/12/23	Submission of Proposals Due	Offerors
6/21/23	Award Recommendation to Board of Directors	MFA
6/21/23	Notification of Awards	MFA
6/28/23	Protest Deadline	Offerors

Offerors Conference

An optional Offerors Conference will be conducted on April 26, 2023, at 9:30 a.m. MT to provide an opportunity for questions and answers. You may attend the Conference at the MFA Office, by WebEx at <https://housing-nm.webex.com/housing-nm/j.php?MTID=m75866f1e38cc484bf568e10c45d1b7a9> or by teleconference 1-408-418-9388 Meeting number (access code): 2494 445 3020.

Part II: Minimum Qualifications and Requirements

Only those Offerors who meet the following minimum criteria are eligible to submit a proposal pursuant to this RFP:

1. Offeror must be included on the New Mexico Office of the State Auditor 2023 Approved Audit Firms List;
2. Offeror must be a certified public accounting firm in good standing as a registrant with the Public Company Accounting Oversight Board (PCAOB);
3. Offeror must be licensed in the State of New Mexico; and
4. Offeror must maintain professional liability insurance of at least \$1,000,000 per occurrence and \$2,000,000 in the aggregate.

Selected Offerors must also meet the following requirements:

5. Offeror shall provide a written statement disclosing: (1) any political contribution or gift valued in excess of \$250.00 (singularly or in the aggregate) made by Offeror to any elected official of the State of New Mexico in the last three years, (2) any current or proposed business transaction between Offeror and any MFA member, officer, or employee, and (3) any other conflict or potential conflict which may give rise to a claim of conflict of interest.
6. Offeror shall provide a written statement disclosing any pending investigation, litigation, recent settlements or regulatory sanctions in performing professional services during the past five years involving Offeror's firm or employees or individuals or organizations involved in any third-party

agreements or joint venture agreements. Describe any circumstances under which Offeror's firm or any of Offeror's members or employees have been disciplined by any professional licensing, regulatory or ethics entity. Indicate whether Offeror's firm has been involved in any capacity in litigation, investigations or regulatory proceedings involving HUD, the State of New Mexico or any agency thereof.

7. 6. Offeror shall provide written certification, on the form attached as Exhibit A, that Offeror has read and shall at all times conduct itself in a manner consistent with MFA's Third-Party Code of Conduct. Upon request by MFA, Offeror shall disclose information MFA may reasonably request relating to any conflict or potential conflict of interest as such term is defined in MFA's Policies and Procedures.
8. Offeror shall provide a written certification that Offeror is an Equal Opportunity Employer and complies fully with all government regulations regarding nondiscriminatory employment practices.
9. Offeror shall provide a written certification that Offeror is eligible to participate in any and all federal- or state funded housing programs; is not currently facing disciplinary action by any federal, state or local entity; is not suspended, debarred or excluded from participation in any federal or state funded housing program; and is not listed as an excluded party (ies) on the System for Award Management's list of excluded parties accessed at www.sam.gov; and has not been debarred by MFA.

Part III: Services to be Performed

As requested by MFA, professional External Audit Services REQUIRED to be provided under and to be incorporated into the contract to be awarded pursuant to this RFP include, but are not limited to, the following:

1. Financial Statement Audit consisting of the Statement of Net Position, Statement of Revenue, Expenses and Changes in Net Position, Statement of Cash Flows and the Notes to the financial statements for the fiscal year ended September 30, 2023 in accordance with auditing standards generally accepted in the United States of America, Government Auditing Standards, and 2.2.2 NMAC Audit Rule 2023 (available at www.saonm.org) issued by the New Mexico Office of the State Auditor with comparative statements for the fiscal year ended 2022;
2. Federal Audit for the fiscal year ended September 30, 2023 in accordance with Government Auditing Standards issued by the United States Government Accountability Office and Office of Management and Budget (OMB) 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards;
3. Financial Statement Preparation;
4. GNMA Compliance Reports;
5. Delivery of the Financial Statements and GNMA Compliance Reports within one hundred twenty (120) days after fiscal year end;
6. Delivery of the Financial Statements and Federal Audit Reports within one hundred twenty (120) days after fiscal year end;
7. Electronic submission of the financial statements, and preparation and submission of the Data Collection Form to the Federal Audit Clearinghouse within 30 days after release of the Federal Audit;

8. Because the MFA's bonds are publicly offered and held, the auditor may be asked to consent to inclusion of the auditor's report in the MFA's official statements and on certain occasions to issue letters to underwriters in connection with the offering of MFA's bonds on a fee basis;
9. Presentation of reports to the Board and/or Finance Committee regarding recent accounting, audit and tax updates that may affect the housing finance industry and/or MFA financial statements;
10. In accordance with NMAC 2.2.2.10 J. the Offeror shall be required to identify significant state statutes, rules and regulations applicable to the MFA and perform tests of compliance. The state statutes and constitutional provisions that MFA may be subject to include, but may not be limited to, the following:
 - a. Anti-Donation Clause (NM Constitution Article IX, Section 14);
 - b. Public Money Act (Sections 6-10-1 to 6-10-63 NMSA 1978, at § 6-10-10.1) allowing the State Treasurer to accept funds for deposit from MFA;
 - c. Special, Deficiency, and Specific Appropriations (appropriation laws applicable for the year under audit);
 - d. 2.2.2 NMAC, Requirements for Contracting and Conducting Audit of Agencies, excluding 2.2.2.10.U. Disposition of Property;
 - e. Investment of Public Money (Sections 6-8-1 to 6-8-25 NMSA 1978) at Section 6-8-7(E) and (I) allowing the State Investment Council to accept funds for deposit from MFA to be managed pursuant to the Uniform Prudent Investor Act.

The following state statutes and constitutional provisions may not apply to MFA:

- a. Sections 13-1-21 and 13-1-22 NMSA 1978, Procurement Code (Sections 13-1-28 to 13-1-199 NMSA 1978) and Procurement Code Regulations 1.4.1 NMAC;
- b. Per Diem and Mileage Act (Sections 10-8-1 to 10-8-8 NMSA 1978) and Regulations Governing the Per Diem and Mileage Act 2.42.2 NMAC;
- c. Public Money Act (Sections 6-10-1 to 6-10-63 NMSA 1978) except as detailed above;
- d. Public School Finance Act (Sections 22-8-1 to 22-8-48 NMSA 1978);
- e. Investment of Public Money (Sections 6-8-1 to 6-8-25 NMSA 1978) except as detailed above;
- f. Public Employees Retirement Act (Sections 10-11-1 to 10-11-142 NMSA 1978);
- g. Educational Retirement Act (Sections 22-11-1 to 22-11-55 NMSA 1978);
- h. Sale of Public Property (Sections 13-6-1 to 13-6-8 NMSA 1978);
- i. State Budgets (Sections 6-3-1 to 6-3-25 NMSA 1978);

- j. Lease Purchase Agreements (NM Constitution Article IX, Sections 8 and 11; Sections 6-6-11 to 6-6-12 NMSA 1978; Montano v. Gabaldon, 108 NM 94, 766 P.2d 1328, 1989);
 - k. Accounting and Control of Fixed Assets of State Government, 2.20.1.1 to 2.20.1.18 NMAC;
 - l. Article IX of the State Constitution limits on indebtedness;
 - m. Any law, regulation, directive or policy relating to an agency’s use of gasoline credit cards, telephone credit cards, procurement cards, and other agency-issued credit cards;
 - n. Retiree Health Care Authority Act (Sections 10-7C-1 to 10-7C-19 NMSA 1978);
 - o. Governmental Conduct Act (Sections 10-16-1 to 10-16-18 NMSA 1978);
 - p. School Personnel Act (Sections 22-10A-1 to 22-10A-39 NMSA 1978);
 - q. School Athletics Equity Act (Sections 22-31-1 to 22-31-6 NMSA 1978).
11. In addition, MFA is not subject to FHA’s Lender Assessment Subsystem (LASS) or HUD’s Real Estate Assessment Center (REAC) reporting required of public housing authorities by the United States Department of Housing and Urban Development.

Part IV: Evaluation Criteria

MFA shall award the contract for External Audit Services to the Offeror whose proposal is most advantageous to MFA. Proposals that meet the Minimum Qualifications and Requirements shall be evaluated primarily on experience and fees. Proposals shall be scored on a scale of 1 to 100 based on the criteria listed below. Please note that a serious deficiency in any one criterion may be grounds for rejection regardless of overall score.

Criteria	Point Range	Maximum Points
1. Experience and Capability:		
a. The firm has the resources to perform the type and size of audit. Include number of team members and total audit hours available.	0-5	
b. Offeror meets independence standards to perform audit.	0-2	
c. External Quality Control Peer Review:		
➤ Rating of Pass	10	
➤ Rating of Pass with Deficiency(ies)	5	
d. References	0-3	
e. Organization and completeness of proposal.	0-3	23
2. Work Requirements & Audit Approach:		

a. Knowledge of audit objectives, MFA needs, and product to be delivered.	0-5	
b. Proposal contains a sound technical plan and realistic estimate of time to complete major segments of the audit: planning; interim fieldwork; fieldwork; and reporting.	0-7	
c. MFA staff support required.	0-8	
d. Approach for planning and conducting the work efforts of subsequent years.	0-2	22
3. Technical Capabilities:		
a. Governmental audit experience of on-site manager and on-site supervisor.	0-10	
b. Team audit experience:		
1) Specialization with state housing finance agencies, entities with publicly owned and offered securities, and financial institutions	0-10	
2) Government Accounting Standards Board (GASB) experience	0-10 0-5	
3) Experience with governmental component units	0-5	40
4) Experience with State Audit Act		
4. Firm Strengths	0-5	5
5. Audit Fees	10	10
6. Interview (optional at MFA's discretion)	5	5
Maximum Points		105

Part V: Proposal Format and Instructions to Offeror

Proposals submitted to MFA must, at a minimum, contain the following information and shall be organized as follows:

1. Letter of Transmittal

Include at least the following information:

- A. Name, address and telephone number of Offeror and name of contact person.
- B. A signature of the Offeror or any partner, officer or employee who certifies that he or she has the authority to bind the Offeror.
- C. Date of proposal.
- D. A statement that the Offeror, if awarded the contract, will comply with the contract terms and conditions set forth in this RFP.
- E. A statement describing how long the Offeror can hold the hourly rates, with the minimum being three (3) years from date of proposal.
- F. A statement that the Offeror's proposal is valid for ninety (90) days after the deadline for submission of proposals.

2. Disclosure and Certifications – Offeror shall provide:

- A. A written statement disclosing: (1) any political contribution or gift valued in excess of \$250.00 (singularly or in the aggregate) made by Offeror to any elected official of the State of New Mexico in the last three years, (2) any current or proposed business transaction between Offeror and any MFA member, officer, or employee, and (3) any other conflict or potential conflict which may give rise to a claim of conflict of interest.
 - B. A written statement disclosing any pending investigation, litigation, recent settlements or regulatory sanctions in performing professional services during the past five years involving Offeror’s firm or employees or individuals or organizations involved in any third-party agreements or joint venture agreements. Describe any circumstances under which Offeror’s firm or any of Offeror’s members or employees have been disciplined by any professional licensing, regulatory or ethics entity. Indicate whether Offeror’s firm has been involved in any capacity in litigation, investigations or regulatory proceedings involving HUD, the State of New Mexico or any agency thereof.
 - C. A written certification, on the form attached as Exhibit A, that Offeror has read and shall at all times conduct itself in a manner consistent with MFA’s Third-Party Code of Conduct.
 - D. A written certification that Offeror is an Equal Opportunity Employer and complies fully with all government regulations regarding nondiscriminatory employment practices.
 - E. A written certification that Offeror is eligible to participate in any and all federal- or state funded housing programs; is not currently facing disciplinary action by any federal, state or local entity; is not suspended, debarred or excluded from participation in any federal or state funded housing program; and is not listed as an excluded party(ies) on the System for Award Management’s list of excluded parties accessed at www.sam.gov; and has not been debarred by MFA.
3. Approval. A statement that the Offeror is included on the NM State Auditor’s 2023 Approved Audit Firms List. Indicate whether the firm is under any restrictions with the NM Office of the State Auditor, and if so, a description of the restriction.
4. Good Standing. Proof of good standing as a CPA firm registered with the Public Company Accounting Oversight Board (PCAOB) pcaobus.org.
5. Licensure and Approval. A statement that the Offeror is licensed in the State of New Mexico. Provide a copy of the license issued to the firm by the NM Regulation and Licensing Department.
6. Insurance. Proof of professional liability insurance of at least \$1,000,000 per occurrence and \$2,000,00 in the aggregate.
7. Experience & Capability. Description of firm capability and experience, including:

- A. The resources available to perform the type and size of MFA’s audit; and number of team members on staff.
- B. A statement that the firm meets independence standards required to perform the audit; List all professional services contracts the Offeror has entered into with MFA for the past two (2) years, including the contract date, contract amount, and description of services provided. Include a discussion as to the effect of the contracts on Offeror’s independence in accordance with Generally Accepted Government Auditing Standards (GAGAS).
- C. A copy of the firm’s most recent external Quality Control Peer Review in accordance with Standards established by the Peer Review Board of the American Institute of Certified Public Accountants for Public Company Audit Firms, including evidence of acceptance by the Center for Public Company Audit Firms, and letter of comments and a statement providing the rating received.
- D. Please provide at least three references from state housing finance agencies, state agencies, financial institutions and/or mortgage servicers. Insert Offeror’s name at the top of page 2 on **Exhibit B** and submit **Exhibit B** to at least three references for completion. The reference must submit the completed Organizational Reference Questionnaire directly to MFA, not to the Offeror, by May 12, 2023, at 5:00 p.m. See **Exhibit B** for further instructions. The fillable form is available on MFA’s website.
- E. An estimate of the number of hours required to provide Part III. Services to be Performed above and the total audit hours available. Include past experience in meeting audit deadlines required by the State Audit Rule and providing the deliverables required.

8. Audit Approach. Describe Offeror’s audit approach including:

- A. Audit objectives, understanding of MFA’s requirements, and final product to be provided;
- B. Technical plan and estimate of time to complete major segments of the audit and estimated timeline: planning, interim fieldwork, fieldwork, and reporting. Include the estimated start and end date to complete 1) the draft to the State Auditor’s Office and 2) the audit.
- C. Anticipated support from MFA staff and list of schedules anticipated to be prepared by MFA staff. Include a description of Offeror’s data analytics approach to mining the data provided in order to minimize MFA staff disruptions; and
- D. Approach for planning, conducting and deliverables for the audit work efforts of subsequent years.
- E. As stated in Section III: Services to be Performed, Offeror is expected to prepare the financial statements. Discuss the specific requirements of MFA in order for your firm to fulfill the service while continuing to maintain independence.

9. Technical Capabilities.

- A. Names and resumes of the on-site manager and on-site supervisor, and all other personnel to be assigned to the account. Discuss the governmental audit experience and qualifications of the on-site manager and on-site supervisor assigned to the account.
- B. Resumes describing the qualifications of personnel to be utilized in the performance of this contract must show, at a minimum, the person’s name, education, positions, total years of

governmental audit experience, and total years and types of other experience relevant to the performance of the contract, information regarding CPA licensure.

- C. Team experience with conducting audits of state housing agencies, entities with publicly offered securities and financial institutions, particularly with mortgage operations and mortgage banking operations;
- D. Team experience with auditing entities subject to GASB;
- E. Team experience with auditing governmental component units; and
- F. Team experience with the State Audit Act.
- G. Include a list of individuals within the firm qualified to supervise a GAGAS audit and issue the related report, regardless of whether they will be assigned to the MFA audit.

10. Other Relevant Information. Please provide any other relevant information which will assist the MFA in evaluating Offeror's ability to provide External Audit Services to MFA, including firm strengths and weaknesses. Include information that specifies whether the firm qualifies as a small business, minority-owned firm, or a women's business enterprise as referenced in 2 CFR Part 200.509.

11. Fees. Provide the cost of services on a per-hour basis. Breakdown the number of hours and total cost for fiscal years 2023, 2024, 2025 and 2026 by:

- A. Financial Statement Audit;
- B. Federal Single Audit;
- C. Financial Statement Preparation;
- D. GNMA Compliance Reports; and
- E. Gross Receipts Tax.

Lodging and other travel related expenses shall be reimbursed by MFA in accordance with MFA expense reimbursement policies set forth in its Policies and Procedures Manual.

Part VI: Principal Contract Terms and Conditions

Awards shall be contingent upon successful negotiation of a final contract between MFA and the Offeror whose proposal is accepted by MFA, subject to NM State Auditor approval. This RFP in no manner obligates MFA to disburse any funds to any Offeror until a valid written contract is fully executed and all conditions of disbursement have been met. Only contract forms provided by the NM State Auditor will be used through OSA-Connect.

Contract Term

The term of the External Audit Services contract shall cover the fiscal year which began on October 1, 2022 and is to end September 30, 2023. At the option of the MFA Board, the contract may be extended for three successive one-year periods at the same price, terms and conditions as stated on the original proposal. This RFP and the proposal submitted by the successful Offeror, including the fee proposal, shall define the terms by which

the successful Offeror shall perform the services contemplated by the RFP. The contract will be issued by the NM State Auditor, and is subject to approval by the NM State Auditor.

New Mexico Mortgage Finance Authority

Board Members

Chair Angel Reyes – President, Centinel Bank in Taos
Vice Chair – Derek Valdo – Chief Executive Officer, AMERIND Risk
Treasurer Rebecca Wurzbarger – Strategic Planning Consultant
Member Howie Morales – Lieutenant Governor, State of New Mexico
Member Raul Torrez – Attorney General, State of New Mexico
Member Laura M. Montoya – Treasurer, State of New Mexico
Member Patricia Sullivan – PhD, Associate Dean, New Mexico State University College of Engineering

Management

Isidoro Hernandez, Executive Director/CEO
Donna Maestas-De Vries, Chief Housing Officer
Jeff Payne, Chief Lending Officer
Lizzy Ratnaraj, Chief Financial Officer

EXHIBIT A

NEW MEXICO MORTGAGE FINANCE AUTHORITY THIRD-PARTY CODE OF CONDUCT

- A. Preamble. The New Mexico Mortgage Finance Authority ("MFA"), an instrumentality of the state government, exists to serve the citizens of the State of New Mexico. To maintain the respect, trust, and confidence of the public, and consistent with MFA's commitment to conduct its business in an ethical and legal manner, MFA requires that all Third Parties doing business with MFA comply with this Third-Party Code of Conduct and otherwise uphold the highest standards of ethics and behavior.
- B. Purpose. The purpose of this Code of Conduct is to provide general guidelines and a minimum standard of conduct for Third Parties doing business with MFA.
- C. Definitions. For the purpose of this Third-Party Code of Conduct, the following words and phrases shall have the following meanings:

"MFA Employee" means any person employed directly by MFA and any person employed through a staffing agency or by contract and for whom MFA has the right to direct and control the work performed.

"MFA Member" means a Member, and with respect to an ex-officio Member, his or her proxy, of the Board of Directors of the MFA.

"MFA Management" means the Executive Director/Chief Executive Officer, Chief Housing Officer, Chief Financial Officer, Chief Lending Officer and Director of Human Resources employed by the MFA.

"Transaction" means any transaction including, but not limited to any sale, purchase, or exchange of tangible or intangible property or services; any loan, loan commitment or loan guarantee; any sale, purchase, or exchange of mortgage loans, notes, or bonds; or any other business arrangement or contract therefor.

- D. Conflicts of Interest. Third Parties should avoid engaging in any activity that would conflict, interfere, or even create the appearance of a conflict with their business with MFA. Third Parties must disclose any potential conflicts to MFA in writing as soon as practicable upon discovery or recognition. Examples of potential conflicts include, but are not limited to:

- Engaging in a conflict-of-interest transaction prohibited by Section F of MFA's Code of

Conduct, which can be found at:

https://housingnm.org/uploads/documents/Section_F_of_MFA_Code_of_Conduct.pdf

- Providing gifts and entertainment to any MFA Employee, MFA Management or MFA Member in an attempt to improperly influence MFA business decisions.

MFA shall not enter into any Transaction with a former MFA Member or former MFA Management for a period of one (1) year after such person ceases to be an MFA Member or MFA Management, except with prior approval of a disinterested majority of all current MFA Members.

To the extent applicable, Third-Party shall disclose conflicts of interest required pursuant to state or federal law, including but not limited to 2 CFR 200.112.

- E. **Anti-Discrimination and Anti-Harassment Policy.** MFA is committed to maintaining an employment environment in which all individuals are treated with respect and dignity and expects the same from Third Parties doing business with MFA. MFA expects that Third Parties will maintain a workplace where employment-related decisions are based on performance, ability, or other legitimate, non-discriminatory bases and are never based on race, color, national origin, ancestry, citizenship status, religion, sex, sexual orientation, gender identity, age, physical or mental disability, serious medical condition, marital status, status with regard to public assistance, veteran status, or any other legally protected status. MFA also maintains and expects Third Parties to maintain a workplace that is free of unlawful harassment. This includes harassment based upon any of the above legally protected status (such as age, sex, religion, national origin, etc.) and which creates an intimidating, hostile, or offensive working environment. This also includes sexual harassment which is defined as unwelcome sexual advances, requests for sexual favors, or other verbal or physical conduct of a sexual nature when submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment, submission to or rejection of such conduct by an individual is used as a basis for employment decisions affecting such individual; or such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidated, hostile, or offensive working environment. MFA will also not tolerate any form of unlawful discrimination or harassment of an MFA Employee by any Third-Party including by its employees, owners, managers, members, directors, agents, or representatives
- F. **Confidential Information and Intellectual Property.** Third Parties doing business with MFA must protect any confidential or proprietary information that belongs either to MFA or any other third-party with whom MFA does business, if such other third-party has provided MFA with confidential or proprietary information. Confidential or proprietary information includes, but is not limited to, any non-public financial information, business processes and systems, intellectual property, personally identifiable information of MFA's customers, and personally identifiable or private information about any MFA Employee, MFA Member, MFA Management, third-party, or customer, such as identity, medical, employment, or financial information. To the extent necessary for a Third-Party to share MFA's confidential or proprietary information with a sub-contractor, MFA expects the Third-Party to

implement adequate controls at a level no less than those set forth in this Third-Party Code of Conduct with such sub-contractor. Third Parties must not infringe upon the intellectual property rights of other companies or organizations. Third Parties must return all confidential and proprietary information in their possession to MFA when the contractual relationship between MFA and the Third-Party has terminated, unless otherwise specified by contract. The obligation to protect MFA's confidential and proprietary information continues even after any business relationship between MFA and the Third-Party ends. MFA may require that Third Parties sign a separate confidentiality and non-disclosure agreement.

- G. Onsite Visitor Requirements. While on MFA's premises, Third Parties must comply with all MFA rules and procedures, including security measures and requests. These may include but are not limited to:
 - Registering with reception.
 - Accessing only authorized areas unless accompanied by an MFA Employee.
 - Promptly reporting known security violations and property loss or damage.
 - Complying with all MFA facility requirements, including maintaining a substance-free and violence-free workplace.
 - Any public health and safety policies in effect, including wearing a face mask.

- H. Compliance with Laws, Regulations, Policies and Procedures and Contracts. All Third Parties must comply with all applicable state and federal laws, codes, and regulations and MFA's policies and procedures to the extent applicable to the Third-Party and must not violate any terms and conditions established by contract with MFA.

- I. Business Integrity. Any and all forms of illegal or inappropriate activity by a Third-Party doing business with MFA, including, but not limited to, corruption, misrepresentation, extortion, embezzlement, or bribery, are strictly prohibited and may result in termination of any or all agreements with MFA.

OFFEROR ACKNOWLEDGMENT

By: NAME

Date

Signature

EXHIBIT B

ORGANIZATIONAL REFERENCE QUESTIONNAIRE

The New Mexico Mortgage Finance Authority, as part of the RFP process, requires Offerors to submit a minimum of three (3) business references as required within this document. The purpose of these references is to document Offeror's experience relevant to the scope of work in an effort to establish Offeror's responsibility.

Offeror is required to send the following reference form to each business reference listed. The business reference, in turn, is requested to submit the Reference Form by email directly to: Yvonne Segovia, Controller, MFA at ysegovia@housingnm.org by **May 12, 2023 at 5:00 p.m.** for inclusion in the evaluation process. The form and information provided will become a part of the submitted proposal. Business references provided may be contacted for validation of content provided therein.

EXTERNAL AUDIT SERVICES RFP

ORGANIZATIONAL REFERENCE QUESTIONNAIRE FOR:

OFFEROR'S NAME:	
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This form is being submitted to your company for completion as a business reference for the company named above. This form is to be returned to the New Mexico Mortgage Finance Authority via e-mail at:

Name: Yvonne Segovia, Controller
 E-mail: ysegovia@housingnm.org
 Telephone: (505) 767-2253
 Fax: (505) 243-3289

No later than **May 12, 2023 5:00 p.m.**, and must **NOT** be returned to the company requesting the reference.

For questions or concerns regarding this form, please contact the Controller listed above.

Company providing reference:	
Contact name and title/position:	
Contact telephone number:	
Contact e-mail address:	
Description of services provided:	
Dates services provided (starting and ending):	
Total Revenues:	\$
Total Assets:	\$

1. How would you rate the timeliness of the audit work conducted and the reports provided?
 ____ (3=Excellent 2=Satisfactory 1=Unsatisfactory 0=Unacceptable)

COMMENTS:

2. How would you rate how the work was planned and executed?
 ____ (3=Excellent 2=Satisfactory 1=Unsatisfactory 0=Unacceptable)

COMMENTS:

3. How would you rate the accounting knowledge and the technical expertise demonstrated?
_____ (3=Excellent 2=Satisfactory 1=Unsatisfactory 0=Unacceptable)

COMMENTS:

4. How would you rate the level of staff support or auditor training required?
_____ (3=Excellent 2=Satisfactory 1=Unsatisfactory 0=Unacceptable)

COMMENTS:

5. Who was the principal representative/Manager and on-site Supervisor involved in your audit and how would you rate them individually? Please comment on skills, knowledge, behaviors or other factors on which you based the rating?
_____ (3=Excellent 2=Satisfactory 1=Unsatisfactory 0=Unacceptable)

Name: _____ Rating: _____

Name: _____ Rating: _____

COMMENTS:

6. With which aspect(s) of this Offeror's services are you most satisfied?

COMMENTS:

7. With which aspect(s) of this Offeror's services are you least satisfied?

COMMENTS:

8. Would you recommend this Offeror's services?

COMMENTS: