



## STATE OF NEW MEXICO SOLE SOURCE REQUEST AND DETERMINATION FORM

A sole source *determination* is not effective until the *sole source request for determination* has been posted for thirty (30) calendar days without Protest and subsequently approved in writing by the State Purchasing Agent. The foregoing requirement is regardless of whether the *sole source request for determination* has been signed by the Agency.

- I. Name of Agency: Regulation and Licensing Department  
Agency Chief Procurement Officer: Toni Lowery  
Telephone Number: 505-382-2417  
Agency Contact for this request: Toni Lowery  
Email Address: toni.lowery@rld.nm.gov
  
- II. Name of prospective Contractor: National Association of State Credit Union Supervisors (NASCUS) dba Union Supervisors  
SHARE Vendor Number (must be active): 0000027671  
Address of prospective Contractor: 1655 N Fort Myer Dr, Suite 650 in Arlington, VA 22209  
Contact Name, Telephone Number and Email Address: Douglas McGuckin, 703-528-0725 and doug@nascus.org  
Amount of prospective contract before tax: \$58,380.00  
Estimated tax amount (tax is subject to change): N/A
  
- III. Term of prospective contract: Three years, beginning July 1, 2026  
Note: Please refer to §13-1-150 for contract term limits.
  
- IV. If this is a Sole Source for new or existing IT software licensing subscription(s), Agency is required to upload the Contractor's draft Service Level Agreement (SLA) with the Sole Source online submission. N/A
  
- V. Agency is required to provide the detailed scope of work (or amendment) for this sole source. Scope of work must match the scope included in the services determination and Horizons declination.

The scope of work for this procurement: The contractor will provide the New Mexico Regulation & Licensing Department, Financial Institutions Division (FID), with comprehensive professional services designed to support the state's supervision and oversight of credit unions. These services will include specialized training and professional development for examiners, access to educational resources, and opportunities for

collaboration with other state, federal, and international regulatory bodies. The contractor will deliver training programs such as national or regional regulator meetings, examiner development courses, and online learning modules addressing subjects including new examiner preparation, electronic payment systems, commercial lending, and other emerging supervisory topics. The contractor will also facilitate access to external training offered by federal or interagency organizations and may support examiner participation through grants, discounted seats, or coordinated enrollment processes.

In addition to training, the contractor will provide resources and guidance on best practices in credit union supervision, including regulatory updates, data analytics, policy analysis, and tools to enhance supervisory effectiveness. The contractor may also support accreditation efforts, regulatory coordination, and information-sharing platforms to ensure that state examiners remain connected to current supervisory expectations, trends, and challenges. These services will help strengthen New Mexico's regulatory framework and ensure continued alignment with national standards. Through these combined services, the contractor will assist the Financial Institutions Division in maintaining a well-trained, well-informed examination staff and a strong regulatory program for state-chartered credit unions.

- VI. Provide a detailed explanation of the criteria developed and specified by the agency as necessary to perform and/or fulfill the contract and upon which the state agency reviewed available sources.

First, the agency determined that any qualified provider must represent, support, and understand the operational needs of state credit union regulators nationwide. This included the ability to serve as a national association composed of, governed by, and recognized as the collective voice of state credit union regulatory agencies. NASCUS is governed by sitting state regulators and acknowledged by federal agencies as the authoritative representative body for state credit union supervision, the agency evaluated whether any other organization possessed comparable recognition, governance structure, and regulatory standing. None were identified.

Second, the agency required a contractor capable of delivering highly specialized examiner training programs designed specifically for state credit union supervision. This included national regulator meetings, state-specific examiner schools, online learning modules, commercial lending and electronic payment systems training, and access to federal-agency training often provided through NCUA and FFIEC. The provider also needed the capacity to support examiner development through grant programs and partnerships with federal training instructors, such as those who deliver commercial real estate and other advanced supervision courses.

Third, the agency required access to national, federal, and international interagency coordination mechanisms. The contractor needed to be an established member or participant in federal regulatory bodies, including the Financial and Banking Information Infrastructure Committee (FBIIC) and the FFIEC State Liaison Committee, as well as an active participant in global regulatory organizations such as the International Credit Union Regulators' Network (ICURN). This level of interagency access is essential to ensure New

Mexico's regulatory alignment with federal supervisory expectations, national industry developments, and international regulatory standards.

Fourth, the agency required a provider with a long-standing and formalized working relationship with the National Credit Union Administration (NCUA), particularly through a Document of Cooperation that governs joint supervisory efforts and shared training opportunities. The contractor needed to have demonstrated decades of collaboration with NCUA on behalf of state regulators to ensure seamless federal-state supervisory coordination. This criterion was essential because no other entity maintains the same historical, formal, and ongoing cooperative framework with NCUA.

Finally, the agency required the availability of membership-based resources developed specifically for state supervisory agencies, including best-practice guidance, policy analysis, regulatory resources, and data analytics tools designed to improve supervisory effectiveness. The provider needed to have a dues-calculation model grounded in regulatory infrastructure, asset-based assessments, and national supervisory needs.

Based on these criteria, national recognition and governance by state regulators, exclusive examiner training programs, federal and international interagency integration, formal cooperative agreements with NCUA, and access to specialized regulatory resources RLD determined that no alternative provider could satisfy the technical, statutory, and supervisory requirements of the contract. All due diligence conducted confirmed that only NASCUS met the full set of criteria needed to support New Mexico's state credit union regulatory functions.

- VII. Provide a detailed, sufficient explanation of the reasons, qualifications, proprietary rights or unique capabilities of the prospective contractor that makes their company *the only source* capable of providing the required professional service, general service, construction or item(s) of tangible personal property.

The prospective contractor, the National Association of State Credit Union Supervisors, possesses unique qualifications and capabilities that make it the only source capable of providing the regulatory training, professional resources, national coordination, and supervisory support required by the Financial Institutions Division. As the professional association representing forty-six state and territorial credit union regulatory agencies, it is the only organization founded by and governed entirely by state credit union regulators, giving it a governance structure and institutional purpose that no other association or private vendor can replicate. It is formally recognized by federal banking agencies and policymakers as the collective voice of state credit union regulators and, uniquely, is one of only eighteen members of the Financial and Banking Information Infrastructure Committee. It also serves on the Federal Financial Institutions Examination Council's State Liaison Committee. These designations reflect not only its national standing, but also its exclusive access to federal interagency information, discussions, and supervision policy development. No other organization occupies these roles or has comparable authority to represent state credit union supervisory interests.

In addition to its regulatory stature, the contractor maintains a decades-long formal

Document of Cooperation with the National Credit Union Administration, repeatedly renewed and signed by NCUA Chairs and the association's regulator board leadership. This agreement grants state regulators access to shared federal–state training, supervision coordination, and examination resources that cannot be obtained through any other entity. For more than twenty years, the contractor has also been solely responsible for ensuring that state examiners have access to NCUA training when federal resources are constrained or limited, and it has developed its own extensive training infrastructure, including national regulator meetings, state examiner schools, and a dedicated online university. Its educational foundation, the National Institute for State Credit Union Examination, further provides grant-supported access to FFIEC and other federal coursework, including liquidity risk management, commercial credit analysis, fraud investigation, and commercial real estate examination programs. The association is the only organization that contracts directly with FFIEC instructors to deliver certain specialized courses to state examiners at discounted rates. These training programs, their federal alignment, and the grant-based access mechanisms they rely on are not offered by any alternate provider.

The contractor also holds unique international standing as the United States representative on the board and steering committee of the International Credit Union Regulators' Network. This position places it in direct collaboration with the global community of credit union regulators and provides access to supervisory perspectives, emerging risks, and regulatory developments that cannot be duplicated by general-purpose training vendors or private-sector compliance companies. Combined with its national and federal roles, this international function reinforces its unmatched capacity to support state regulatory agencies through policy analysis, best-practice development, data analytics, and accreditation programs created specifically for state credit union supervision.

Finally, the contractor alone maintains a membership and dues model built specifically around the assets under supervision of state credit union regulators, further underscoring its exclusive mission and regulatory alignment. Its services, relationships, governance structure, federal and international roles, and specialized training infrastructure cannot be replicated by any commercial entity, financial-technology vendor, nonprofit organization, or federal agency. Collectively, these characteristics demonstrate that no other provider possesses the authority, access, expertise, or institutional mandate required to furnish the professional services necessary for New Mexico's statutory regulatory responsibilities.

VIII. Provide a detailed, sufficient explanation of how the professional service, general service, construction or item(s) of tangible personal property is/are ***unique and how this uniqueness is substantially related to the intended purpose of the contract.***

The professional services provided by NASCUS are uniquely suited to the needs of the Financial Institutions Division because NASCUS is the only organization in the United States that represents, supports, and is governed entirely by state credit union regulatory agencies. NASCUS holds a national role that no other entity possesses: it is the formally recognized collective voice of state credit union regulators and is acknowledged as such by federal banking agencies and policymakers. It is also the only state-regulator organization serving as a member of the Financial and Banking Information Infrastructure Committee (FBIIC) and the FFIEC State Liaison Committee, giving it exclusive access to

federal supervisory discussions, interagency initiatives, and policy development processes that directly influence state credit union oversight. This unique status is substantially related to the purpose of the contract because New Mexico's regulatory program depends on having current, accurate, and authoritative access to federal supervisory expectations, national examination standards, and emerging regulatory issues. No alternative vendor can provide this level of federal-state integration.

NASCUS also offers specialized examiner training and professional development programs that are not available from any commercial provider or other regulatory association. These include the National Regulators Meeting, customized examiner schools, an online university dedicated to state credit union supervisory training, and grant-supported access to FFIEC and NCUA courses. When federal training availability becomes limited, due to budget constraints or internal restructuring, NASCUS is the only organization that can fill these gaps by contracting directly with FFIEC instructors and creating equivalent instruction for state examiners. This unique training infrastructure is directly tied to the contract's purpose, which is to ensure that New Mexico examiners remain competent, up-to-date, and capable of supervising complex and evolving financial institutions.

Additionally, NASCUS maintains a decades-long Document of Cooperation with the National Credit Union Administration (NCUA), an agreement renewed multiple times and signed by both the NCUA Chair and NASCUS's regulator board leadership. This formalized cooperation provides structured coordination between state and federal regulators and ensures consistent supervisory practices across jurisdictions. No other entity has such a federal partnership, making this capability indispensable to the contract's intended function of strengthening New Mexico's integration into national supervisory systems and ensuring consistency with federal examination processes.

Finally, NASCUS's position as the U.S. representative to the International Credit Union Regulators' Network (ICURN) gives it unmatched access to global regulatory trends, supervisory standards, and emerging risks in the credit union sector. This international regulatory role directly supports New Mexico's need to maintain a modern, informed supervisory program aligned with both national and international best practices. Taken together, the national recognition, federal and international regulatory integration, unmatched examiner-training infrastructure, and formal cooperative agreements demonstrate that NASCUS's professional services are not only unique but intrinsically and substantially tied to the core purpose of the contract: ensuring the safety, soundness, and effective supervision of New Mexico's state-chartered credit unions.

- IX. Provide a narrative description of the agency's due diligence in determining the basis for the procurement, including procedures used by the agency to conduct a review of available sources such as researching trade publications, industry newsletters and the internet;; contacting similar service providers; and reviewing the State Purchasing Divisions' Statewide Price Agreements. Include a list of businesses contacted (***do not state that no other businesses were contacted***), date of contact, method of contact (telephone, mail, e-mail, other), and documentation demonstrating an explanation of why those businesses could not or would not, under any circumstances, perform the contract; or an explanation of why the agency has determined that no businesses other than the prospective contractor can perform the contract.

Beginning in 2006, RLD undertook ongoing due diligence to determine whether the services required from NASCUS could be obtained from any other provider. Historically, procurement between RLD and NASCUS fell under the exemption in 13-1-98(J); however, as membership dues increased correspondingly based on assets under supervision and dues-calculation factors, RLD's annual cost for NASCUS membership eventually exceeded the \$10,000 exemption threshold. By 2015, this triggered a shift away from exemption-based procurement, requiring RLD to begin examining whether any alternative vendors could supply the specialized regulatory resources, national coordination, examiner training, interagency engagement, and supervisory-system support provided uniquely by NASCUS.

In 2025, the Department of Finance and Administration (DFA) formally advised RLD that a Sole Source procurement should be pursued for FY27, prompting a renewed and expanded due-diligence review. Between July 2025 and the date of this justification, RLD conducted research into potential alternative providers by reviewing industry newsletters distributed through federal and multistate regulatory associations and performing multiple internet searches for entities offering anything comparable to what NASCUS could and does provide to RLD. RLD also contacted other state purchasing authorities to identify any vendors they used or considered for comparable credit-union regulatory functions; in each instance, peer agencies reported that NASCUS was the only provider capable of supplying the coordinated national training, interagency access, regulatory best-practice resources, and examiner-development infrastructure needed for effective oversight of state-chartered credit unions.

As part of this review, RLD examined the State Purchasing Division's statewide price agreements and found no vendors offering services comparable in scope, authority, or regulatory alignment. During its search, RLD identified several commercial financial-technology firms, compliance-software platforms, and workflow-management service providers, each reviewed between July and September 2025 through web research and vendor outreach. Again, RLD determined that no supplier other than NASCUS can provide the integrated national training, regulatory coordination, supervisory resources, and examiner-development programs required to fulfill the Department's statutory responsibilities. As such, NASCUS is the only entity capable of delivering the national collaboration, regulatory infrastructure, policy access, and specialized expertise necessary for New Mexico's financial-regulatory functions, fully satisfying the due-diligence requirements.

**Agency certifies this sole source submission complies with NMSA 1978, Sections 13-1-28 through 13-1-199, the New Mexico Administrative Code (NMAC) and Governmental Conduct Act, NMSA 1978, Sections 10-16-1 through 10-16-18.**

Certified by: \_\_\_\_\_ Date: 5/27/2026

DocuSigned by:  
Toni Lowery  
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Agency Chief Procurement Officer

Certifying Legal Sufficiency by: \_\_\_\_\_ Date: 5/28/2026

Signed by:  
Kevin D Graham  
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Agency Legal/General Counsel

Agency Approval by: \_\_\_\_\_ Date: 5/28/2026

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