



## PARRiS Full Review Information Request

### SBA 7(a) Loan Program Review Attachment to Notice of Review

In accordance with 13 CFR §120.1000 (Risk-Based Lender Oversight) and 13 CFR §120.1050 (Reviews and Examinations), SBA conducts reviews of the SBA loan operations of SBA Lenders. The information requested below assists in SBA’s evaluation of the Federally Regulated 7(a) Lender’s (Lender’s) portfolio performance; SBA operations management; credit administration; and, compliance with Loan Program Requirements.<sup>1</sup> Submission of this information is required so that SBA can conduct that evaluation.

Instructions for the submission of requested information are in the attached cover letter.

\*\*Please note, in general, for information that has already been provided by a Lender, but is unchanged, the Lender may certify that the information was already provided and is unchanged in lieu of resubmitting the information. The certification that must accompany this document submission must also state to whom and on what date the information was provided to SBA.

### Attachment A – Document Request

Please provide the following documents	Information Provided? (Yes, No, NA)
<b>1. Management and Operations</b>	
a. Annual Report & Audited Financial Statements (Last two fiscal year ends). If none, please explain.	
b. Current Organizational Chart (specifically relating to SBA operations)	
c. Summary of delegations and responsibilities for SBA Program management and staff	
d. Final or, if reports have not been finalized, draft reports received within last two years related to: <ul style="list-style-type: none"> <li>i. Internal audits, examinations, reviews, compliance matters, and management letters</li> <li>ii. External audits, reviews, risk management, and management letters</li> <li>iii. Management’s response and summary of actions taken in</li> </ul>	

<sup>1</sup> Information requested may be applicable to the evaluation of more than one area.

PLEASE NOTE: You are not required to respond to any collection of information unless it displays a currently valid OMB Approval number. The number for this collection of information is 3245-0365. The total estimated time to respond to this collection of information, including gathering and maintaining the data needed, and completing and reviewing the collection of information, is 1920 minutes. You may send comments or questions regarding this estimated time or any other aspect of this collection of information including suggestions for reducing the time or other burden to: Director, Records Management Division, 409 Third Street, S.W., Washington D. C. 20416, and Desk Officer for the Small Business Administration, Office of Management and Budget, New Executive Office Building, Room 10202, Washington DC 20503.

e. Reports related to the Lender’s program objectives for its SBA portfolio growth, performance, product lines, and geographic and industry (NAICS) concentrations	
f. Current strategic and operating plan	
g. If the Bank is currently operating under a regulatory order, provide a statement regarding your institution’s level of compliance.	
<b>2. Compliance with Loan Program Requirements</b>	
<p>a. Loan Agents:</p> <ol style="list-style-type: none"> <li>i. Provide Lender’s written policy on or narrative describing the Lender’s use and monitoring of loan agents, including brokers, referral agents, packagers, or similar parties.</li> <li>ii. For all SBA guaranteed loans referred by an agent, provide a list of loans by agent and the current status of each loan (current, past due, in deferment, in liquidation, charged-off).</li> <li>iii. Documentation or evidence that the Lender has consulted the System for Awards Management’s (SAM) Excluded Parties List System (EPLS) or any successor system to determine if an employee or an Agent has been debarred, suspended or otherwise excluded by SBA or other federal agency. (<a href="https://www.sam.gov/portal/SAM/">https://www.sam.gov/portal/SAM/</a>).</li> </ol>	
<p>b. Lender Service Providers (LSPs):</p> <ol style="list-style-type: none"> <li>i. Provide a list of LSPs and documentation including a copy of the LSP Agreement and date of contract acceptance by the SBA. <ul style="list-style-type: none"> <li>• If the LSP assists with origination, provide details on who prepares and approves the credit memo.</li> <li>• For servicing and liquidation activities, describe who (Lender or LSP) is in contact with the applicable SBA processing center.</li> <li>• Who has physical possession of the loan files?</li> </ul> </li> <li>ii. Provide the name of the Lender staff who manages the LSP relationship (i.e. vendor management) as well as a copy of policies and/or procedures regarding the use, oversight and management of the LSP(s).</li> <li>iii. Provide any reporting information by the Lender (e.g., to management or the Board) regarding the performance of the LSP(s).</li> <li>iv. Provide a summary describing any revisions or changes to the original LSP Agreement and date of revised contract acceptance by the SBA. If the revised LSP Agreement has not been submitted to the SBA for review, please do so now via email (<a href="mailto:LSPAgreements@sba.gov">LSPAgreements@sba.gov</a>) and provide a copy of the submission email.</li> <li>v. If the LSP Agreement has been terminated, provide a copy of the termination letter or email submitted to the SBA.</li> </ol>	

c. Provide a copy of the Bank Statement related to the Fiscal Transfer Agent account titled in accordance with SBA Form 1086 (commonly referred to as an “FTA Account”).	
<b>3. Eligibility and Credit Administration</b>	
a. Credit Policy Manual and evidence of approval within the past 12 months.	
b. Loan Servicing written Policies and Procedures.	
c. Policy or description of methodology employed to screen or approve loans, which may include, but is not limited to, credit scoring.	
d. Risk Rating Methodology	
e. Code of Ethics and acknowledgement of Code of Ethics for staff involved in SBA Lending	
f. Listing of loans approved in the last 2 years that were made as exceptions to underwriting standards. Identify the nature of the exception.	
<b>4. Portfolio Performance</b>	
a. Provide a list of all loans sold in the Secondary Market during the most recent two years. The list should include the Borrower Name, SBA Loan Number, Final Disbursement Date, Sale Date, and Investor.	
b. Provide a list of loans acquired from other lenders, including originating lender, acquisition date, manner of acquisition (e.g. bank acquisition, FDIC facilitated, portfolio purchase). Provide information of any special considerations associated with the acquisitions (e.g. FDIC loss-share agreement, etc.)	
c. Provide your Colson Lender ID for 1502 Reporting.	

## Attachment B

<b>Please Provide Responses to the Following Questions</b>
<b>1. Management and Operations</b>
a. What changes have been made in the management/staffing and objectives related to SBA activities since the last Review or for the last 2 years?
b. What changes have been made related to SBA approval responsibilities and delegations over the last 2 years?
c. Does your institution have a centralized SBA department with centralized authority for originating, underwriting, servicing, and liquidation? <ul style="list-style-type: none"> <li>i. If yes, provide details.</li> <li>ii. If not, please provide structural details providing specifics for activities (originating, underwriting, servicing, liquidating, etc.).</li> </ul>
d. Application Sourcing: Describe how applications are obtained including who performs the function.

e. Packaging: Describe who/how applications are packaged including who performs the function.
f. Eligibility Determination: Describe activities and responsibilities including who performs the function. Include details of any controls or procedures.
g. Underwriting: Describe activities and responsibilities including who performs the function. Include details of any controls or procedures.
h. Approval: Please identify approval routing and authorities including who may approve a loan.
i. Closing: Describe activities and responsibilities including who performs the function. Include details of any controls or procedures.
j. Servicing: Describe activities and responsibilities including who performs the function (including but not limited to continuous creditworthiness monitoring, ticklers and tracking, servicing requests (to include any fees charged), and insurance and tax monitoring).
k. Liquidation: Describe activities and responsibilities including who performs the function. Include details of any controls or procedures.
<b>2. Compliance with Loan Program Requirements</b>
a. Describe any training received (including dates) by your SBA staff to maintain fluency in SBA processing, servicing, and/or liquidation.
b. Has the institution securitized the unguaranteed component of any of its SBA loans? If so, please provide details regarding the securitization.

## Attachment C

### Additional Items Requested

<b>Information Request</b> Please provide the following items, via DebtX, one week prior to the onsite review.	
<b>1. Compliance with Loan Program Requirements</b>	
a.	A copy of the monthly and daily (unscheduled payments) SBA Form 1502, Guaranty Loan Status and Lender Remittance Report in SBA loan number order, Lender Exception reports and confirmation of related remittances for the last three (3) months <INSERT MONTHS>. Providing this in Excel format is helpful. Please also provide the monthly exception reports for <INSERT MONTHS>.
b.	An electronic file for each loan sampled to include the following items, as soon as possible after the loan sample is provided to you. Please include the following: <ul style="list-style-type: none"><li>▪ Credit Memo with all amendments or additions;</li><li>▪ Loan Authorization with all amendments;</li><li>▪ Payment history for &lt;INSERT TIME PERIOD&gt;;</li><li>▪ Disbursement Sheets/Settlement Statements;</li><li>▪ SBA Forms 159; and</li><li>▪ An account transcript for each loan (including loans in Liquidation and Active Purchases) selected for review. Please include a description of the transcript/accounting codes.</li></ul>

<b>Information Request</b> Please have available the following items at the start of the on-site review.	
<b>1. Management and Operations</b>	
.	Board of Directors Minutes for the meeting where Loan or Credit Policy covering the SBA Loan portfolio was last approved.
<b>2. Portfolio Performance</b>	
a.	Data relating to five (5) most recent SBA loans submitted for purchase to SBA, or all requests for purchase within the last 60 months, whichever is the lesser number of loans. Please provide information related to amount of purchase request, amount received, and an explanation of circumstances relating to any reductions in purchase request amount. Provide a transcript of account for each loan.
b.	Any remaining loan files selected for review that were not submitted via DebtX.