



FTA Update and Transition Status

**Concept of Operations &
Industry Impact**

April 2021

Background

The Fiscal Transfer Agent (FTA) of the SBA's 7(a) Loan Guaranty Program is changing

FTA responsibilities:

- Complete a **migration of systems** to SBA's data center & Operations and Systems Maintenance
- Provide operational support services for **loan servicing, collection, accounting, and reporting** from 7(a) lenders
- Serve as the **Transfer Agent/Paying Agent for Secondary Market**
- Provide **project management, oversight, modernization & fund management**

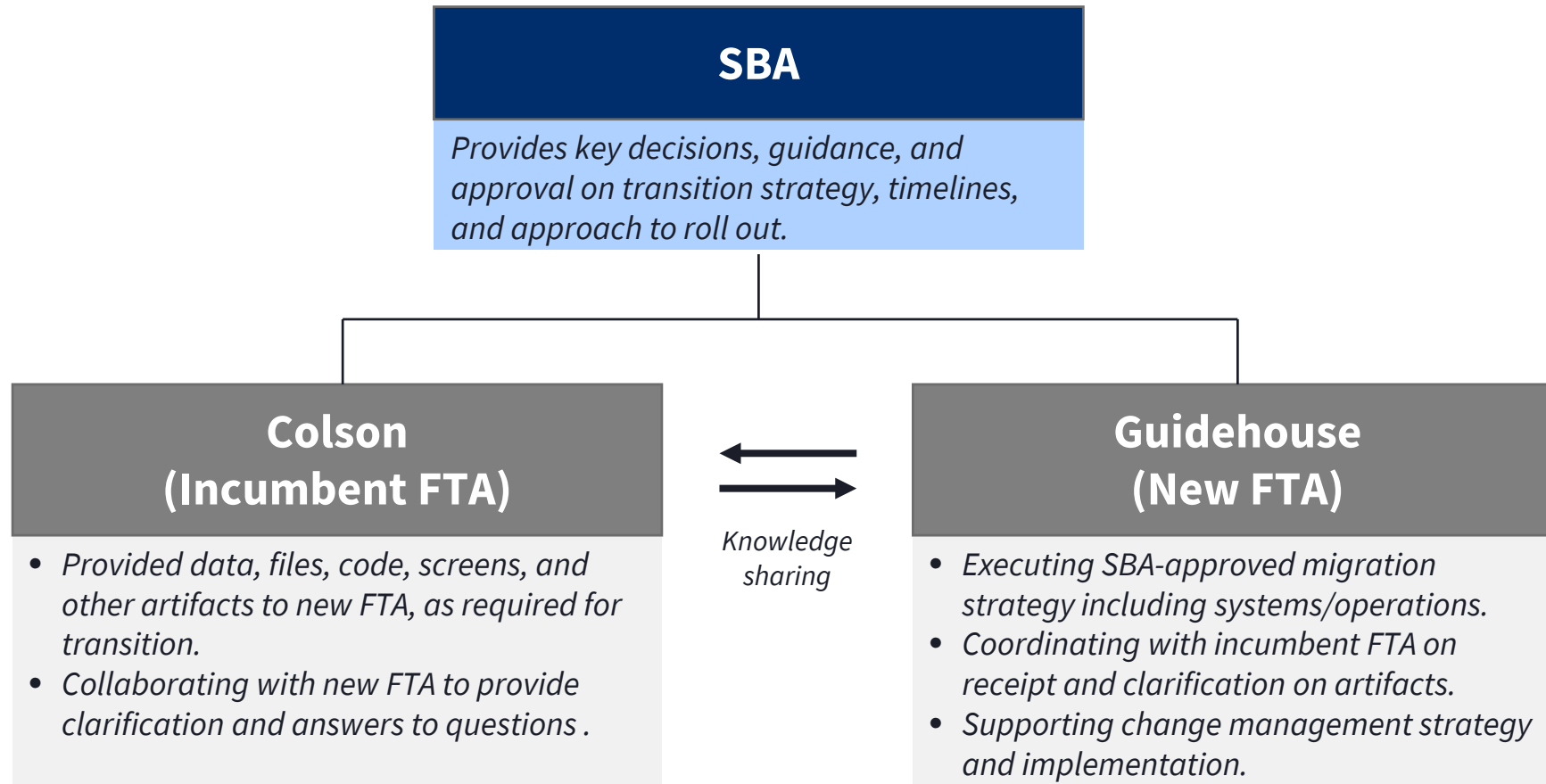
Through the federal procurement process, SBA selected Guidehouse to replace Colson Services as the FTA. Guidehouse began a period of transition in May 2020, during which Colson Services continues to act as the FTA. Once Guidehouse completes the migration of systems and business processes, mentioned above, Guidehouse will assume full operational responsibility of the FTA.

About Guidehouse

- Consulting firm with specialization in financial services operations and technology modernization
- Central Servicing Agent (CSA) for 504 loan program since 2012
- Incoming FTA
- Leveraging teaming partner Wells Fargo, as Financial Agent

Transition Roles

The SBA will be leading the change management of the FTA transition



FTA Transition Roadmap

★ Phase 1 - Migration

- Retire Colson 7(a) applications in phases
- Enable 7(a) loan origination, approval, and servicing through SBA Capital Access Financial System (CAFS)

Phase 2 - Stabilization

- Resolve post-migration system defects
- Stabilize migrated 7(a) systems within CAFS
- Enhance change adoption through communications, change management, and trainings

Phase 3 - Modernization

- Automate processes across the 7(a) loan life cycle
- Enhance reporting and analytic capabilities
- Share more information and real time loan statuses with 7(a) lenders

Guidehouse Introduction

Trusted partner
of the SBA since
2012

Loan Program
Operations
& IT
Modernization
Capabilities

Current 504
Central
Servicing Agent



Brian Gagnon
Partner



Paul Phaneuf
Partner



Arijeet Roy
Director - Technology



Kate Aaby
Director – Program
Management



Peter Janson
Director - Operations

Expected Impact and Timing

The system migration will **improve the security and integration of SBA’s 7(a) loan program information**. All industry-facing applications are in the process of being migrated and will be **accessible within the SBA’s Capital Access Financial System (CAFS)**.

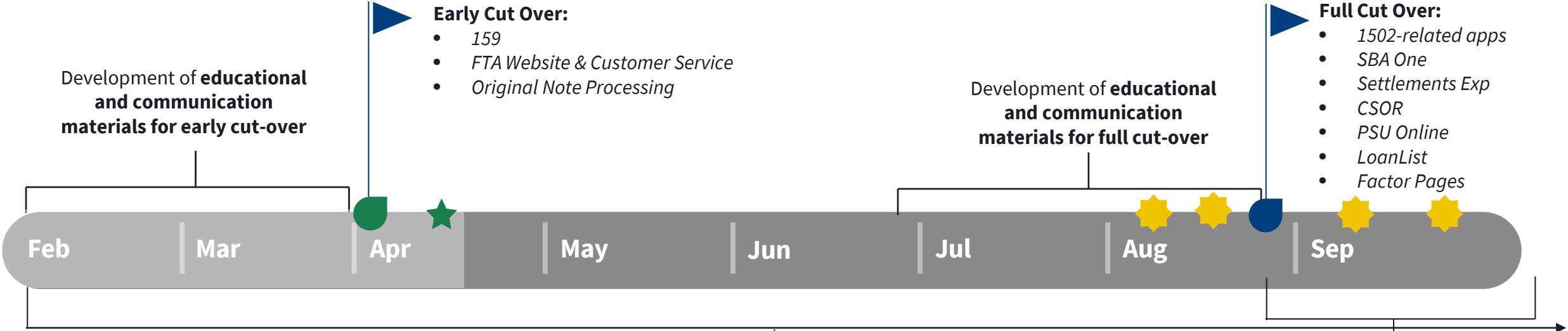
Training materials will be provided on ongoing basis to ensure lenders and secondary market program participants have CAFS accounts and know where to find the applications they use.

Below are 7(a) applications and functions that will be experiencing a change beyond access location.

Affected Program Function / Application	Level of Change	Month of Change
SBA FTA Wiki / Customer Service Support	Medium	April
Form 159	Medium	April
Original Notes / Warehouse Lending / Securitization	Low	April
1502 Dashboard & 1502 Connection	High	August

Industry Training and Communication

How will the SBA and the new FTA educate users on system changes?



Communications – Socializing Change for Cut-over

- Emails
- Procedural Notices
- FAQs
- One-Pagers
- Web content
- Instructional slide decks

Communications – Training on Changes for Full Cut-over

- Instructional slide decks
- Training videos
- Webinars

Timeline dates and activities are notional and subject to change

New Channels for Industry Support

SBA will make all transition decisions and will lead communications, trainings, and overall change management

Current Channel	Future Channel	Transition Date	Lender Steps to Prepare for Transition
Colson FTA Website	SBA FTA Wiki <i>(https://catran.sba.gov/ftadistapps/ftawiki/)</i>	4/5/2021	Bookmark new website link
Form 159, Warehouse Lending / Securitization (Colson Inbox)	SBA CAFS (single sign-on) <i>(https://caweb.sba.gov/cls/dsp_login.cfm)</i>	4/5/2021	Request CAFS account and appropriate system roles
Colson Customer Support info@colsonservices.com (877) 245-6159	SBA FTA Customer Support FTA@sba.gov <i>(phone number forthcoming)</i>	4/5/2021 for above functions; 8/27/2021 for all other functions	No action required
Remaining FTA Applications (Colson FTA Portal)	SBA CAFS <i>(https://caweb.sba.gov/cls/dsp_login.cfm)</i>	8/27/2021	Request CAFS account and appropriate system roles if not already requested for 4/5 transition

Listed dates are notional and subject to change

SBA FTA Wiki and Customer Support

The new FTA will unveil a website and a customer support feature to issue news, updates and respond to inquiries

Current State

- 7(a) program participants access and use the Colson Services / BNYM website to get information, updates and access applications
- Customer service inquiries are fielded from 6 different channels and the process for handling customer support is decentralized; a process that is difficult to recreate and doesn't ensure consistency in experience



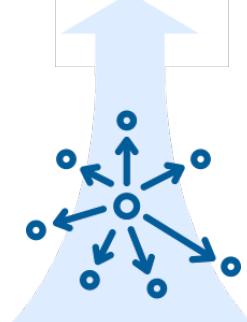
Future State

- The new FTA website, "SBA FTA Wiki" links to SBA's CAFS and will provide SBA-approved updates, news, information and trainings
- Customer service inquiries will be consolidated into three primary channels, promoting consistency in response and user experience

Incumbent FTA Website



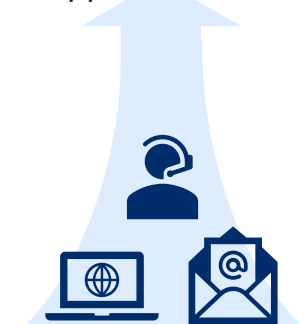
Incumbent Customer Service



SBA FTA Wiki



SBA FTA Customer Support Solution



Form 159

Lenders are now able to digitally submit Form 159 in SBA's CAFS

Current State

Multiple input formats:

- Most frequently, Form 159 is emailed to the FTA to input the data to SBA
- If the loan is originated via SBA One, completion of 159 is also available within the SBA One application



Future State

Single input format:

- All Lenders will access, complete and digitally submit the 159 form via CAFS per individual loan files
- 159 form data is captured in ETRAN (servicing or origination); the form is generated and can be printed, signed/executed, and saved in the loan files
- CAFS will be location of all applications for the 7(a) loan program and will be single sign on (SSO)

Reasons for the Change

1. Reduced risk of error
2. Greater standardization generates program efficiency
3. Improved security



Original Notes / Warehouse Lending / Securitization

Location and contact information is changing to Guidehouse for warehouse lending and securitization processes; process will remain unchanged otherwise

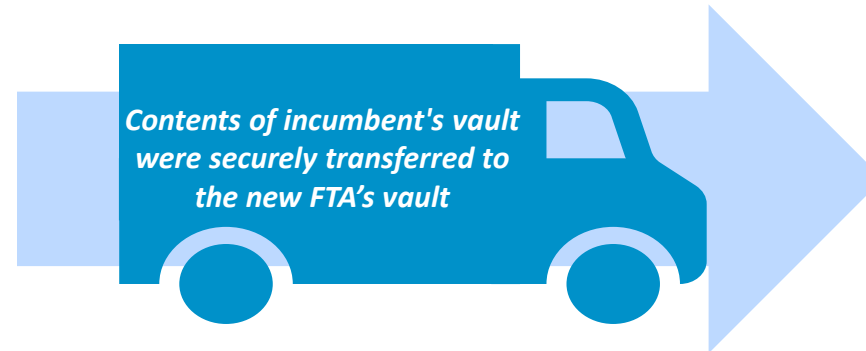
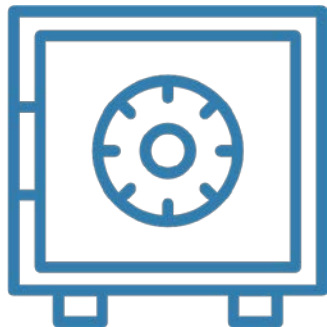
Current State

- The incumbent FTA's address for original notes and associated warehouse lending and securitization documents is 240 Greenwich St 11W, New York, NY 10007
- The email for this function has been originalnotes@colsonservices.com



Future State

- The new FTA's address for original notes and associated warehouse lending and securitization documents is 685 3rd Ave 14th floor, New York, NY 10017
- The new email for this function as of April 5 is originalnotes@sba.gov



1502 Dashboard & 1502 Connection

The new “1502 Gateway” will consolidate 1502 functions and standardize processes

Current Process

- 1502 Dashboard & 1502 Connection are separate and require separate accounts / logons
- Multiple data and cash submission options
- Leverages disparate functions such as E-Sequence File Matching, Email Detach, and SFTP website



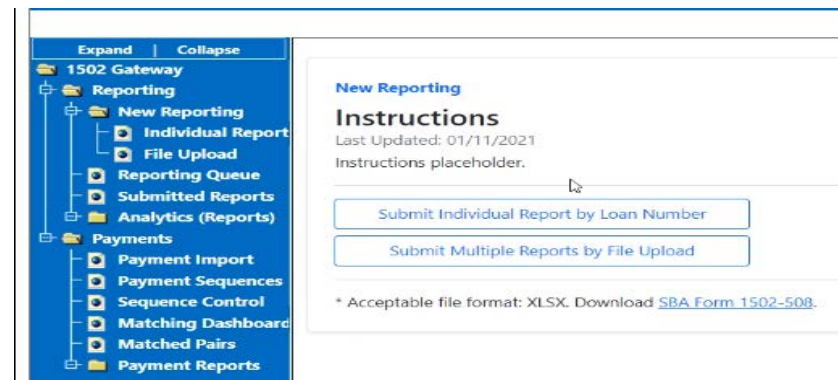
Future Process

- Accessed in CAFS via SSO
- Consolidates disparate functions into a single application known as “1502 Gateway”
- Streamlines and standardizes data and cash submission options
- Consolidates communication options, improving and standardizing customer service response
- Uses the same validations as the current process



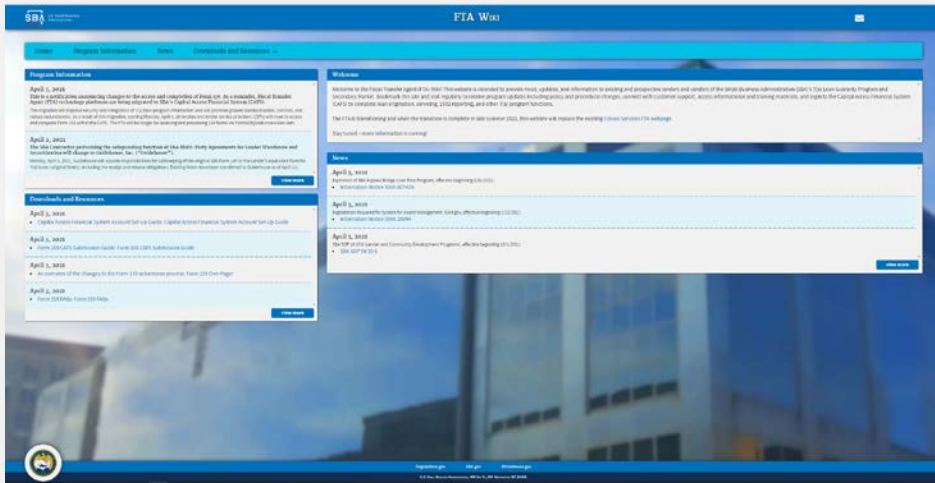
Reasons for the Change

1. Simplified, integrated interface
2. Greater standardization generates program efficiency
3. Improved security



Resources

Change Management Materials and Resources



The new **FTA Website** known as the “**SBA FTA Wiki**” will provide news, information and enable lenders to link to **CAFS Login**



FAQs will be distributed



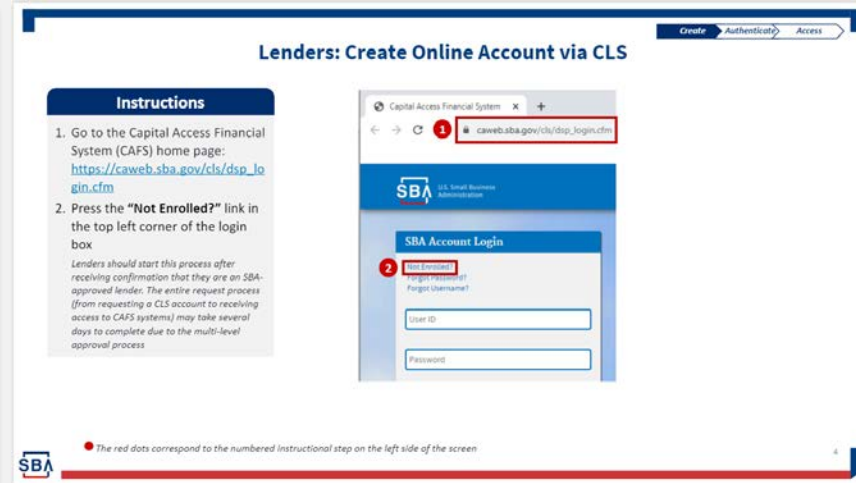
SBA FTA Customer Support available to respond to inquiries



Live Trainings will be provided as needed



Email Alerts to generate awareness of updates, changes, and information



PowerPoints & Training Videos to provide step by step instructions



One-Pagers to provide high-level information