

Alfonso Carney, Board Chair: I want to welcome all the Board Members, staff and guests who are with us today. It is 9:40a.m. We will know in a moment, once Kim polls the Members, it may be that we have all Members present today including our newest Member, who is Janice McKinnie. Janice, are you on?

Janice McKinnie: Yes, I'm here.

Mr. Carney: Great, thank you. For those of you who don't know, Janice was appointed as a Member of this Board by the Speaker of the Assembly on the 12th June of this year, which means that as of today, she has been a Member of the DASNY Board for 12 whole days. She is the Director and the Executive Director of the True Community Development Corp. and she's been involved in various housing rehabilitation and development projects. She is our second Board Member from Buffalo, which means that Buffalo probably now has on this Board a greater presence than it has ever had. And we'll see how that all works out.

Janice is a person who takes affordable housing and economic growth in Buffalo very seriously, in particularly in communities where both affordable housing and economic growth are serious concerns. She has a BA and an MA in organizational leadership. Now, did I get all that right?

Ms. McKinnie: It is fine. I'm Janice. That's all that is really important.

Mr. Carney: Well, thank you very much for that. We have to have certain notifications, but I think before that Kim is going to poll the Membership, just to make sure we know who is present.

Kimberly Nadeau, Chief Financial Officer: Thank you Al, in addition to yourself we have the following Members present:

Board Members:

John B. Johnson, Jr., Vice Chair -- Present

Beryl L. Snyder, J.D., Secretary of the Board – Present

Jonathan H. Gardner, Esq., Board Member – Present

Wellington Chen, Board Member – Present (joining late)

Joan M. Sullivan, Board Member – Present

Gerard Ronski, Esq., Board Member – Present

Janice McKinnie, Board Member - Present

Brian Cechnicki, Designated Representative SED, Board Member (*ex officio*) – Present

Tracy Raleigh, Designated Representative DOH, Board Member (*ex-officio*) - Present

Adrian Swierczewski, Designated Representative of DOB, Member (*ex officio*) – Present

Mr. Carney: So we have everyone with us.

Ms. Nadeau: We do not have Wellington Chen at this point. I believe that he is planning to join us sometime after 10 o'clock.

Mr. Carney: Thank you. Kim. There are various notifications we required to give, given that we are not meeting, face to face, but on the phone and on the Zoom screen. Michael Cusack is going to do that for us, Mike.

Michael E. Cusack, Esq. – General Counsel: Thank you Mr. Chairman. On March 7, 2020, Governor Cuomo declared a disaster emergency in the State of New York due to the outbreak of the novel coronavirus, or COVID-19. Pursuant to Governor Cuomo's subsequent Executive Order 202.1 dated March 12, 2020, as extended by Executive Order 202.14, 202.28 and 202.38, today's regular meeting of the Board of Directors of the Dormitory Authority of the State of New York, or DASNY, is being conducted telephonically and by video conference.

Executive Order 202.1, as extended, provides, in relevant part, that Article 7 of the Public Officers Law, known as the Open Meetings Law, is suspended through July 7, 2020 to the extent necessary to permit any public body to meet and take such actions authorized by the law without permitting in public in-person access to meetings and authorizing such meetings to be held remotely by conference call or similar service, provided that the public has the ability to view or listen to such proceeding and that such meetings are recorded and later transcribed.

The location of today's Conference Call and Video Conference Meeting of the DASNY Board is designated as the DASNY Headquarters, 515 Broadway, Albany, New York, where I am located. Notice of this meeting has been posted in the standard locations that are publicly accessible. Notice has also been posted prominently on the DASNY.org public website. In accordance with EO 202.1 (as extended) and the DASNY Bylaws, a video recording of the Meeting will be accessible from DASNY's website (www.dasny.org) not later than two business days after the close of the meeting, and today's proceedings will also be transcribed and posted as soon thereafter as is reasonable and practicable under the circumstances. Thank you, Mr. Chair.

Mr. Carney: Mike, thank you very much.

We will move into the Agenda, but first I did forget to say that our newest Member Janice McKinnie, I believe, has not yet taken her Oath of Office.

Ms. McKinnie: That's correct.

Mr. Carney: This means that you may not vote at this meeting. It will happen quickly, and you'll certainly vote at the next meeting.

Ms. McKinnie: Yes.

Mr. Carney: Our first Agenda item is the approval of the transcripts of the Regular Meeting of May 6 and the June 3 Special Meeting. You all had a chance to read a review the transcripts. Are there any proposed changes?

Hearing none, may I have motion please to approve them and I'm going to approve them both in one motion. This is for the Regular Meeting of May 6th, and the June 3 Special Meeting. May I have a motion?

Gerard Ronski, Board Member: So moved, it's Gerry.

Mr. Carney: Gerry, thank you. Is there a second?

Beryl Snyder, Secretary and Board Member: I'll second. This is Beryl.

Mr. Carney: Beryl, thank you so much. All in favor please indicate with Aye. Thank you. And I'll help Kim now I'll ask whether there are any opposed? Hearing no opposition, the motion carries unanimously and both transcripts are approved.

We will go to Tab 2 which the New York Institute of Technology.

Ms. Nadeau: Mr. Chair, I notice that somebody else has joined us in the waiting room.

Mr. Carney: Please get the identity of the person.

Ms. Nadeau: Good morning, may I ask who just joined us? The phone number is 215-300-3681.

Mark Salimena: This is Mark Salimena from Optimal Capital Group.

Ms. Nadeau: Thank you.

Mr. Carney: Thank you. Behind Tab 2 is the request that we adopt financing documents. Reuben, you're going to take this part of the Meeting?

Reuben McDaniel, III, President: Yes. Thank you, Mr. Chairman I appreciate it, and good morning everyone. Behind Tab 2 is the New York Institute of Technology. The transaction summary update and presentation will be done by Sani Williams, Esq. and Seth Bryant, Esq. of Bryant Rabbino, LLP. Dave Ostrander of DASNY is available in case we have any questions. Sani, I believe you will be reporting on the bond counsel report.

Sani Williams, Esq. of Bryant Rabbino, LLP – Bond Counsel: Yes. Good morning Members of the Board, my name is Sani Williams. I am a Partner at Bryant Rabbino LLP, Bond Counsel in connection with the proposed issuance of up to \$30,000,000 of DASNY's New York Institute of Technology Revenue Bonds, Series 2020A, which I will refer to as the "Series 2020A Bonds." I am here with my partner, Seth Bryant, and during this presentation, I will describe the particulars for the upcoming financing.

New York Institute of Technology (the "Institution") has requested that DASNY issue the Series 2020A Bonds, which are to be used to refund all or a portion of DASNY's outstanding New York Institute of Technology Revenue Bonds, Series 2016A (Federally Taxable), of which principal of \$17,635,000 remains outstanding. I will refer to these bonds as the "Series 2016A Bonds". The Series 2016A Bonds were issued to refund bonds previously issued by the industrial development agencies of Nassau County and Suffolk County to finance or refinance the cost of the construction, furnishing and equipping of various facilities on the Institution's Old Westbury and Central Islip

campuses. For purposes of this presentation, the Series 2016A Bonds to be refunded are referred to as the “Refunded Bonds.” Aside from the Series 2016A Bonds, no other DASNY Bonds issued on behalf of the Institution are outstanding. The anticipated bond structure contemplates the issuance of the Series 2020A Bonds as one Series of fixed rate Taxable Bonds without credit enhancement, and a portion of the proceeds of the Series 2020A Bonds is expected to be used to pay costs of issuance of the Series 2020A Bonds. The maturities of the Series 2020A Bonds are expected to track the maturities of the Refunded Bonds. The Series 2020A Bonds are proposed to be sold to Morgan Stanley & Co. LLC, as underwriter, pursuant to a standard Bond Purchase Agreement.

The General Resolution for the New York Institute of Technology Revenue Bonds was adopted by DASNY in 2016, and it sets forth the general terms for each Series of Bonds that may be issued pursuant to Series Resolutions adopted from time to time by DASNY. Under the General Resolution, Bonds may be issued to finance or refinance the costs of one or more projects for the Institution, to refund notes or bonds of DASNY or other indebtedness of the Institution, and to pay costs of issuance of the Bonds.

Before you today is the Series Resolution authorizing the issuance of up to \$30,000,000 of Series 2020A Bonds for the purpose of paying or providing for the payment of the Refunded Bonds. Although it is anticipated that all Series 2020A Bonds will be issued as fixed rate Bonds, the Series Resolution also provides flexibility for other rate modes. The Series Resolution delegates to various officers of DASNY the power to determine or provide for customary matters related to the Series 2020A Bonds.

In connection with the issuance of the Series 2020A Bonds, DASNY and the Institution will enter into a Loan Agreement, which will obligate the Institution to make payment of principal and interest on the Series 2020A Bonds. The Institution’s obligations to make payments will be general obligations of the Institution, absolute and unconditional. The Loan Agreement is expected to contain financial covenants consistent with current market standards.

It is currently expected that, to secure its obligations under the Loan Agreement, the Institution will pledge certain revenues (“Pledged Revenues”) pursuant to a Security Agreement, and grant a mortgage on a portion of the Institution’s Old Westbury campus, which also secures the Series 2016A Bonds. This “Mortgaged Property” and the Pledged Revenues are considered the “Collateral,” and for as long as any Series 2016A Bonds remain outstanding following the issuance of the Series 2020A Bonds, the Collateral shall be considered “Shared Collateral.”

Concurrently with the issuance of the Series 2020A Bonds, DASNY and Manufacturers and Traders Trust Company, as trustee for both the Series 2016A Bonds and the Series 2020A Bonds, will enter into an Intercreditor Agreement, which will provide for the equal priorities of the liens upon the Shared Collateral and any cash proceeds realized from the enforcement, foreclosure or other realization upon the Shared Collateral, while any Series 2016A Bonds remain outstanding.

Concurrently with the issuance of the Series 2020A Bonds, DASNY shall pledge and assign its rights to and interest in the Loan Agreement, the Security Agreement, the Collateral, and the Mortgage securing the Series 2020A Bonds, to the Trustee as security for the payment on the

Series 2020A Bonds. This Assignment shall not include DASNY's Unassigned Rights as such term is defined in the Loan Agreement.

This concludes our presentation, but we are happy to answer any questions. Thank you.

Mr. McDaniel: Thank you Sani. If anyone has questions both Dave and Sani are available. Mr. Chairman.

Mr. Carney: Thank you Reuben. Sani and Seth, would you take a second please to walk through Intercreditor Agreement?

Mr. Williams: Yes. As we said the security interest in the collateral while the 2016A Bonds are outstanding will be shared. The thought is that there may be only a portion of the 2016A Bonds taken out by the 2020A Bonds. Because the collateral secures both the Series 2016A Bonds and the Series 2020A Bonds and would be shared collateral while the Series 2016A Bonds remain outstanding. So the agreement is in place to secure the priority of the liens.

Mr. Carney: Thank you, are there any other questions for Sani and Seth?

David Ostrander, Assistant Director, Public Finance: Mr. Chairman, if I can just make one clarifying point. The refunding bonds, the 2020 Bonds, will not necessarily track the maturities of the 2016A Bonds. We talked about it with the Resolution to Proceed last month. They will actually be extending the maturity to provide cash flow savings over the next three years. So there will be an extension here, I just wanted to clarify that point.

Mr. Carney: I think I remembered that from the presentation last month. Thank you. Are there any other questions for bond counsel? Hearing none, the Resolution is behind Tab 2. May I have motion please to approve the Resolution?

Mr. Ronski: You got it, it's Gerry.

Mr. Carney: Thank you Gerry. Is there a second?

John Johnson, Vice Chair, Member: It's John Johnson, I second.

Mr. Carney: All right. John, thank you. All in favor, please indicate with Aye. (Aye) Is there any opposition to the approval of the Resolution. Hearing none, the motion carries unanimously.

DORMITORY AUTHORITY OF THE STATE OF NEW YORK SERIES 2020A RESOLUTION
AUTHORIZING UP TO \$30,000,000 NEW YORK INSTITUTE OF TECHNOLOGY
REVENUE BONDS

All right. Mr. President?

Mr. McDaniel: Thank you Mr. Chairman. Behind Tab 3 is the Touro College Obligated Group. You will recall that in April, we brought the first read of this transaction to the Finance Committee

and the Board. During the last couple of months it was determined that a private placement was the best way to execute on this transaction. That was contemplated as one of the delivery possibilities in April. And so we now have Matt Bergin from the Staff, and Chuck Toto, Esq. of Hawkins Delafield & Wood and Robert James, Esq. of Golden Holly James, co-bond counsel, all here to present on this transaction. Matt?

Matthew Bergin, Director Public Finance: Thank you Mr. President and good morning everyone. I'd like to give a brief update on the financing. As stated, it is currently expected that the Series 2020A Bonds will be directly placed with Zions Bancorporation, N.A., d/b/a California Bank & Trust. This is a Qualified Institutional Buyer, and the purchaser will require a debt service reserve fund.

The Bank has entered into a commitment with the Obligated Group to hold the Series 2020A Bonds for an initial period of ten (10) years. The Series 2020A Bonds will bear interest at a fixed rate of 3.69% during this time, and the bonds will be subject to mandatory tender at the end of the initial period.

Also as a brief update, there was some discussion of the need for a small taxable tail but I have been informed that this is not needed. And so, Mr. President and Mr. Chairman, I would now like to hand the presentation over to Robert James from the firm Golden Holley James LLP.

Mr. Carney: Thank you, Matt.

Robert James, Esq. – Golden Holley James, LLP – Bond Counsel: Good morning Mr. Chairman, Members of the Board and Officers. Thank you for the opportunity to continue in service of DASNY and the State of New York. My name is Robert James, I'm from the firm Golden Holley James LLP. My firm and Hawkins Delafield & Wood LLP are serving as bond counsel in connection with the issuance by the Dormitory Authority of its Touro College and University System Obligated Group Revenue Bonds, Series 2020A. Chuck Toto of Hawkins and I will present the financing.

Chuck Toto, Esq., Hawkins Delafield & Wood, LLP – Bond Counsel: Thank you Robert. Good morning. I will briefly discuss the financing, and then turn it over to Robert to present the Resolution. On May 14, 2014, the Authority adopted its Touro College and University System Obligated Group Revenue Bond Resolution, which authorizes the issuance by the Authority of revenue bonds for the New York members of the Touro College and University System Obligated Group. The New York members of the Obligated Group are Touro College, which has its main campus in Midtown Manhattan, and New York Medical College (or "NYMC"), which has its main campus in Valhalla. The members outside New York State are Touro University in California, and Touro University Nevada.

Pursuant to that Bond Resolution and Series Resolutions subsequently adopted, the Authority has issued its \$55,960,000 in tax-exempt revenue bonds and \$38,325,000 in taxable revenue bonds in 2014, and \$64,015,000 in tax-exempt revenue bonds in 2017.

Today, the Authority is being asked to consider adopting a Series Resolution authorizing the issuance of the Touro College and University System Obligated Group Revenue Bonds, Series 2020A, in a maximum principal amount of \$60,000,000.

The proceeds of the Series 2020A Bonds are to be applied for the purpose of financing the costs of the acquisition and renovation of a two-story condominium unit located in Manhattan to be used as administrative offices of Touro College, and financing the costs of improvements and upgrades to critical energy management infrastructure to create a highly-efficient shared laboratory environment at New York Medical College's campus in Valhalla, New York. In addition, funds will be applied to fund a debt service reserve fund for the Series 2020A Bonds, pay capitalized interest on the Series 2020A Bonds, and pay the costs of issuance of the Series 2020A Bonds.

It is anticipated that the Series 2020A Bonds will be placed with Zions Bancorporation, N.A., d/b/a California Bank & Trust, a Qualified Institutional Buyer, who we are calling the "Purchaser". The Purchaser has entered into a commitment with the Obligated Group to hold the Series 2020A Bonds for an initial period of 10 years (defined as the "Initial Period"). During the Initial Period, the Series 2020A Bonds will bear interest at a fixed rate to be established on or prior to the date of issuance. It is anticipated that interest on the Series 2020A Bonds will be excluded from gross income for federal income taxation purposes (i.e., federally tax-exempt bonds), although the Series 2020A Resolution permits the issuance of federally taxable bonds if necessary. Furthermore, as Robert will explain in more detail, the Series 2020A Resolution permits the Authority's Authorized Officers to determine to issue all or a portion of the Series 2020A Bonds in other configurations, in the unlikely event this is desired by the New York Members or the Purchaser.

The Bonds are subject to mandatory tender at the end of the Initial Period, unless otherwise redeemed or converted. After this mandatory tender, the New York Members will be obligated to pay the purchase price of the Series 2020A Bonds. This will be paid either in connection with the remarketing to another bondholder, or the current holder would have the option to hold the bonds for a longer period at an interest rate to be agreed upon with the Touro New York members. That's a brief summary of the financing, and I'll turn it back to Robert who will now present the Resolution.

Mr. Carney: Before we do that, Chuck, this is Al. I wanted to make sure that I'm clear that the private placement agreement is in place and that is all the details with that have been agreed.

Mr. Toto: Yes. The bank commitment has been executed. The formula for the interest rate has been set, even though, as is common with these formulas, you typically don't set the actual rates until you get a little closer to closing. But yes. And as you know, these resolutions provide some optionality which sometimes is needed. Here, we have a pretty tight proximity between today's meeting and the closing, and I can let Matt comment. But I think the transaction is fairly well baked at this point.

Mr. Carney: Thank you and Matt, may I ask you to comment.

Mr. Bergin: Yes, thank you. The transaction, especially with the Bank, has been moving along for the past couple of months. We have had a number of working group meetings, and we are

getting ready to close shortly hereafter. But yes, everything is fully finalized with the Bank at this point.

Mr. Carney: Terrific, Matt. Thank you. Robert, I'm sorry to interrupt you.

Mr. James: No problem, it is the Chair's prerogative.

Mr. Carney: You're kind.

Mr. James: Thank you Mr. Chairman. As Chuck mentioned earlier, the Series 2020A Resolution supplements the Bond Resolution to authorize the issuance of the Series 2020A Bonds and permits the Authority's Authorized Officers, on behalf of the Authority, to issue all or a portion of the Series 2020A Bonds in other configurations than are currently contemplated, if desired by the New York Members and the Purchaser. The Series 2020A Resolution delegates to Authorized Officers the authority to determine the following non-exhaustive list of terms of the Series 2020A Bonds: (1) the principal amount of the Series 2020A Bonds to be issued, the principal amount of each maturity of the Series 2020A Bonds, and the respective portions of the Series 2020A Bonds to be allocated to Touro College and NYMC (i.e., the "allocable portion"), provided that the aggregate principal amount of the Series 2020A Bonds cannot exceed \$60,000,000; (2) the date or dates on which Series 2020A Bonds will mature and the principal amount of each maturity of the Series 2020A Bonds, provided that no Series 2020A Bond may mature later than 32 years from the January 1 succeeding its issuance date; (3) the provisions regarding tender for purchase or redemption of the Series 2020A Bonds, and the redemption price, subject to certain conditions; (4) whether the Series 2020A Bonds will be issued as fixed rate bonds or variable interest rate bonds; (5) the rate or rates at which the Series 2020A Bonds will bear interest and, if the Series 2020A Bonds are issued as variable interest rate bonds, the manner in which subsequent interest rates will be determined, provided that the true interest cost of the Series 2020A Bonds that are fixed rate bonds, and the initial interest rate on Series 2020A Bonds that are variable interest rate bonds, may not exceed 7.5% if issued as federally tax-exempt bonds and 10% if issued as federally taxable bonds; (6) the Debt Service Reserve Fund Requirement for the Series 2020A Bonds and the allocable portion each New York Member must contribute; (7) whether to obtain credit or liquidity enhancement with respect to the Series 2020A Bonds and the terms and conditions thereof; and (8) whether the Series 2020A Bonds will be issued in one or more subseries. Furthermore, as Chuck and Matt explained, the Series 2020A Bonds are expected to be placed with Zions Bancorporation, but the Series 2020A Resolution permits the Authorized Officers alternatively to determine to sell the Series 2020A Bonds at a public or private sale, subject to certain conditions. Obviously, that flexibility is built in, but as Matt and Chuck have discussed and clarified, we fully anticipate that this will be a private placement that will be closed in short order.

Mr. Ronski: Does staff have to come back to us if it's not a private placement?

Mr. James: The Resolution gives the Authorized Officers flexibility in the event that some sort of highly unlikely situation happens between now and closing. Here, the Bank has been very committed to the transaction, there is a fully executed term sheet and we're basically ironing out the last details on the loan agreement and ancillary documents.

Mr. Ronski: Can we be notified if it doesn't happen?

Mr. James: I will defer to Matt and DASNY Officers.

Mr. McDaniel: If this does not happen, the Staff will notify the Board and we will give you an update on what the alternative financing would be. Clearly, if this goes from a private placement to public offering that would be several weeks or months down the road. So yes, if it does not happen, we will notify you.

Mr. Ronski: Thank you.

Mr. James: In accordance with the Authority's Financing Guidelines, the Series 2020A Resolution contains restrictions on the ownership and transfer of the Series 2020A Bonds directly purchased in a private placement. Specifically, the Series 2020A Resolution restricts ownership and transfer of such Series 2020A Bonds to "Qualified Institutional Buyers" or "QIBs" (defined in the applicable federal securities laws regulations). Furthermore, each QIB, including the initial Purchaser, will be deemed by its acquisition of a beneficial ownership in the Series 2020A Bonds, to have represented and agreed, among other things, that: it will not transfer the Series 2020A Bonds in any manner to a subsequent transferee except to a QIB; and it has conducted an independent investigation of the risks involved with ownership of the Series 2020A Bonds, it has been provided with all of the information it deemed necessary and desirable relating to the Obligated Group, it has made any investigations it deemed necessary and desirable in order to reach an investment decision with respect to its purchase of the Series 2020A Bonds and it has not relied on the Authority in this regard.

The proceeds of the Series 2020A Bonds will be loaned to Touro College and New York Medical College pursuant to separate but substantially similar Loan Agreements. Each Loan Agreement obligates the applicable New York Member to make payments to the Bond Trustee in amounts and at times sufficient to pay the principal and Sinking Fund Installments of and interest on the New York Member's allocable share of the Series 2020A Bonds. Amounts required to be paid for the fees, costs and expenses of the Authority, the Bond Trustee and the Master Trustee (a party to the transaction which Chuck will discuss shortly) are to be paid directly.

The obligations of Touro College and NYMC to make payments under their respective Loan Agreements will be general obligations of the College and NYMC, respectively. The obligations to make payments under the Loan Agreements will be absolute and unconditional, and the amount, manner and time of making payments will not be decreased, abated, postponed or delayed for any cause or reason or by reason of the happening or non-happening of any event, irrespective of any defense or any right of set-off, recoupment or counterclaim which the New York Members may otherwise have against the Authority, the Bond Trustee, the Master Trustee or any Bondholder for any cause whatsoever.

The payment obligations under the Loan Agreements will be secured by the Series 2020A Obligation issued by the Obligated Group, which is similar to a promissory note whereby the Obligated Group Members promise to repay the loan. The Series 2020A Obligation in turn will be

secured by a pledge to the Master Trustee of certain revenues of the Members of the Obligated Group and by one or more mortgages on the facilities being financed with proceeds of the Series 2020A Bonds, as well as the mortgages previously granted to the Authority and assigned to the Master Trustee on designated educational facilities of the New York Members and other mortgages and deeds of trust granted to the Master Trustee relating to certain properties of Members of the Obligated Group outside New York State. Chuck?

Mr. Toto: Thank you. This financing utilizes a Master Trust Indenture structure. Those of you who were on the Board in 2014 and 2017 have heard me describe this before, but let's go through the Master Trust Indenture structure again briefly. The Master Trust Indenture (MTI) was executed by the Obligated Group and a Master Trustee in connection with the bonds issued in 2014. Obligations issued by the Obligated Group under the MTI secure both the 2014 bonds and the 2017 bonds. As Robert mentioned earlier, a new obligation, termed the Series 2020A Obligation, will be issued by the Obligated Group under the MTI in connection with the issuance of the Series 2020A Bonds. The Series 2020A Obligation is Obligation No. 8 under the MTI and secures the obligations of Touro College and New York Medical College to make payments under their respective Loan Agreements as Robert previously described. As a result of the issuance of the Series 2020A Obligation, DASNY's 2014 Bonds 2017 Bonds and 2020A bonds together with bonds previously issued for the benefit of other members of the Obligated Group in Nevada and California, will be secured on a parity basis under the MTI.

Now a couple minutes ago we heard a discussion of the Intercreditor Agreement. One of the functions of an MTI is to serve as an intercreditor agreement, assuring the parity nature of existing indebtedness. The MTI is the principal contract that governs the Members of the Obligated Group. It provides the basis under which the Obligated Group incurs and secures debt. It also provides the security, which as previously mentioned includes the mortgages and pledge of gross revenues. With respect to Touro College, this pledge is extended to its "health care and other designated enterprises" which are essentially the health care operations of the College, and include the Touro College of Osteopathic Medicine, the Touro College of Pharmacy, the Touro College of School of Health Sciences and the dental school as well as related business lines.

The Master Indenture governs the pledging of assets, including pledging or otherwise encumbering accounts receivable, and the granting of additional liens on the mortgaged property to secure such indebtedness, all within the limitations set forth in that contract. It provides that any additional indebtedness may be incurred only if certain additional debt tests are met under the MTI. The Obligated Group has provided evidence that it will pass these tests in connection with the Series 2020A Bonds. The MTI also requires the Obligated Group and Touro College and its affiliates to maintain certain debt service coverage ratios and liquidity tests as set forth in the MTI.

Just to conclude with the discussion of these tests, there are five of them. In a prior presentation I discussed how the five tests as compared to usually one test provide extra security in relation to the operations of Touro and the issuance of the bonds. We have also seen evidence of satisfaction of these tests. These include an overall debt service coverage ratio of 1.20, which is typical, and an additional debt service coverage ratio of 1.50 related to the Obligated Group enterprises previously discussed. In addition, Touro is required to meet a leverage ratio (essentially, liabilities over assets) of 1.5 to 1, to maintain unencumbered liquid assets of \$50,000,000, and to maintain a

liquidity ratio of not less than 40%. That is the MTI in summary. This concludes our presentation. At this point, Robert and I would be happy to answer any questions. Thank you all for your consideration.

Mr. Carney: Do the Members have any questions please for Robert or for Chuck or for Matt?

Mr. Romski: I have one or two, Mr. Chair. I guess it is really for Matt on the underlying the transaction on the condo unit, not the Medical College. Do you know the total amount of square footage that they are taking on the two floors? Is it two full floors or partial floors?

Mr. Bergin: It is two full floors.

Mr. Romski: And that's the space that they are currently leasing? Did I read that correctly?

Mr. Bergin: They are buying two floors that are separate from where they lease.

Mr. Romski: Are they still leasing or are they moving?

Mr. Bergin: They are moving. The point of this transaction is the debt service on the new condominium will be beneficial from a cost perspective, as opposed to the lease and the rent that they pay. I am looking at the information I have, and I do not have the square footage

Mr. Romski: But there are two full floors in the building, correct?

Mr. Bergin: There are two full floors, correct.

Mr. Romski: And the 32, how does that get split between the buy and the renovation?

Mr. Bergin: \$26 million for the purchase price and \$6 million for the build out.

Mr. Romski: And the mortgages granted as security include a mortgage on the units that they are purchasing?

Mr. Bergin: They do, the mortgage goes up to the top at the master trust indenture. And that is shared as Chuck was saying through the MTI. Again, he was speaking to an MTI is akin to an intercreditor agreement, that it is shared collateral and that mortgage will be held at the MTI level. The answer to your question, on square footage 43,910 feet, and I am assuming that is for both for floors, total square footage.

Mr. Romski: For both floors, right. Thank you.

Mr. Carney: Thanks Gerry. Are there other questions from the Members? Are there any questions?

Ms. Nadeau: I just wanted to let you know that Wellington was able to join us in the midst of this presentation.

Mr. Carney: Welcome Wellington, thank you very much for joining us.

Wellington Chen, Member: Thank you.

Mr. Carney: Are there any questions about the actual resolution itself? Hearing none, may I have motion please to approve?

(Inaudible): So moved.

Mr. Carney: Thank you. Is there a second? Is there any opposition to the motion? Hearing none, the motion will pass unanimously.

Mr. Cusack: Mr. Chairman, if I can clarify just to make sure we note this correctly in the record. The motion appeared to be made on my screen by Wellington, and I would like to confirm that, and then also confirm the second.

Alfonso Carney: Wellington, I thought you made the motion?

Mr. Chen: Yes. I seconded the motion.

Alfonso Carney: You seconded. Gerry, did you make the motion?

Mr. Ronski: No, I did not make the motion.

Mr. Carney: Okay, who moved to approve the resolution?

Ms. Snyder: I will. I did not, but I'll be happy to do it. This is Beryl.

Mr. Carney: Beryl, very grateful. Thank you very much. We have already taken the vote, there's no opposition, the motion carries unanimously.

**DORMITORY AUTHORITY OF THE STATE OF NEW YORK SERIES 2020A
RESOLUTION AUTHORIZING UP TO \$60,000,000 TOURO COLLEGE AND
UNIVERSITY SYSTEM OBLIGATED GROUP REVENUE BONDS, SERIES 2020A**

Mr. Carney: Mr. President, the next Agenda item is your report.

Mr. McDaniel: Thank you, Mr. Chairman, we have a bit of business to take care of through the report. As you know, in our meeting this month we have several items that we have to approve by statute, so we will be going through those, some as part of my report, and some separately as part of the Audit Report.

I first want to start with talking about the DASNY reopening. As New York has started a phased reopening, DASNY has as well. Our goal this summer is to have our building available to our employees who need to have access to do their work more easily, while maintaining less than 25%

density at any given time, and also making sure that we have all health screenings and cleaning protocols in place. And at this point, the building is open four days a week. It is being deep cleaned on Wednesdays and late Fridays. In addition, we have PPE, security checks and health screening checks, and all of that has been going well.

I just want to shout out to our building maintenance and security staff, they don't always get the recognition, but they have done a great job at getting our building ready and maintaining it. And so far, it has been very smooth. Most employees continue to do a lot of their work from home, but they all have access to the building a couple of days a week if they need to come in for any specific reasons. We have tracked that, we have kept our density low and on July 15th we will be reviewing our protocols. We will look at Labor Day as our next assessment of whether we have additional people come to the building, or change our protocols based on various items, including most importantly, health and safety, but also schools and other factors. That is going well so far.

We have had some benefits from this remote working. We have done a lot more work on electronic payments and DocuSign as well as other communications tools. We continue to look for improvements that will be long-term and lasting through this situation.

As far as impact on DASNY's business, you have received the draft of the Authorities Budget Office Report that shows that the fiscal year 2019-20 was very, very strong. Clearly, we are in a different environment now, and we continue to monitor the uncertainty, both of our own work as well as that of our underlying clients and customers, and we continue to communicate with them. And while we are doing that we are being as tight as possible from a budget perspective, making sure that we don't make any unnecessary expenditures as we deal with the unpredictability of our future revenues. However, so far things have going fairly well, you'll hear in our construction report that we are fairly active on the construction side. And so I feel like we are in reasonable shape, but again, we are being very cautious and keeping in close communication with our customers.

Turning to an update on the 28 Liberty move, we have been working back and forth with the new landlord and it looks like they will deliver the "keys" to us in the December 15 timeframe, which was a little further out than we had anticipated. However, in calculating both the savings from our Penn Plaza office as well as pushing our interior design folks and our logistics people, we will save in excess of a million dollars in our move from Penn to Liberty over what was expected. We feel good about the savings, and we have worked hard to make sure that all of our employees in New York City are engaged. For several employees who work in the office on a day to day basis, once the move is completely out of that office, they will be assigned other tasks, including going to our field sites downstate and assisting with some work up in Albany to keep them busy and occupied. But they have done a great job so far of keeping busy, and we will have an all hands call tomorrow with the New York City Office to make sure they understand the protocols and sentiments. Once we move out of One Penn Plaza and we have identified some small spaces that if people need to have meetings or do work in an office environment they will be able to do that.

Moving on, all of us are of course tuned in to what is going on in the world around George Floyd's untimely and unspeakable death, as well as the other police items and injustice items that have been going on in the public sector. At DASNY we are doing several things to take the lead. One

is Michael Johnson, who was appointed head of Diversity prior to us going remote. He has been charged with developing best practices, and figuring out how we at DASNY can be more engaged in making sure that all of our employees of any background feel comfortable and have a good environment to work within.

I'm also pleased to announce I have pressed both Portia Lee and Steve Curro on the Fellowship Program. You will recall that for budgetary reasons we decided to hold back on the Fellowship Program this year, but I really felt personally, and I think the team agrees, that in the current environment this Fellowship Program is an important opportunity for minority students to be introduced to DASNY and the professional world. And so we have reimagined both of those a little bit, on the Public Finance side Portia is taking the lead on that. And I'm pleased to announce that on the construction side, we will begin a construction fellowship that mirrors closely our Public Finance Fellowship Program. Both of those will be kicking off in the August-September timeframe. I'm just pleased that we can continue to contribute in this environment in a way that is both meaningful for internal employees, but also allows us to work with some minority youth who might not have an opportunity otherwise to be so engaged. I'm very pleased with that.

Moving on to construction, a lot of our construction business has continued through the spring. It is down somewhat, but we do have quite a bit of summer work that we are doing for SUNY valued at approximately \$40 million. I'm going to ask Steve Curro to give us a brief construction update. Steve?

Steven Curro, Managing Director, Construction: Yes, thank you Reuben. Good morning everyone. I will deliver a high level overview of what's been happening in the Construction Division.

Of course with the phased reopening being led by construction across the state, many of our projects are back up and running. That being said, many were deemed essential and never shut down, but those that did are back up and running. There are some exceptions to that. The city-funded Community College work is still under suspension. We do a fair amount of CUNY Community College works, so that is impacting our downstate efforts. In addition, there are a few GOSR projects that are impacted, and in addition, on the SUNY side, any new commitments on the design or construction side are also on hold at this point.

Otherwise, from a construction-only perspective, as Reuben noted, we have 21 SUNY Summer projects across the State advancing in addition to six capital projects at SUNY that started last May, that would be May of 2019. All that activity is scheduled to conclude in August of this year. The CUNY Senior College work is moving ahead strongly. A number of new CUNY Senior College campuses, letting us know they can support our construction efforts, and that opens the door for us to mobilize our contractors and resume construction work. For the most part, the Mental Hygiene program – OASAS, OMH and OPWDD – those customer agencies and their programs are all up and running with the exception of OPWDD, who is holding off on indoor project work at occupied facilities.

Regarding any new commitments on the design and construction side, Budget Bulletin B-1223 has put a damper on moving any new projects forward. On the design side we have a number of design

starts that we want to get to that are on hold and in limbo at this time, as well as a number of projects that are ready for bid and award that we are not advertising at this time -- or if we have advertised, we are not awarding at this time.

Our customer agencies, in dealing with the Budget Bulletin, we are working with DOB, who has asked that they formally put forward projects that they deem or desire an exception from the Budget Bulletin. We have been working closely with our customer agencies, coming up with lists of projects for forwarding to DOB. From what I understand, once every couple of months DOB will make a decision as to what projects will be exempted from the Budget Bulletin. We are therefore getting news from DOB on projects that we can restart.

In addition, on the SUNY side, the SUNY residence hall projects are exempt from the Budget Bulletin, as this program is off-budget. But at the same time, we are battling the uncertainty of the next bond sale as to cash, to back any commitments for new projects. And as a result, SUNY has done a cash flow analysis, and we are working with them to determine what projects we have cash to back new commitments for. So there are a number of SUNY projects on hold as well, and we are expecting to hear this week with regard to some potential design projects for summer 2021 that may open up for us. We are not sure what this means for projects on the construction side that are ready to move into construction.

So that's really what's happening at the high level with the customer agencies. On a lower level, in the Construction Division, I have some information to share. Our 300+ Construction Division staff are now either fully engaged at their construction sites, or they are either working from the office a couple of days a week or working exclusively from home.

Our Safety Manager and safety consultants have been out to many of our project sites and it's good to report that there are few new cases of anyone either on the DASNY side, or more importantly, the larger construction community of designers and contractors that are heavy in numbers at our project sites reporting a positive case of the virus.

I did stop in at Moynihan Station and Javits Expansion projects yesterday, and remarkably, there are 1,100 workers at Moynihan Station alone every day, and since March there have only been 13 cases of COVID-19 reported. So it's pretty remarkable. When I walked that site, everyone is taking the guidance very seriously, and wearing masks and respirators and gloves. It is incredibly hot in the building, but the labor force is following the guidelines -- and the same can be said for Javits. So the guidelines and the guidance that we have put forward, that our legal group has helped us with, and that we've communicated to the contracting community, is being taken seriously.

All medical surge work DASNY was involved with regard to DASNY efforts at Javits, Old Westbury and South Beach PC assignments have all been completed at this time.

I have updates on two large projects in particular. On the FIT project, we are awaiting guidance from the State of New York and the City of New York for approval to award the two contracts associated with that project. And on the DOH Laboratory project, we continue with the procurement process, and are working with the NYS DOB at this time.

The implementation on our Construction Management Program still continues and is on track to go live on January 1, 2021. Our implementation team is working hard to make that happen. And that concludes my report, Mr. President.

Mr. McDaniel: Thank you Steve. Does anyone have any questions for Steve?

Mr. Carney: Yes, thank you Reuben. I was taking a note on something else and I missed your comment on the SUNY summer residence program. Is that suspended or is that still continuing and are we working toward an end game.

Mr. Curro: I'll talk about SUNY 2020, and then 2021. The SUNY 2020 work is well underway, we have 21 projects valued at approximately \$40 million. Those projects are all off and running, in fact we are about half way through the summer with those projects, and those projects will conclude within the July or August time frame this year, in time for the return of the students this fall. On the 2021 side, we have a few projects from the summer of 2020 that were not advanced, but that will happen in 2021. And we have a few projects that we were able to engage consultants on the design side before we were asked to hold back on those projects. Those designs are advancing. But we do have a number of designs that are not advancing as we await word from SUNY on our ability to move those projects forward. So 2021 is up in the air right now as far as how many projects we'll have to advance.

Mr. Carney: Terrific, I appreciate it. Thank you. Before we move on, this is not a question but a comment. Those of you who have heard me talk about the Fellowship Program know how much it means to me personally, and how much I think it does for DASNY's image. I had not realized that the Floyd movement would energize as many companies and firms as it has, to look for opportunities to support minority causes, black and brown. I am grateful Reuben to hear that we are doing this. But Steve, I'm even more grateful to hear that you have been pressed into service to create a new Construction Fellowship for some lucky man or woman, who will get to see DASNY's construction side as a fellow. It is a fabulous opportunity, and thank you very much for getting it done, or if we are trying to get it done working on it now. It is heartening to hear that. My third comment is on DocuSign, could I talk to somebody at DASNY about DocuSign?

Mr. President: I'm sure that Mike Cusack can figure out the right person to talk to and get you to that person.

Mr. Carney: Thank you very much, whenever you can.

Mr. Ronski: Al, I just wanted to reinforce what you said about the program. We had the pleasure of going to the award dinner last year, they are a fine group of candidates and I think it is a great thing that we are back on the program, and thank you Reuben for that. And also, I think I would be remiss if I didn't note that, I have been on the Board now it goes back 10 years or so, DASNY has always been in the forefront regarding diversity and regarding our MWBE program, including specifically in regard to the financial component of it. And I just wanted to thank you for actually being out there in front of this for many years and will continue to do so, so thank you Al. And thank you, Reuben.

Mr. Carney: Thank you Gerry.

Mr. Romski: But just going back to the to the business end of this -- and I gather Reuben you are all over it, I am sure you are -- these things impact the budgets going forward on the construction end and construction is a good part of our operation. I guess we just have to watch it all very carefully.

Mr. McDaniel: Yes, our team has done a great job. I think the good news is, Steve and his team are so close to the clients, that as they get information real time and we get information real time, we are sharing that, we are making sure people know that if we delay x, it will cause y, all in good stead. And then paralleling that, we are making sure from a budget perspective that we are staying very tight, very close, no unnecessary expenditures, and will continue to be projecting out as we get design in and new customers in how the next 12-18 months looks. The uncertainty is difficult, but Steve and his group have done a great job of being in front of clients predicting what we need to do, trying to be helpful.

Under Paul's leadership, the finance and operational team have done a great job of making sure that we are monitoring budget, making sure that we are not having issues looking at payments. Caroline has done a great job staying close to the second floor to make sure that any new pronouncements that come out of the DOB that we are clear on. Mike Cusack has done a great job of keeping us up to speed on the legal side. It is been a real team effort. We have spent a lot of time on it, and the good news about uncertainties is that it shows whether we have a good team or not. I have been really pleased with how the team has come together on that.

Mr. Romski: I certainly endorse that and give a shout out to Paul, who actually gets my emails every week on the build out. Paul, thank you very much for staying on top of all that, in these difficult times. Planning build-out in the middle of COVID-19 with all the changes happening, is far from an easy assignment. Thank you.

Paul Koopman, Vice President: Thank you.

Mr. Curro: I would like to note one thing as far as how a project would be impacted by a fellow or an intern. The nice thing on the construction side is these folks are billable. They are a contributing DASNY revenue generator for us, and they will, in some sense, take the place of a DASNY staffer or a part time staffer who would need to be there anyway. So it is really a win-win for us. We get the opportunity to interview someone for two years, and at the same time, it is a great opportunity for them. And they act as a revenue generator for DASNY and the customer agency all wrapped together.

Mr. Romski: And hopefully they get a long term position because we need younger folks in the construction world, as you know. Oh, by the way, Steve, thanks for wearing the tie.

Mr. Curro: Yes, I scrambled to get on one. I saw Matt Bergin had one on.

Mr. Romski: As you see, I don't have my video on so there is no tie on here.

Ms. Snyder: I also want to say that I'm always very proud of being on DASNY, in part because of the MWBE program and always being in the forefront and the next initiative -- be it interns or whatever else may be on your plate Reuben. I am looking forward to hearing about it. It's been exemplary and for the State and for states everywhere. I thank you for making me a part of it. I never stop learning, and I'm proud to be on DASNY.

Mr. McDaniel: Thank you Beryl.

Mr. Ronski: I echo that thought.

Mr. McDaniel: Thank you so much. That's a great segue to the next part of my presentation which is the Procurement Contract Annual Report which you will have a resolution on. I have asked Mike Clay and Matt Moore, the co-head of Procurement to give that report. As you know, we are one of the leaders in the MWBE space and SDVOB space. This team did a great job again this year of getting us over 30%. So, Michael, why don't you take over, and then Matt.

Michael Clay, Director: Thank you, Mr. President. Good morning Mr. Chair, Board Members, senior staff and guests. I just want to give you a brief synopsis of where DASNY stands as it relates to MWBE participation for fiscal year 2019-20.

We recently received information regarding our participation. As Reuben has indicated, DASNY was successful in achieving the aspirational goals that the Governor has established for the 97 agencies and authorities throughout the State. DASNY attained 31.28% MWBE participation which equated to approximately \$184 million, both in prime and sub payments to New York State certified MWBEs on DASNY customer-related contracts. This \$184 million represents a \$4.4 million increase over last year in terms of payments made to New York State Certified MWBEs across the State. These accomplishments position DASNY to better serve our clients and to promote diversity and inclusion in the New York State contracting process.

I think, as I have heard comments from several Board Members, DASNY has enjoyed, at least during my tenure which is approaching 21 years, a leadership position in MWBE utilization and programming. We are continuing that proud tradition.

Additionally, Service-Disabled Veteran-Owned Businesses, or "SDVOB", which was enacted by the Governor and the Legislature in 2014, DASNY is continuing to assist SDVOBs with completing work on DASNY projects on behalf of our clients. We use numerous strategies and programs to identify, notify, educate and support SDVOB enterprises across DASNY's complete platform of services -- that includes also non-construction related professional services. With that being said, OGS which is responsible for the administration of the SDVOB program, noted in its most recent annual report dated December 31, 2019 that DASNY ranked fourth out of 97 State agencies and public authorities in disbursements to SDVOBs.

What does that basically mean? It means that we were fourth in the State in terms of awarding dollars to services-disabled, veteran-owned businesses, which I have to thank the Procurement staff -- and actually the entire staff of DASNY -- because this is not done on an island. We all

work very hard, and obviously my team, the Opportunity Programs Group leads that effort, and the commitment of those men and women across the agency is noteworthy.

I also would like to mention as I complete my remarks about the small business pilot program. DASNY, and Mr. Chair, you may remember this, we started out trying to get this legislation passed about five years ago. And so what it enables us to do is to take 5%, or max of this year \$20 million, of DASNY client-based work, and be able to initiate programming for MWBEs and small businesses across our various platforms. I'm working hard with management to initiate this program and we are looking forward to probably in the second quarter of this year of being able to initiate procurements which would allow us to again assist small businesses across the State based on our client workload. I want to say this, in closing.

Mr. Carney: Mike before you close. That's terrific news. I'm sorry it is AI. Thank you for bringing me up to date. I do remember our discussions. I didn't think it was as far back as far as us, and I'm disturbed to hear that it was five years because I don't feel five years older. But thank you for working as hard as you have on that, and thank you for making it work.

Mr. Clay: Thank you, Mr. Chair. I appreciate it. We are always trying to think ahead. Carrying out the initiatives as projected by the Governor, his team and executive management is what we are supposed to do, but I think what we have tried to do, what I have tried to pride myself on, is thinking outside the box and providing an opportunity to small businesses because in the end the MWBE program helps to provide economic development across the State of New York in underserved communities and various communities across the State. This program is important, and it has been important for DASNY during my tenure, and obviously the commitment of the Board and executive management continues to make that happen. With this program this will follow in the long line of other programming that DASNY has initiated, and we look forward to providing you more information. And that concludes my report, I will pass it off to Matt Moore, who will have the presentation on the Procurement Report. Matt?

J Matthew Moore, Director, Procurement: Thank you Michael, Mr. Chair, Board Members, Mr. President. The 2019-20 Procurement Contract Report is being presented to you for approval pursuant to the requirements of Section 2879 of the Public Authorities Law. The Report includes procurement contract transactions that have an actual or estimated value of \$5,000 or more.

Procurement touches projects at all phases from design through construction, and in many cases furniture and equipment fit out at the end of project. It is a significant driver in our ability to provide value to our clients. The day to day operations and execution of procurement transactions are managed through four units that reside in Procurement: Professional Services Contracts; Construction Contracts; Job Order Contracts; and Purchasing.

Today, I am going to touch on some of the highlights of the Report. The report reflects the significant number and dollar value of procurement transactions DASNY processes in a given year.

For Construction related services in 2019-20, Procurement processed close to 2,200 original procurements valued at over \$539 million. This includes original professional services agreements,

construction contracts and purchase orders as well as term work authorizations for professional services, construction work orders issued for JOC and GC Minor maintenance. This represents a 14% increase over last year's dollar value and an 2% increase in transaction volume.

The procurements DASNY conducted and methods used to procure and execute the work also reflect the flexibility we bring to clients in the delivery of projects. The transactions include alternative delivery procurements such as CM at Risk; expedited contracting methods such as term consulting contracting; or GC minor maintenance and job order contracting. And then there is the tried and true procurement methods such as single prime contracting, which we've continually done for construction.

Procurement activity in the report supports a range of projects we do for our clients while also delivering on many of the State initiatives such as our energy performance contracting program; building resiliency efforts through the GOSR program and continued work for the safety and quality of life upgrades and appliance purchasing for NYCHA.

Construction activities comprised the largest portion of 2019-20 procurements. DASNY processed approximately 735 construction related procurements with a value of approximately \$428 million. Approximately \$358 million or 83% of construction activities was procured using the standard design bid build procurement method with an average construction contract of approximately \$3.4 million, with the largest being approximately \$71.6 million for CUNY's Lehman School of Nursing.

With regard to information reported for Administration and Operations, there has been an ongoing effort to refine the information in order to more accurately reflect DASNY procurements as opposed to expenditures from past years. There is an initiative that we will continue throughout the 2020-21 fiscal year as we refine the procurement report. That concludes my report, I ask for your approval of the resolution adopting the Report if there are no questions.

Mr. Carney: Thank you Matt. Are there any questions for Michael or Matt? Hearing none, may I have a motion to approve the resolution. I cannot tell you where it appears in in your material, but I have it in front of me. It is very brief resolution. What we are approving here are in the aggregate the Appendix A Awarded Professional Services; Appendix B Awarded Construction Contracts; and Appendix C Awarded Purchase Orders; the DASNY Procurement Policy, the DASNY Procurement Contract Guidelines. and the Vendor Transaction Details. Are there any questions? There being none may I have motion to approve the Resolution?

Ms. Sullivan: Joan Sullivan, I make a motion.

Mr. Carney: Thank you Joan. Is there a second?

Mr. Chen: Second, it's Wellington.

Mr. Carney: Thank you Wellington. Again, to make this easy rather than asking for those Members who are in favor of this to respond vocally I'll simply ask whether there are any

objections to the approval of this of this Resolution. Hearing none, the motion passes unanimously, and we have approved the Procurement Contract Annual Report.

A RESOLUTION OF THE MEMBERS OF THE BOARD OF THE DORMITORY AUTHORITY OF THE STATE OF NEW YORK (DASNY) APPROVING DASNY'S PROCUREMENT CONTRACT ANNUAL REPORT FOR THE PERIOD COMMENCING APRIL 1, 2019 AND ENDING MARCH 31, 2020, INCLUDING THE PROCUREMENT POLICY, PROCUREMENT CONTRACT GUIDELINES AND OTHER MATERIALS

Mr. McDaniel: Thank you Mr. Chairman. I will continue with my report. Thank you to both Michael and Matt for those reports and the great work you did last year and certainly continue to do. One last construction item before we move onto Public Finance.

Although it is a little bit lost because the legislative session was fairly truncated, we did get a general authorization for design build. We had that delivery method on some specific projects before, but we now are included in the legislation that allows them on a case by case basis, as we see appropriate to use design, build, as a delivery method. It was good to get that legislation passed. And hopefully in the future, we will be able to implement that for clients.

Turning to Public Finance, DASNY over the past several months has completed \$4.5 billion short term notes and a \$3 billion line of credit against the \$11 billion of authorization that we received to assist the State. We believe this will be the extent of the short term borrowing, but those three transactions have all been closed and completed. The SUNY financing that you approved at the Special Board Meeting is moving along and should come to market sometime close to after July 4th weekend. A lot of good work has been done on those transactions. You know, I was involved probably more than normal in just a day to day processing, and I must tell you that our staff did a fantastic job of working through those transactions for the State and getting really great execution on behalf of our clients. I really was pleased to be part of it. With that, I want to turn this over to Portia, to go through her Public Finance Report, as well as the couple of reports that need to be reviewed and adopted.

Portia Lee, Managing Director, Public Finance and Portfolio Monitoring: Okay, thank you. The market update - total new issue supply is currently about \$187.8 billion year-to-date, about 15.6% higher than the supply levels seen this time last year. Total supply for this week ahead is expected to be about \$7.3 billion, Top rated municipal bonds were unchanged across the curve on Tuesday with the 10-year and 30-year AAA MMD yield each remaining at a 0.88% and a 1.63%, respectively. U.S. government bonds were weaker on Tuesday, with the 10-year and 30-year treasury increasing in yield by one basis point and two basis points, respectively, to a 0.72% and a 1.49%.

Municipal bond funds reported inflows of \$1.7 billion for the week ending June 17th. The one-year, ten-year and 30-year MMD have decreased by 52, 38 and 44 basis points, respectively, since the May Board Meeting.

Regarding pricings and closing, as Reuben had just mentioned, we completed three State transactions to assist the State and we also priced 3 other transactions: School Districts pool; St. Joseph's College; and NYSARC.

Finally, I would like to make a couple of quick high level observations about the market: I noted last month that we were seeing market access particularly for highly rated transactions. More recently, we have also seen the market open up for lower rated credits. Generally speaking, MMD has been moving lower and spreads have been widening. Market participants have been looking at both spreads and absolute rates as bonds price.

I would like to turn now to the Annual Bond Sale Report.

The Annual Bond Sale Report for FY 2019-20 was included in the supplemental mailing. Also included in the mailing was an overview of the Annual Bond Sale Report which preceded the actual Annual Bond Sale Report in the materials.

I would like to walk through the Overview briefly. On page 2, according to the Bond Buyer, DASNY was the number two issuer in calendar year 2019. On page 3, we issued approximately \$9.8 billion last year in 25 financings with a particularly busy 4th quarter. Page 4, overall – we worked on 5 financings totaling approximately \$6.3 billion which were undertaken on behalf of our public clients last year and 20 financings totaling approximately \$3.5 billion were undertaken on behalf of our private clients.

Pages 5 through 9 detail the financings in various buckets including: State Supported Debt ; Other Public Debt; Independent Colleges and Universities; Health Care and other independent Institutions.

A few general takeaways. I would note that the School District financings and the Montefiore financing used credit enhancement and that was on a partial basis. There were a significant number of private client financings last year, we undertook 20 up from 6 the previous year. I would note that we were in an environment of very low rates. Obviously that is a good environment for savings through refundings, as well as funding capital needs. Certain health care institutions undertaking tax-exempt deals came to us after issuing taxable deals on their own, and we saw business from repeat clients which speaks well of our efforts to strengthen our client focus, services and processes.

Page 10 reflects, the TELP activity for the fiscal year . We worked on four leases totaling \$57 million and page 11 reflects activity over and under \$10 million, all of which were over \$10 million.

I would like to thank the staff in Public Finance, Portfolio Monitoring, Legal and Finance, as this represents their body of work. I would also like to note the work of the Public Finance staff and in particular the efforts of Sharon Pieronek and Matt Bergin in producing this report.

There is a Resolution that follows my memo that accompanied the Report.

Thank you, Mr. Chairman.

Mr. Carney: Thank you, Portia. Are there questions for Portia? The resolution is a very brief one. If you have not had a chance to take a look at it, you should, but it is very brief and asks us to

approve the DASNY Annual Bond Sale report for the fiscal year just ended. Hearing no questions, may have motion please to approve the Resolution?

Mr. Romski: It would be my pleasure Mr. Chairman. It's Gerry.

Mr. Carney: Gerry, thank you very much, who will second?

Ms. Snyder: It is Beryl, I will second.

Mr. Carney: Beryl, thank you very much. Again, rather than asking all and all who are in favor to say aye, I'll simply ask whether there is any opposition to the approval of the Resolution which would approve the Report? Hearing none, the motion carries unanimously, the Annual Bond Sale Report is approved. Thank you.

RESOLUTION OF THE MEMBERS OF THE BOARD OF THE DORMITORY AUTHORITY
OF THE STATE OF NEW YORK (DASNY) APPROVING THE DASNY ANNUAL BOND
SALE REPORT FOR THE FISCAL YEAR ENDED MARCH 31, 2020

Ms. Nadeau: Mr. Chair, I would like to let everyone know that the KPMG representatives Marie Zimmerman and Jeffrey Koch have joined us.

Mr. Carney: Marie, Jeff, thank you very much. Good to have you. Good morning.

Mr. McDaniel: And Mr. Chairman, this concludes my report, unless there are additional questions or comments, I will turn it back to you for the remainder of the meeting.

Mr. Carney: Thank you very much, Mr. President. So now I believe that Kimberly is going to take the baton and run the meeting for a while.

Ms. Nadeau: Thank you Al. Good morning, everyone. Before we go through the details of the year end audit and the financials, I would like to give you a quick summary of this year's audit results. KPMG expects to issue an unmodified opinion on DASNY's financials, they did not identify any significant deficiencies or material weaknesses in our internal controls and, given that, they won't be issuing a management letter.

Before I turn it over to Marie to go through the required communications and summary of the audit, I do want to take a moment to thank the people that made these results possible. As you know, under normal circumstances, our financial records and making our financial statements are extremely voluminous and complicated and this year's audit certainly posed very significantly unusual circumstances as we worked remotely. Despite the many challenges the team faced, they maintained the accuracy of our financial records and provided outstanding support to KPMG, both of which were critical in achieving an unmodified opinion.

In particular, I would like to thank Karen Seiter and Li Xu for leading us through the audit with significant support from Karma Sees, Steve Winters-Bona, Tonette Tomlin, Stanley Reed, Heidi Lenge, Sophy Lai and their teams. I would also like to thank Jia Wu from our Internal Audit team

who coordinated the gathering of hard copy documentation from our various internal teams to provide electronic versions to KPMG. Kim Ellis and Geoff Arnold who, despite taking on significant new positions at the beginning our year end Audit work, continued to fully support the audit. And our Building Services team, who ensured that we had safe access to our office, as needed, to support the audit. Without the dedication, support and oversight of these teams, the information and audit results discussed today would not have been possible. I would also like to thank KPMG for their support in their role. And with that, I will turn it over to Marie.

Marie Zimmerman, Lead Audit Partner: Thank you. Kim. Mr. Chairman, Members of the Board, good morning. I am Marie Zimmerman, lead audit partner from KPMG on the DASNY account. I have been auditing DASNY for the past eight years. With me today is Jeff Koch, Senior Manager who has been auditing DASNY for the past 12 years. As Kim noted, I am pleased to have the opportunity to be present with you today. And it really is a testament to Kim and Management who proactively identified the issues and embraced technology to ensure the integrity of DASNY's financing reporting. We thank you, Management, for your coordination and collaboration with us through the audit.

I also would like to thank Kathy and the Internal Audit Department for their direct assistance as they were instrumental during the shutdown to obtain and perform audit procedures on our behalf that we could not obtain electronically.

As Kim noted, our results: we will issue an unmodified opinion, which is the best opinion you can receive, and it states that the basic financials are presented fairly in all material respects. We did perform our audit in accordance with generally accepted governmental auditing standards. We will also issue an opinion on the required supplementary schedules. The MD&A and the required OPEB schedules, which is an "in relation to" opinion and it means that it is subject to audit procedures applied to the basic financials. And we have concluded that they are presented fairly in all material respects, and will provide an unmodified opinion.

Our required communications were provided yesterday and in writing to the Audit Committee, and they included the following: there was no uncorrected or corrected audit differences identified during our Audit, which again is a testament to Management's strong systems of internal controls over financial reporting; we did not identify any material weaknesses nor significant deficiencies in internal controls; we will provide a report on internal controls over financial reporting and compliance with other matters, based upon the audit of the financial statements performed in the governmental auditing standards. And lastly, we had no disagreements with management, and we had no significant difficulties encountered while completing this Audit.

And furthermore, we will also issue a report on the compliance with requirement of 203 of Title 2 of the Official Compilation of the Codes Rules and Regulations of the state of New York, which will state the DASNY was in compliance with those rules and regulations.

That's a quick summary of our presentation from yesterday. And with that, I would like to open up to any questions that anyone may have.

Mr. Carney: Hearing none, Marie, I suppose that Jeff is now going to do the rest of the report, or is there a rest of the report.

Ms. Zimmerman: No, we are just providing a summary of the report that we presented yesterday.

Mr. Carney: Okay. Well, thank you very much. So, are there questions for Marie and Jeff?

Hearing none, I believe it is time for us to consider the Resolution. Kim unless you have other comments before I asked the board for vote?

Ms. Nadeau: Yes. Thank you. I would just like to review some of the highlights of the year's financials.

Mr. Carney: That's fine, and thank you.

Ms. Nadeau: If we can start with the Executive Summary, some of the highlights for our lines of business included another record-breaking year for our debt issuance activities, issuing \$9.7 billion in debt. In our construction management line of business we brought the new 262-bed residential building for OMH's South Beach Psychiatric Center to substantial completion. We completed a relocation of SUNY Albany's state-of-the-art Health & Counseling Services Center into an on-campus location. We began construction of a new 257-bed zero-net, carbon-certified residence hall at SUNY Poly's Utica campus. From an accounting standpoint, we did not have any new accounting pronouncements to implement. There was going to be one new implementation this year, but the governing body extended the implementation date.

Turning to the financial results, overall our financial statements reflect a decrease in our Net Financial Position of \$67 million, the majority of which is activity in our Restricted Funds. In terms of debt issuances, as I noted earlier, we had over \$9.7 billion of issuances. Nearly 95% of that came from refundings and new money, with over a third coming from new money issued to our public clients.

In terms of customer distribution, 65% came from our public clients. We had \$6.4 billion in retirements for the year with over half of that coming from bonds that were refunded by new DASNY bonds that were refunded with new DASNY bonds and nearly 40% coming from scheduled redemptions. We ended the year with nearly \$58 billion in outstanding bonds, with our public clients making up approximately 70% of the balance.

In terms of our Construction Management line of business, our total construction and loan disbursements decreased approximately \$1.1 billion in 2020, with 78% coming from our public clients. Our investment balance decreased approximately \$800 million, ending the year at \$4.1 billion.

That concludes my remarks on the financial statements, if there are any questions I will take them at this time.

Mr. Carney: Are there any questions? Hearing none, I'm going to ask the Board to vote on the approval of the Basic Financial Statements. I want to commend Jon Gardner, though, before I do that, for conducting and leading an excellent meeting of the Audit Committee yesterday. The reports were a bit more extensive but were necessary for the Audit Committee and I think Marie and Jeff and certainly Kim did a terrific job of reporting to the committee.,

Jon Gardner, Member: I would just add for the record that the Audit Committee approved a resolution recommending the financial statements to the full Board.

Mr. Carney: Thank you Jon. There being no questions. May I have a motion please to approve the very short, very brief resolution. that if passed, will approve the Basic Financial Statements.

Ms. Sullivan: This is Joan, I make the motion.

Mr. Carney: Thank you Joan, is there a second?

Wellington Chen: This is Wellington, I second.

Mr. Carney: Thank you very much, Wellington. Again, I'll abbreviate the vote process and ask whether there is any opposition to the approval to the resolution approving the Basic Financial Statements? Hearing none, the motion carries unanimously, the Basic Financial Statements are approved.

A RESOLUTION OF THE DORMITORY AUTHORITY OF THE STATE OF NEW YORK (DASNY) ADOPTING THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED MARCH 31, 2020

Kim, do you have other matters to come before the Board:?

Ms. Nadeau: I do, thank you. We are also required to file the Annual Investment Report with the Office of the State Comptroller. That report includes our Investment Policy and Guidelines and summaries of investment income earned and fees paid for the year. A copy of DASNY's financial statements will also be filed with the Investment Report. There was one change in our Investment Guidelines during the year, which you approved last month, removing the requirement that a maximum of approximately 50% of all investments may be held in a single bank. This change was effective April 1, 2019 for the fiscal year ended March 31, 2020. That concludes my remarks, are there any questions?

Mr. Carney: Are there questions for Kim? Hearing none, may I have a motion, please to approve the resolution?

Mr. Chen: So moved.

Mr. Carney: Is that you Wellington?

Mr. Chen: Yes, that's correct.

Mr. Carney: Okay, thank you. Is there a second?

Ms. Sullivan: Second, Joan here.

Mr. Carney: Joan. Thank you very much, again I will shorten the approval process. The vote is there any opposition to the approval of the Annual Investment Report? Hearing none, the motion passes unanimously.

A RESOLUTION OF THE MEMBERS OF THE BOARD OF THE DORMITORY AUTHORITY OF THE STATE OF NEW YORK (DASNY) APPROVING THE DORMITORY AUTHORITY ANNUAL INVESTMENT REPORT FOR THE FISCAL YEAR ENDED MARCH 31, 2020 INCLUDING THE INVESTMENT POLICY AND GUIDELINES

Mr. Carney: Kim. I think you have at least one other matter?

Ms. Nadeau: Thank you, I believe Reuben will be reviewing the next agenda item.

Mr. McDaniel:

Thank you. I'm not going to be long at all on this, the Public Authorities Accountability Act Annual Report is required to be filed with the State. You all received a copy of the report. We gave the extensive summary yesterday at the Audit Committee Meeting and throughout the meeting today you have heard updates on our 2019-20 performance, which was very strong. And so, I'm very pleased with the report and everyone's help putting that together. And certainly we would be happy to answer any questions that you might have on it. But again, most of the information has been summarized in the meeting, and I don't want any more time now. Mr. Chairman, back to you.

Mr. Carney: Thank you very much, are there questions for Reuben or anyone who may have worked on this Public Authorities Accountability Act Annual Report? It is extensive. It is very detailed, and it seems to me that it is more voluminous than it was last year, or at least the year before. I think it is excellent. I have gone through it, and I have to say, Reuben, that you guys did a fantastic job. At least that's my view. May I have a motion to approve the Resolution?

Mr. Chen: So moved.

Mr. Carney: Thank you Wellington, and a second?

Ms. Snyder: And I'll second, it's Beryl.

Mr. Carney: Thank you, Beryl. Is there any opposition to the motion? Hearing none, it passes unanimously, and thank you all very much for your attention to all this.

A RESOLUTION OF THE DORMITORY AUTHORITY OF THE STATE OF NEW YORK (DASNY) APPROVING THE PUBLIC AUTHORITIES ACCOUNTABILITY ACT ANNUAL REPORT FOR THE FISCAL YEAR ENDED MARCH 31, 2020

Mr. Carney: We have covered a lot of ground. I think we had eight or nine resolutions today. And that's probably a multiple of what we normally have. I think we are near the end of the meeting. There is an additional item, and it is the Quarterly Investment Report. Kim, are we going to do that in addition to the annual report?

Ms. Nadeau: Yes, thank you. We have provided our standard quarterly report that provides the Board Members with the change in the investment balances for the last quarter their current balances, as well as information regarding the maturities and the distribution holding the funds. I have no particular remarks to go through, I am happy to answer any questions for the Board Members.

Mr. Carney: Are there questions for Kim? We don't have to vote on this and I hope everybody went through it. And now, Mike Cusack will present the Project Sunlight training.

Mr. Cusack: Thank you. Project Sunlight is a publicly accessible online database to track information regarding outreach from certain individuals to governmental decision-makers. DASNY is required to train periodically DASNY's employees and Board Members who may interact with members of the public regarding the requirements of Project Sunlight. For the benefit of new or recent Members, the focus of this requirement are instances where a Board Member or employee is contacted in person or by videoconference by an outside entity for the purpose of influencing a decision regarding one of five covered categories.

These interactions are referred to in the materials as an "appearance", and essentially, these interactions must be entered into the Project Sunlight Database within five days of occurrence. In practice, most communications with DASNY will relate to the procurement of goods and services.

A number of items are excluded from Project Sunlight. Exclusions include written communications such as letters, faxes or e-mails, are not covered by Project Sunlight. Additionally, telephone conversations do not need to be reported. In practice, most communications with DASNY will relate to the procurement of goods and services. DASNY's Project Sunlight Administrator is Matt Moore, who we just heard from in the Procurement Division, and Members who have a reportable appearance should communicate that interaction to Lori Huelle, Executive Assistant. Emails addresses and other contact information are in the materials.

To complete the training cycle, the Members only need to review the materials provided and then send an email to Diane Felitte, Legal Assistant, (Dfelitte@DASNY.org). If you are an Agency Member or designee who has completed this training as part of your other State duties, you need only email Diane and advise that you completed Project Sunlight training at your home Agency, and your responsibility is complete. That concludes this report, if there are any questions please feel free to contact me at any time. Thank you.

Mr. Carney: Thank you. Are there questions for Mike about Project Sunlight? I will report that I might I have completed my project Sunlight training and have reported appropriately to Diane.

Mr. Cusack: Thank you very much.

Mr. Carney: Is there any other business to come before the Members? Any questions or comments, any the Members might want to make? Hearing none, may I have a motion please to adjourn.

Mr. Chen: So moved.

Mr. Carney: Thank you. Wellington. Is there a second?

Mr. Ronski: I'll second Al, it's Gerry.

I assume we have no opposition. The motion is approved and the meeting is adjourned.

The meeting was adjourned at 11:28 a.m.

Respectfully submitted,



Michael E. Cusack
Assistant Secretary