

**Dormitory Authority State of New York  
(DASNY)**

**Request for Proposal (RFP)**

**BROKER-DEALER SERVICES**

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## **Section 1 - General Information**

The Dormitory Authority of the State of New York (“DASNY”) is a public benefit corporation of the State of New York empowered by Titles 4 and 4-B of the Public Authorities Law (the “Act”), to provide design and project management services to, and to issue its bonds, notes and other obligations for a wide variety of public purposes. Under the Act, DASNY provides a multitude of services in various forms in connection with the design, construction and financing of capital facilities for State University of New York, including dormitories and educational facilities; City University of New York Senior Colleges; Community Colleges; Boards of Cooperative Educational Services; local school districts; cities and counties with respect to court facilities and combined occupancy structures, as defined by law; the Department of Education of the State of New York with respect to certain facilities under its jurisdiction; other State and local governmental entities; independent colleges and universities; facilities for the aged; certain not-for-profit hospitals and nursing homes, as well as a wide variety of other not-for-profit organizations specifically described in the Act.

DASNY is one of the largest issuers of tax-exempt debt in the nation and currently has several hundred series of tax-exempt and taxable bonds outstanding with a total par value of approximately \$50 billion. Between 2015 and 2017, DASNY sold approximately 85 bond issues totaling \$23 billion. DASNY is one of the largest public construction agencies in the United States. In 2017 and 2018, construction disbursements on projects managed by DASNY totaled approximately \$750 million annually.

DASNY manages an investment portfolio which typically ranges between \$3 billion and \$6 billion and is primarily comprised of U.S. Treasury and Agency obligations. DASNY’s Board has adopted written Investment Policy and Guidelines that outline the standards and procedures required in the investment of all monies by DASNY including funds held and invested by trustees on DASNY’s behalf. A copy of the current Investment Policy and Guidelines can be viewed on DASNY’s website at <http://www.dasny.org/sites/default/files/inline-files/DASNY%20Investment%20Guidelines%202-8-17%20FINAL.pdf>.

Investment transactions are conducted by DASNY investment personnel either directly with Broker-Dealers or indirectly by providing instructions to trustees. The purpose of this RFP is to create the pool (the “Pool”) from which Broker-Dealers will be selected to serve on DASNY’s panel (“Approved Panel”). This process is designed to solicit information from Broker-Dealers who are interested in being evaluated. If deemed qualified, Broker-Dealers will be added to the Pool from which DASNY investment personnel will directly solicit bids for each investment transaction. Only Broker-Dealers that are on the Approved Panel will be solicited to conduct investment transactions for trades that are performed by DASNY staff. We encourage firms of all sizes to participate.

DASNY directed trades are currently executed either electronically, using Bloomberg’s Fixed Income Trading (FIT) platform or over the phone by DASNY personnel calling on a minimum of 5 Broker-Dealers for pricing. Awarding and confirmation are done in the same manner in which the trade was initiated. Any trades done via phone require a voice confirmation or VCON ticket to be sent to DASNY via Bloomberg in order to facilitate reporting and automated posting to DASNY’s investment system. Trades are conducted periodically with the heavier volumes falling in the middle and at the end of the month. Additionally, when DASNY issues new bonds DASNY personnel will solicit offers from Broker-Dealers to invest those initial bond proceeds in accordance with a draw schedule provided by the client. Trades for new bond issuance activity are done via phone due to the nature and requirements of trades of this type. DASNY periodically reviews how all other trades are executed with the desire to conduct them in the most efficient manner, while continuing to meet internal goals and guidelines.

With respect to Section 15B of the Securities Exchange Act of 1934 (the “Act”) (SEC Rule 15Ba-1 et seq.) (the “Municipal Advisor Rule” or the “Rule”) and certain Broker-Dealer transactions DASNY may conduct with a selected Firm in connection with this RFP, please be advised that one or more accounts (the “Accounts”) that we may conduct trades for may contain proceeds of municipal securities, municipal escrow investments, or municipal derivatives.

DASNY has determined that any Firm participating in such transactions will not, unless otherwise agreed to in writing by the parties, be acting as a Municipal Advisor, as such term is defined in the Rule, or otherwise be providing municipal advisory services to DASNY with respect to the Accounts. Details regarding DASNY’s position as it relates to the Rule may be viewed on DASNY’s website at <http://www.dasny.org/sites/default/files/inline-files/Letter%20to%20Broker-Dealers%20Regarding%20Investment%20of%20Bond%20Proceeds%202018.pdf> .

It is a goal of DASNY to utilize qualified Broker-Dealers that can demonstrate a history of hiring, training, developing, promoting, and retaining minorities and women and to encourage participation by qualified NYS certified M/WBE Broker-Dealers.

## **Section 2 - Content of Proposal**

Please refer to the “Checklist” below for a complete list of documents that must be submitted as your firm’s response to this RFP. A proposal that does not provide all the information requested may be subject to rejection. In your response, provide the information in the same order in which it is requested. Your proposal must contain sufficient information to assure DASNY of its accuracy.

### **A. Proposal Requirements**

Interested firms must: (1) be in compliance with the SEC net capital rules and any other regulatory requirements; (2) have demonstrated experience with US and government agency securities; and (3) possess the capability to effectively and efficiently execute trades in a timely manner.

### **B. Checklist of Items to be Completed and Returned**

**Submit four (4) sets of the information listed below:**

- A cover letter that includes the following items:
  1. The firm’s name, address, telephone number, fax number, email address and web site address, if applicable.
  2. The name, title, telephone number, fax number and email address of the individual within the firm who will be DASNY’s primary contact concerning this proposal.
  3. The identities of the primary staff proposed to provide services relating to this RFP.
  4. A statement to the effect that the firm is willing to perform all services identified in the RFP, including all attachments.
- Broker-Dealer Questionnaire (Attachment 1)
- FINRA Broker Check Report for each sales representative that will be assigned to the account.

- FINRA Broker Check Summary Report for the firm.
- Certification (Attachment 2)
- Most recent audited financial reports and regulatory reports
- Three references from public sector or similar clients with established relationships with the sales representatives that will be assigned to the account
- A sample of trade tickets/trade confirmations, reports, etc.
- Diversity Questionnaire (Attachment 3)
- Code of Business Ethics – Certification (Attachment 4)

**Submit one (1) original copy of the forms listed below either loosely or in a separate folder with your above proposal:**

- NYS Vendor Responsibility Questionnaire For-Profit Business Entity (Non-Construction) (Attachment 5)
- Procurement Lobbying Law – Certification (Attachment 6)

**C. Submission of Proposals**

Proposals should be submitted to:

Stacie Bennett  
RFP Coordinator  
DASNY  
515 Broadway  
Albany, New York 12207-2964

**Section 3 – Evaluation of Proposals**

**A. Preliminary Review**

It is the current intention of DASNY to keep this RFP process open. DASNY's investment personnel will periodically review proposals and firms deemed qualified by review of their respective Proposal will added to the Pool. All firms will be notified upon completion of the selection process. **DO NOT CONTACT DASNY TO INQUIRE ABOUT THE STATUS OF THE RFP.** DASNY reserves the right to close this RFP process or modify it at any time as it deems necessary or convenient in its discretion.

The selection process will begin with the preliminary review and evaluation of each of the written proposals to determine if it complies with the requirements of this RFP. All proposals will be reviewed to determine if they are complete and contain all required submittals. Please submit all required documents and provide responses to all questions. Incomplete proposals may be grounds for rejection from this RFP process. Proposals that comply with requirements of the RFP (as defined herein) will then be subjected to an evaluation of the written proposal.

**B. Evaluation and Criteria for Selection**

Proposals will undergo an evaluation process conducted by DASNY investment personnel (“Evaluation Committee”). The Evaluation Committee will evaluate the proposals based on the criteria for selection set forth below. Proposers may be requested by DASNY to clarify the contents of their proposals. Other than to provide such information as may be requested by DASNY, no Proposer will be allowed to alter its proposal or add information after its submission. DASNY, at its sole discretion, but in accordance with the provisions of this RFP, will determine which proposals best satisfy its requirements. Periodically, a determination will be made as to how many firms will be appointed to the Pool and how many will be appointed to the Approved Panel. It is likely that not every firm on an Approved Panel will be solicited for every investment transaction based upon the characteristics or size of the transaction or by the fact that DASNY may decide, in its sole discretion, to select bids from firms on a rotational basis depending upon its approach to soliciting such bids.

Proposals will be evaluated on the following criteria:

1. General qualifications, experience, reputation, client base, trading profile and operational approach of the firm.
2. Creditworthiness and financial position of the firm.
3. General qualifications, experience, reputation and client base of the staff proposed to be assigned to the DASNY engagement.
4. Firm’s record of legal and regulatory compliance including the extent of legal claims against the firm, the number and severity of SEC and NASD sanctions against the firm and other factors.
5. Firm’s record of diversity and equal employment including (i) recognition of the firm’s equal employment opportunity and diversity policies, programs and initiatives; (ii) the diversity of the staff that will be substantially involved in work performed for DASNY; (iii) the firm’s status as a NYS certified MWBE; and (iv) any proposed partnering or joint venture arrangement.

**C. Interviews**

DASNY reserves the right to determine whether interviews with one or more of the proposing firms will be necessary. The purpose of the interview is to assist DASNY in better understanding the proposer’s ability to provide the required services. Key personnel who would be responsible for providing services should be present and participate in the interview. The purpose of the interview is to impart to the Evaluation Committee an understanding of how specific services will be furnished. The interview will be evaluated on the basis of whether it substantiates the characteristics and attributes identified by the proposer in its written response to this RFP and any other information requested by the Evaluation Committee prior to the interview.

## **Section 4 – Important Information Affecting Proposers**

### **A. Proposal Requirements**

1. All inquiries regarding this RFP should be addressed to the following individual:

Stacie Bennett – RFP Coordinator  
Email: [RFPadministrator@dasny.org](mailto:RFPadministrator@dasny.org)

All questions must be submitted in writing to the RFP Coordinator by email, citing the particular proposal section and paragraph number. Proposers should note that all clarifications and exceptions, including those related to the terms and conditions of the proposal are to be resolved prior to the submission of a proposal. Answers to all questions of a substantive nature will be posted as a link to this RFP on the internet.

2. A proposer may withdraw a proposal anytime by written notification, signed by an authorized agent, to the contact person identified in Section 4 above. The proposal may thereafter be resubmitted.
3. If a proposer discovers an ambiguity, conflict, discrepancy, omission or other error in this RFP, the proposer should immediately notify the contact person identified in Section 4 above. Notice of such error or omission should be submitted prior to the submission of proposals. Modifications shall be made by addenda to this RFP. Such clarifications will be posted on DASNY's website.
4. A proposer indicates its acceptance of the provisions and conditions enumerated in this RFP by submitting a proposal.

### **B. DASNY's Requirements**

1. By submitting a proposal, the proposer covenants that the proposer will not make any claims or have any right to damages because of any misinterpretation or misunderstanding of the specifications or because of lack of information.
2. DASNY shall not be obligated for any cost incurred by the proposer in proposal preparation or in activities related to the review of this RFP or any interview costs.
3. Other than the contact person identified in Section 4.A.1, or their designee(s), prospective proposers shall not approach DASNY employees during the period of this RFP process about any matters related to this RFP or any proposals submitted pursuant thereto.

### **C. DASNY's Rights and Prerogatives**

DASNY reserves the right to exercise the following prerogatives:

1. To accept or reject any or all proposals and amend, modify or withdraw this RFP.
2. To correct any arithmetic errors in the proposals.
3. To change the proposal due date and time upon appropriate notification to all prospective proposers.
4. To accept or reject any of the firm's employees assigned to provide services on this activity and to require their replacement at any time.
5. To waive or modify any irregularities in proposals received after prior notification to the proposer. This will in no way modify the RFP documents or excuse the proposer from full compliance with its requirements.
6. To consider modifications to proposals at any time before the award is made, if such action is in the best interest of DASNY.
7. To interview proposers prior to selection.

8. To reject any proposal containing false or misleading statements or that provides references that do not support an attribute or condition claimed by the proposer.
9. Public Announcements – Upon selection of the successful proposer, public announcements or news releases pertaining to the selection shall not be made without prior written consent of DASNY.

## **Section 5 – Term of Engagement**

### **A. Periodic Evaluation of Services**

DASNY will periodically review the quality and cost-effectiveness of the services provided. This review shall include consideration of the firm's adherence to the representations made regarding diversity practices as well as the actual percentage of work performed by women and minority professionals assigned to the engagement. DASNY may request such information from the firm as it deems necessary to complete such periodic review. At the sole discretion of DASNY, any firm that does not adhere to its representations or firms deemed to be non-responsive, non-competitive, or fail to meet DASNY's ongoing expectations relative to the selection criteria outlined in the RFP or other criteria that may be developed, may be removed from the Pool or the Approved Panel.

Broker-Dealers that are selected to the Pool may be required to resubmit a current questionnaire with supporting documentation at the time they are considered for being placed on the Approved Panel based upon the time that has elapsed or other circumstances.

Broker-Dealers that submit the information required by this RFP but are not selected to be put in the Pool will be prohibited from reapplying for consideration for a period of 2 years since the previous submission was received and evaluated unless there has been a substantive change in the information previously submitted that would warrant a review, i.e. change in ownership, financial position, and/or personnel assigned to DASNY.