

**Dormitory Authority of New York State**

**Banking Services**

**RFP 7589**

*Questions and Answers*

<b>Question #</b>	<b>Corresponding RFP Section</b>	<b>Question</b>	<b>Answer</b>
1	Section 2.4, Section 8.4, and List of Attachments	Page 7 of the RFP, 2.4 Qualifications makes reference to Attachment A., Sample Contract. We don't find the document on DASNY's procurement site. Can you please post it now, or should we ask with our Q&A?	Attachment A., Sample Contract is forthcoming and will be issued as an Addendum as noted in the RFP. The questions and answers period will be extended to allow Proposers to review and send questions or comments. <u>UPDATE</u> : The questions and answers period has been extended to 9/30/2022 by Addendum No. 1, issued 9/23/2022 to allow additional time for Proposers to review and send questions or comments. <u>UPDATE</u> : The Sample Agreement was issued by Addendum No. 2, issued 9/28/2022. In addition, the Addendum extended the due date for questions to 10/3/2022.
2	Section 2.4, Section 8.4, and List of Attachments	Does that Sample Contract include the current version of NYS Standard Clauses?	The sample contract will include those NYS Standard Clauses applicable to this procurement. <u>UPDATE</u> : The Sample Contract will include all NYS Standard Clauses. <u>UPDATE</u> : The Sample Agreement issued by Addendum No. 2 includes all NYS Standard Clauses.
3	Section 3.1.4, Attachment F Flow of Funds	How many accounts will be required? The RFP states 3 accounts, but the pricing sheet states 5 accounts.	Section 3.1.4 states that "The Authority is anticipating having at least three (3) DDA accounts for the day-to-day functions. Attachment F shows the accounts anticipated to be established, which include the minimum three (3) accounts plus other accounts which may be needed, but is yet to be determined.

4	Section 1.4, Section 3.1.4, and Attachment F Flow of Funds	Please describe the purpose of each account and provide an account structure, if possible.	Please see Section 1.4 and Attachment F.
5	Section 2.2.1, Section 3.1.4	Will a zero balance account (ZBA) structure be used? How many master accounts and how many ZBA sub accounts will be utilized?	All options will be considered. If proposing a ZBA account structure, please provide a detailed response on how you envision a ZBA account structure being effectively used for this relationship.
6	Section 1.4, Section 2.1, and Section 2.2.1	Sub accounts are listed in the schedule of fees. Please describe how you plan to use sub accounts and how many sub accounts do you expect to utilize.	All options will be considered. We have not determined that a sub-account structure will be needed, but if a sub-account structure is used, the program could have up to 150 Social Equity Licensees, at program maturity. Please provide a detailed response on how you envision a sub-account structure being effectively used for this relationship.
7	Section 3.1.4, Attachment F Flow of Funds	Will there be a centralized disbursement account, or will each account require the ability to disburse checks, ACH, and wires?	Section 3.1.4 of the RFP states that "The Authority is anticipating having at least three (3) DDA accounts for the day-to-day functions". Attachment F shows the accounts to be established, which include a centralized disbursement account. If it is determined that a centralized disbursement account is needed, it would be the only account from which checks would be cut. Internal transfers, ACH, and wire payment methods would be required for all accounts.

8	Section 1.4, Section 3.1.4, and Attachment F Flow of Funds	How many disbursement payments are anticipated per month?	This depends on the number of Social Equity Licensees in operation. The Authority will be collecting Lease payments monthly from the Social Equity Licensees and disbursing these payments to the Landlords. The Authority will also be collecting Loan payments monthly from the Social Equity Licensees and disbursing these payments quarterly to the "Fund". It is anticipated that up to 150 adult-use dispensaries will be put into service in connection with this program.
9	Section 3.1.4, and 3.1.4, B	How many of the accounts will be used for deposits only?	None. All accounts should have the ability to receive and disburse funds.
10	Section 3.1.4, D	For ACH, does DASNY have the ability to create a Nacha formatted file and submit to bank via transmission, or would DASNY prefer using the templates available within an online banking portal?	The Authority has the ability to create a National Automated Clearing House Association (NACHA) formatted file and submit to the bank via transmission. The Authority would prefer using this method for most disbursements but would like the ability to input single "one-off" ACH payments through the online banking portal, as needed.
11	Section 3.1.4, D	How many ACH Company IDs do you envision needing?	Three (3).
12	Section 3.1.4, D, Attachment F Flow of Funds, and Attachment H Schedule of Fees - Basic Banking	Do you have an estimate of how many ACH files/batches and ACH items you will send on a monthly basis?	Estimated to be up to three (3) files per month. However, this is dependent on whether the SESC CAURD Project account is utilized for the buildout of the facilities. It is anticipated that up to 150 adult-use dispensaries will be put into service in connection with this program.

13	Section 3.1.4, E	Does DASNY require a BAI file be sent via transmission to Clearwater Analytics? Which accounts will need to be included? What type of data will be needed?	Yes, a Bank Administration Institute (BAI) file, or another file type acceptable to Clearwater Analytics, will need to be sent via Secure File Transfer Protocol (SFTP) transmission to Clearwater Analytics. All accounts will need to be included, except the centralized Check Disbursement account, if needed. Clearwater requires files to be transferred daily to provide information on daily transactions, cash flows, and tax-lot holdings (a position-based file is acceptable only in the event a tax-lot level holding report is unavailable).
14	Attachment H Schedule of Fees - Basic Banking	As it relates to the schedule of fees (Attachment H), are you able to provide the AFP codes for each line item in the schedule of fees? This would help to ensure that we capturing the correct service for each line.	No, but if you do not see a corresponding service within the list of services in Attachment H, please complete the 'Additional Services' section at the bottom of the Schedule of Fees to indicate the service and associated cost.
15	Section 1 and Section 2	What are the criteria and requirements to become an private investor in the New York Social Equity Cannabis Investment Fund, LP?	Note that this RFP pertains to commercial banking services for funds derived from loan servicing, construction management, property management, and lease management services and is not intended to provide services relating the fund investments. However, investors will be required to be both "accredited investors" (as defined in Rule 501 of the Securities Act of 1933, as amended) and "qualified clients" (defined in Rule 205-3 of the Investment Advisers Act of 1940, as amended).
16	Section 1 and Section 2	Will Cannabis growers or operators be permitted to invest in the New York Social Equity Cannabis Investment Fund, LP?	There are certain statutory limitations on ability for growers to invest in Fund. See, e.g., Cannabis Law §§ 68(4), 80.

17	Section 2.2.1, Section 3.1.4, B	Would DASNY consider maintaining a separate account to receive payments from Retailers?	The Authority will consider each proposal and the underlying account structure presented in the proposal which provides the most efficient and cost effective operational flow.
18	N/A	Is DASNY intending to keep the majority of Social Equity Fund monies in a separate account or will that approximately \$50MM-\$200MM be immediately moved into the bank accounts for further investments to maximize returns.	As additional funds are raised, the \$200MM will be held by the Fund. Portions of these funds will be moved, as needed, to the Authority to cover expenses for the buildout of the facilities.
19	Section 2.4 and List of Attachments	Can you please provide the sample contract as mentioned in RPF page 7 Section 2.4	Attachment A., Sample Contract is forthcoming and will be issued as an Addendum as noted in the RFP. The questions and answers period has been extended to 9/30/2022 by Addendum No. 1, issued 9/23/2022 to allow additional time for Proposers to review and send questions or comments.
20	N/A	Will the New York State Standard Clauses (often referred to as Appendix A) be part of the contract?	The Sample Contract will include all NYS Standard Clauses. <u>UPDATE</u> : The Sample Agreement, issued by Addendum No. 2 includes all NYS Standard Clauses.
21	Section 1.5	Is it possible to extend the Final Response deadline by 5 business days?	The proposal due date has been extended to 10/17/2022 by Addendum No. 1, issued 9/23/2022. <u>UPDATE</u> : The questions and answers period has been extended to 10/3/2022 by Addendum No. 2, issued 9/28/2022.

22	Section 3.1.4, F and Attachment F Flow of Funds	The proposal states that anything in excess of \$250,000 will be collateralized or invested and doesn't provide the average balance that'll be in the accounts/relationship. We're trying to ascertain the fee portion and need this information.	Since this is a new program, we do not have historical deposit levels. However, it is estimated that amounts on deposit in any given month could range from \$2M to \$5M, which would require collateralization or to be invested. Should the Authority decide to establish an account for the construction management services, the amount on deposit could increase significantly to support the build out of 100-150 dispensaries.
23	Section 1.5 and Section 1.6	As per the RFP, the responses [to RFP questions are] supposed to be posted today (9/28/2022). Kindly advise.	The questions and answers period has been extended to 10/3/2022 by Addendum No. 2, issued 9/28/2022. Please continue to monitor the DASNY website for updates.
24	N/A	I also don't see any other institutions bidding on this, is this true?	The Authority does not know which institutions are planning to provide proposals in response to this opportunity nor would we be able to reveal at this time. When a determination of intent to award a Procurement Contract is made, the Authority shall submit for inclusion in the NYS Contract Reporter, and on the Authority's website, the names of firms that submitted proposals and the proposal selected.

25	Section 12	How much of the information that's being collected could become public under the Freedom of Information Act?	All information submitted in response to this RFP is subject to disclosure pursuant to NYS's Freedom of Information Law (FOIL), except records or portions thereof that fall within one or more grounds for denial as set forth in Section 87 (2) of the FOIL. Should you feel your Financial Institution's proposal contains trade secrets or other confidential, or proprietary language or is otherwise exempt from disclosure pursuant to FOIL, you must request in writing, to exclude such information from disclosure. However, the Authority will not honor any attempt, by a Proposer, to omit its entire proposal from disclosure.
26	Section 3.1.6	Please advise if you want to participate in the Financial Institution's Disaster Recovery plan or [are] requesting the Financial Institution to participate in yours? Need clarity.	The Authority is trying to ascertain whether the Financial Institution would be open to participating in the Authority's disaster recovery or business continuity testing or alternatively when the Financial Institution conducts disaster recovery testing if customers are able to participate in the test.