Executive Order No. 10 Task Force

INCREASING THE UTILIZATION OF MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISE (MWBE) IN STATE DEBT OFFERINGS

Final Report of the MWBE Task Force

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March 2010

Forward

We started with a mandate and a blank piece of paper. The mandate was embodied in Governor David A. Paterson's Executive Order No. 10 issued on June 26, 2008. It read simply: "*There is hereby established a Task Force to increase participation by M/WBE investment banking firms in the issuance of State debt sold on a negotiated basis…. The Task Force shall also consider ways to increase utilization of M/WBE businesses in the financial industry, such as bond counsel, and note such recommendations as it deems appropriate.*"

Less than two years later, the Executive Order No. 10 Task Force has completed the most comprehensive review and transformation of business practices surrounding the State's procurement of financial services in its history. The work completed by the Task Force was broad and sweeping in character. Each discernable business sector was examined including underwriters, bond counsel, financial and swap advisors, money market funds, accountants, general insurers, title insurers, banks and risk management providers. In turn, the experience of each sector in doing business with the State, through the public authority members of the Task Force, was carefully reviewed. Additional research included in-depth discussions with private sector firms in each sector, both formal and informal, while we also researched and reviewed "best practices" found in other jurisdictions. Concurrently, we carefully examined each element of the procurement process, with a keen eye to identify and eliminate arbitrary barriers to entry as well as unintended impediments to the development of minority and women owned firms (MWBEs) in New York.

Our goal was two-fold: To level the playing field for MWBE firms in financial services in New York *and* to increase the actual utilization of MWBEs in State-supported debt issuance and related work. In order to reach our goal, we focused on three distinct areas: the Request for Proposal (RFP) process; the methodology utilized to evaluate responses to RFPs and evaluation criteria; and finally, developing performance metrics for all firms in the major sectors engaged in debt issuance. Overall, the Task Force issued three separate reports (in addition to a mandatory preliminary report in April 2009), each detailing industry specific recommendations and "best practices" which were implemented on a rolling basis over the life of the Task Force by its authority membership.

This final report of the Task Force clearly demonstrates that our recommendations have had a profound impact. Utilization of MWBE firms increased dramatically. As a result of the new RFPs issued by the Authorities over the course of the last year, there are significantly more MWBE firms on the Authorities' underwriter panels. Moreover, there are significantly more MWBE firms among the ranks of Senior Managers on the Authorities' underwriter panels as a result of the work of the Task Force. In addition, the Task Force examined syndicate formation and designation policies. MWBE underwriters received only 4% of designations or fees from institutional investors in 2007. This figure increased to over 23% in 2008 and to over 28% in 2009.

But, statistics do not nearly tell the whole story. As a direct result of leveling the competitive opportunity for all firms in New York, MWBE firms increased their presence in this state and directed more resources to New York. This has resulted in stronger firms with enhanced capacity to provide State issuers with a broader array of talent, ideas and creativity than ever before. We firmly believe that the work of the Task

Force, combined with other initiatives aimed at supporting the growth and development of MWBE companies in New York, will be instrumental in changing the ranking of New York from one of the lowest performing states, when it comes to MWBE utilization, to a national leader. In a state with huge numbers of minorities and women in the marketplace, a strong and growing MWBE community – across all business sectors – will be critical to insuring the economic strength of New York in the years ahead. That is why we have suggested legislative approaches to safeguard the momentum, created by the Task Force, from disruption in later years. We hope that the Legislature will work cooperatively with the Executive branch to enact our proposals in a timely fashion. That is also why we have identified a number of areas revealed during our work, not specifically related to financial services, that we believe call out for action at this time.

In closing, I wish to sincerely thank all of the members of the Task Force and their diligent staffs. Our work could not have been completed without their support, hard work and commitment. I also wish to express heartfelt thanks to my colleagues at the Dormitory Authority who took the laboring oar on this most challenging assignment, particularly Portia Lee, Managing Director of Public Finance and Portfolio Monitoring at DASNY, whose collaborative spirit and follow through benefitted the process immensely. Finally, it is with a profound sense of gratitude that I convey this final report of the Executive Order No. 10 Task Force to Governor David A. Paterson. Without his vision and strong leadership on the issues addressed in this report, I daresay none of this would have come to pass.

March 15, 2010

Paul T. Williams, Jr.
Chair, Executive Order No. 10 Task Force
Executive Director, Dormitory Authority of the State of New York

Acknowledgements

The work of the Task Force would not have been possible without the efforts of all of the current and former Task Force Members and their staffs as well as other participants. The data contained in the report reflects the work of each of the Authorities. We extend our sincerest thanks to them for all of their work.

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Introduction

"For many years, there has been an old boys' network when it came to selling a variety of bonds. The team you put in business must be reflective of the community you are serving. The MWBE program and the work of Governor Paterson's Executive Order No. 10 Task Force have definitely leveled the playing field. It has encouraged my firm to partner with MWBE firms to our mutual benefit. Diversity is good business. More and more majority owned firms are beginning to understand that."

Roger Blissett, Managing Director US Strategy, RBC Capital Markets

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On June 26, 2008 Governor Paterson signed Executive Order No. 10 which established a Task Force to increase the utilization of Minority and Women-Owned Business Enterprise ("MWBE") professional firms in State debt offerings ("Task Force"). The Task Force was comprised of the executive directors or presidents of the Dormitory Authority, the Empire State Development Corporation, the Environmental Facilities Corporation, the New York State Housing Finance Agency, the New York State Thruway Authority, and three members appointed by the Governor. The Governor's current appointees are: Charlotte Hitchcock, Chief of Staff to the Governor and Dr. Celia Gonzalez, Deputy Comptroller for Diversity, Office of the State Comptroller. (The third appointed seat is currently vacant.) The initial charge of the Task Force under Executive Order No. 10 was to develop recommendations concerning underwriters. The Task Force focused on the process used for new solicitations for underwriting services, syndicate formation and designation policies as well as underwriting performance measures to evaluate all investment banks. The Task Force issued its *Underwriter Recommendations* on October 30, 2008.

The Task Force next turned its attention to determining ways to increase the utilization of MWBE law firms that serve as legal counsel to the issuers of State-supported debt and other public authorities, a majority of whose members are appointed by the Governor (collectively referred to as "State Public Authorities"). Accordingly, the Task Force was charged with developing a set of Recommendations for Best Practices ("Best Practices") to be utilized in the Request for Proposals ("RFP") process in an attempt to remove any barriers to participation by qualified MWBE law firms and to utilize other law firms that have sound diversity practices and programs and that provide meaningful opportunities for the advancement of minority and women attorneys. The Task Force issued its *Recommendations Regarding Best Practices in Procurements for Legal Services* on May 11, 2009.

The Task Force's next area of attention was financial services firms. The specific financial services examined were: accounting, financial advisor, swap advisor, broker-dealers, banks and money market funds, risk management, title insurance and insurance brokerage services.

Accordingly, the Task Force developed a set of Recommendations for Best Practices ("Best Practices") to be utilized in the Request for Proposals ("RFP") process, or other qualification process (i.e., provisions included in State Public Authority Investment Guidelines), in an attempt to remove any barriers to participation by qualified MWBE firms and to utilize other firms that have sound diversity practices and programs and that provide meaningful opportunities for the advancement of minority and women financial service professionals. The Task Force issued its *Recommendations Regarding Best Practices in Financial Services* on November 23, 2009.

The members of the Task Force are committed to ensuring that the Best Practices and their resounding success to date will continue beyond the presentation of this report. On July 21, 2009 the Task Force convened a meeting to discuss the history of the statutory framework in New York in regard to MWBEs and perceived limitations in existing legislation. Staff also presented statutory and administrative ideas to increase MWBE participation that included amendments and expansions of existing models in the State. Regulatory models were also presented based on their successful applications by public and private entities in other jurisdictions. The Task Force has since drafted legislation that seeks to hold both public authorities and potential vendors accountable for diversity and MWBE participation.

The work of the Task Force has been unprecedented and has covered areas of service traditionally excluded from Article 15-A of the Executive Law[1]. Each of these areas has been adversely affected by what many have deemed one of the worst economic downturns since the Great Depression. Additionally, for over a decade, MWBE firms involved in financial and legal services struggled to carve out any market share in New York State debt issuance. During that time, the State enjoyed one of the lowest rankings for MWBE utilization in the nation. However, since the onset of the Task Force initiative, many MWBE firms are showing strong signs of growth in this challenging environment. It has been the goal of the Task Force to recommend policies that support these firms by leveling the playing field to allow for fair and robust competition. Enhanced competition benefits the State by providing opportunities for better execution, better pricing and more creative solutions to difficult questions that arise in debt issuance. Firms with a diverse workforce are more likely to have the best talent and spark innovation.[2] So, the growth of MWBE firms and support for firms in general which demonstrate commitment to women and minority professionals will serve to strengthen New York's competitive balance in the global economy.

Executive Order No. 10 required that the Task Force submit a Preliminary Report to the Governor evaluating the performance of the State-Supported Debt Issuers in the utilization of MWBE underwriting firms as well as a Final Report to the Governor detailing each State Supported Debt Issuer's performance practices. The Preliminary Report to the Governor,

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[1] In November 2009 *Chapter 506 of the Laws of 2009* amended Article 15-A of the New York State Executive law to include financial and professional services.

[2] See *The Business Case for Diversity*, Chicago Lawyer, July 2006, and *Embracing Diversity: Your Business Depends on It*, Texas Bar Journal, November 2005.

submitted on April 28, 2009, reported that designations to MWBE underwriting firms had increased from four percent in 2007 to over 23 percent in 2008. This Final Report shows that further progress continues to be made. Designations to MWBE underwriting firms increased from over 23% in 2008 to over 28% in 2009.

Set forth in this Final Report are the results of the work of the Task Force and the State-supported debt issuers since the inception of the Task Force. This report includes a discussion of the process and outreach undertaken to develop all of the aforementioned "Best Practices" as well as specific data for each of the individual State-supported debt issuers in the following areas: underwriting, legal services, accounting, financial advisor, swap advisor, broker-dealers, banks, money market funds and risk management/insurance brokerage services and title insurance.

We have also included in the Appendices all of the relevant documentation generated by the Task Force. We have done so to provide others with a clear understanding of the manner in which we have developed our work product and also as a tool for those who may wish to undertake a similar initiative.

Underwriters

"When we began to look at doing deals in the municipal bond market in New York, we found anything but a welcoming environment. Preference at the time was given to companies who had already done business here, and the RFP process seemed to be based on that premise. The formation of the MWBE Task Force in 2008 started a process that made doors swing open for firms like ours. Rice Financial Products has increased its workforce twofold over the past two years. At least half that increase can be directly attributed to work we procured as an MWBE firm. We look forward to future progress as the recommendations of the Task Force are implemented."

J. Donald Rice, President and CEO, Rice Financial Products

Executive Order No. 10 charged the Task Force with identifying strategies to increase the participation of MWBE underwriters in the issuance of State-supported debt. More specifically, Executive Order No. 10 highlighted a number of areas for consideration including: barriers to entry, procurement guidelines, RFPs, partnering opportunities, the use of designation policies to encourage MWBE participation, and underwriter performance measures.

In an effort to solicit ideas from a broad range of firms, the Task Force held a public hearing on September 18, 2008. Over 20 firms testified contributing to a rich and robust public dialogue on the challenges and opportunities associated with all of the underwriter issues highlighted in Executive Order 10. The Task Force then convened four formal meetings where the Members discussed the testimony and considered ideas for increasing MWBE participation. In addition, the Task Force conducted outreach to other jurisdictions to ensure that the best ideas from around the country were considered as well. Throughout this process the Task Force worked collaboratively through staff; ultimately developing a comprehensive set of 30 recommendations which met the objectives of Executive Order No. 10. The *Underwriter Recommendations* were adopted by the Task Force on October 30, 2008. The recommendations focused on Request for Proposals (RFP); performance measures; goals, syndicate formation and designation policies; and other issues.

It should be noted that since the establishment of the Task Force, the State has moved to consolidate the issuance of State-supported debt. In an effort to promote efficiency, most State-supported debt issuance is now occurring through the Dormitory Authority, the Empire State Development Corporation and the Thruway Authority. Also, since the submission of the Preliminary Task Force Report in April of 2009, the Task Force has incorporated the New York Local Government Assistance Corporation (LGAC), an issuer of State-supported debt, into its reporting. LGAC's focus is the ongoing management of its debt portfolio including refunding and restructuring transactions rather than new issuance, since it has achieved its goal of eliminating the State's annual spring borrowing. LGAC's statute presumes that its bond issuance will occur through competitive sale unless the Corporation determines that its interests are served

otherwise. Notwithstanding this, LGAC has been an active participant in the Task Force deliberations.

Set forth below are the performance practices and results to date of the Task Force and the State-supported debt issuers in the areas of underwriter RFPs which includes a discussion of barriers to entry; performance measures which includes a discussion of the templates developed by the Task Force to capture pricing execution, underwriter support and investor interest; and goals, syndicate formation and designation policies which includes a discussion of various partnering strategies undertaken by the Authorities.

Request for Proposals (RFP)

The most significant recommendations regarding RFPs centered around requiring shorter RFP cycles to ensure reasonable access, staggering RFP issuance by the State-supported debt issuers to provide ongoing opportunities to firms, developing a uniform RFP template to standardize the underwriter procurements of State-supported debt issuers and revising assessment criteria to eliminate barriers to entry.

Recommendations regarding the RFP process are critical because the RFP process is the fundamental framework for issuers to identify qualified banking firms and for banking firms to seek underwriting opportunities. This competitive process must be open, fair and performance based. In an effort to ensure that those goals are met, the Task Force reviewed existing Authority RFPs, identified specific ways to improve those RFPs, and then drafted a new uniform RFP template, the Common RFP, which ensured a level playing field by eliminating unintended barriers to entry.

For example, the new Common RFP asked for experience with similar credits throughout the country, rather than asking for experience with the Issuer or other New York State issuers. The new RFP asked for the experience of the staff including experience at other firms, rather than just the experience of the firm recognizing the significant changes were occurring at many firms given the dislocation in the capital markets and the contraction in the financial services industry. The new RFP also asked about sales and distribution of similar credits, rather than asking about sales and distribution of Authority bonds.

These types of changes eliminated significant barriers to entry for firms that had not senior managed a State-supported debt transaction. As a result, the Authorities significantly increased the number of MWBE firms serving on their underwriter panels as Senior Managers and Co-Managers. In the case of the Environmental Facilities Corporation (EFC), their new panel selected after using the Common RFP represents the first time in its history that EFC has qualified MWBE firms to serve as Senior Managers. Indeed, all of the Authorities selected panels which included many more MWBE firms; and most of the Authorities qualified more MWBE firms to serve as Senior Managers.

As recommended by the Task Force, the Authorities staggered the issuance of their RFPs in an effort to provide ongoing opportunities to firms. The Environmental Facilities Corporation and the Dormitory Authority issued their RFPs in December of 2008 and selected firms in early Spring of 2009. The Housing Finance Agency issued their RFP in January of 2009 and selected

firms in the Spring of 2009. The Empire State Development Corporation released their RFP in June of 2009 and concluded their process at the end of the Summer of 2009. The Thruway Authority released their RFP in July of 2009 and completed their selection process in late Fall of 2009. Lastly, the New York Local Government Assistance Corporation released its RFP in November of 2009 and anticipates completing its selection process in the Spring of 2010.

Set forth below are the overall summary results of each Authority's RFP process.

Environmental Facilities Corporation (EFC):

RFP issued: December 16, 2008
Firms selected: March 12, 2009

2009 EFC Senior Managers:	8 firms including 3 MWBE firms.
2009 EFC Co-Managers:	10 firms including 4 MWBE firms.
2009 EFC Selling Group Members:	10 firms including 2 MWBE firms.
Previous EFC Senior Managers:	4 firms
Previous EFC Special Co-Senior Managers:	2 firms
Previous EFC Co-Managers:	7 Firms including 2 MWBE firms
Previous EFC Selling Group Members:	N/A

Dormitory Authority (DASNY):

RFP issued: December 23, 2008
Firms selected: March 25, 2009

2009 DASNY Senior Managers:	13 firms including 4 MWBE firms.
2009 DASNY Co-Managers:	22 firms including 6 MWBE firms.
2009 DASNY Selling Group Members:	30 firms including 11 MWBE firms.
Previous DASNY Senior Managers:	10 firms including 2 MWBE firms.
Previous DASNY Co-Managers:	18 firms including 4 MWBE firms.
Previous DASNY Selling Group Members:	26 firms including 8 MWBE firms.

Housing Finance Agency (HFA):

RFP issued: January 9, 2009
Firms selected: April 2, 2009

2009 HFA Senior Managers:	12 firms including 2 MWBE firms.
2009 HFA Co-Managers:	10 firms including 3 MWBE firms.
2009 HFA Selling Group Members:	15 firms including 5 MWBE firms.
Previous HFA Senior Managers:	11 firms including 2 MWBE firms.
Previous HFA Co-Managers:	14 firms including 1 MWBE firm.
Previous HFA Selling Group Members:	N/A

Empire State Development Corporation (ESDC):

RFP issued: June 1, 2009
Firms selected: August 19, 2009

2009 ESDC Senior Managers:	11 firms including 4 MWBE firms.
2009 ESDC Co-Managers:	17 firms including 4 MWBE firms.
2009 ESDC Selling Group Members:	25 firms including 9 MWBE firms.
Previous ESDC Senior Managers:	6 firms.
Previous ESDC Co-Managers:	11 firms including 4 MWBE firms.
Previous ESDC Selling Group Members:	18 firms including 5 MWBE firms.

Thruway Authority (TA):

RFP issued: July 24, 2009
Firms selected: November 18, 2009

2009 TA Senior Managers:	11 firms.
2009 TA Co-Managers:	13 firms including 5 MWBE firms[1].
2009 TA Selling Group Members:	36 firms including 12 MWBE firms.
Previous TA Senior Managers:	6 firms.
Previous TA Co-Senior Managers:	4 firms.
Previous TA Co-Managers:	8 firms including 3 MWBE firms.
Previous TA Selling Group Members:	39 firms including 11 MWBE firms.

New York Local Government Assistance Corporation (LGAC)
RFP issued: November 20, 2009
Anticipated Selection Date: Spring 2010

2010 LGAC Senior Managers:	Pending
2010 LGAC Co-Managers:	Pending
2010 LGAC Selling Group Members:	Pending
Previous LGAC Senior Managers:	3 firms.
Previous LGAC Co Managers:	15 firms including 5 MWBE firms.
Previous LGAC Selling Group Members:	NA

It should be noted that, pursuant to the *Underwriter Recommendations* and the Common RFP, Selling Group Members may be added over time. This provides access to qualified firms based upon adequate SEC/FINRA registration information recognizing that Selling Group Members are not assigned liability, unlike Senior Managers and Co-Managers.

[1] 5 MWBE firms are eligible for service as a Co-Coordinating Manager

Performance Measures

In addition to the Common RFP, the Task Force developed templates to provide issuers with a uniform tool to assess the service provided by underwriting firms (see appendix). These templates capture pricing execution, underwriter support and investor interest and have enabled the systematic collection of data by the Authorities. While all of the Authorities have traditionally received price views, pricing wires and repricing wires as well as information regarding orders and allotments by maturities and by firm, the templates developed by the Task Force assist in the systematic collection of this information. More importantly, these templates and the uniform presentation of data contained in them have enabled each Authority to more critically examine the performance and price execution of the Senior Manager leading each deal as well as the sales and distribution capacity of each of the members of the syndicate and the level of underwriting support by the Senior Manager and Co-Managers.

The Task Force *Underwriter Recommendations* require a mid-cycle review of the performance of firms on the underwriter panel. This uniform data provided in the templates is one tool which will assist each Authority as they embark upon this mid-cycle review. Given the two-year duration of the underwriter panels, the mid-cycle review will occur after one year of service. The Task Force recommended that firms could be moved to higher or lower tiers on the panel based upon their performance. As such, this mid-cycle review aligns the interests of the issuers and the firms.

Goals, Syndicate Formation and Designation Policies

Each of the State-supported debt issuers established an aspirational goal of 20% MWBE participation in State-supported debt transactions. The inclusion of more MWBE firms in the underwriter panels of the each of the Authorities is the fundamental building block for reaching this aspirational goal. The use of various syndicate structures and designation policies provide the Authorities with a wide array of avenues to achieve this aspirational goal. Indeed, each of the State-supported debt issuers has employed different strategies, each achieving a good measure of success.

Syndicate structures vary depending on the size of the transaction. In large transactions, generally there is a lead senior manager who manages the transaction, runs the order book, sells the bonds and takes on liability in the event that bonds are not sold to investors; co-leads, co-seniors and co-managers who distribute the bonds and take on liability; and selling group members who distribute bonds without taking on liability for unsold bonds.

Designation policies establish the compensation that underwriters receive through the "takedown" or sales commission that the underwriter receives for selling bonds and other value added. Institutional investors "designate" or give sales credit to various firms who provide service to them in accordance with designation policies established by the issuers.

The State-supported debt issuers have used a variety of syndicate structures and designation policies in an effort to achieve their aspirational goals.

- Housing Finance Agency (HFA) – After completing its underwriter RFP process, HFA undertook a $200 million Personal Income Tax Revenue Bond transaction and used Ramirez & Co., an MWBE firm, as senior manager. As Senior Manager, the MWBE firm structured the transaction and ran the books.

- Dormitory Authority (DASNY) – After completing its underwriter RFP process, DASNY went to market with several large State-support debt transactions. Most of these transactions were over $500 million and DASNY structured many of these syndicates with two co-lead managers including one MWBE firm. For example, DASNY used M.R. Beal & Co. and Morgan Stanley as co-lead managers on its $404 million Personal Income Tax Revenue Bonds (Tax Exempt) and $101 million Personal Income Tax Revenue Bonds (Taxable). M.R. Beal & Co. ran the books. Both firms participated in meetings and/or Working Group calls used to determine bond structure, conduct due diligence, and provide price views. The two firms shared compensation and liability equally.

- Empire State Development Corporation (ESDC) – After completing its underwriter RFP process, ESDC undertook one Personal Income Tax Revenue Bond transaction. The par amount of this transaction was approximately $1.5 billion. ESDC structured its syndicate with five senior managers including two MWBE firms – Goldman Sachs, Barclays Capital, J.P. Morgan, Ramirez and Co, and Rice Financial Products. Goldman Sachs ran the books. All of the firms participated in meetings and/or Working Group calls used to determine bond structure, conduct due diligence, and provide price views. The five senior managers shared compensation and liability equally.

- Environmental Facilities Corporation (EFC) – EFC embarked upon its one State-supported debt transaction before it completed its underwriter RFP process. In this $279 million Personal Income Tax Revenue Bond transaction, EFC used Citi as Senior Manager and Ramirez and Co., an MWBE firm as a Co-Senior Manager, but aggregated their designations to be shared equally. Liability was also shared equally. Citi ran the books. Both firms participated in meetings and/or Working Group calls used to determine bond structure, conduct due diligence, and provide price views.

- Thruway Authority (TA) – The Thruway Authority undertook transactions both before and after its underwriter RFP process. These transactions ranged in size from approximately $240 million to $530 million. In each of these deals, the Thruway Authority used a Senior Manager together with a MWBE Co-Coordinating Manager. In this model, the Senior Manager and the Co-Coordinating Senior Manager were assigned various responsibilities. For example, the Thruway Authority used RBC Capital Markets as Senior Manager to run the books and Loop Capital Markets as the Co-Coordinating Senior Manager on its $431 million Personal Income Tax Revenue Bonds. The Co-Coordinating Senior Manager was responsible for solicitation of verification agents, assisting in structuring and pricing the bonds and participating in meetings and/or Working Group call. The Senior Manager received 50% of any designation and the Co-Coordinating Senior Manager received 20% of any designation. They were also assigned 30% and 10% of the liability, respectively.

- Local Government Assistance Corporation (LGAC) -- LGAC's enabling statute presumes that a competitive sale will be conducted unless the Corporation makes a determination that the interests of the Corporation will be otherwise served. As a result, LGAC has primarily relied on the competitive sale process for the issuance of its debt. In the Corporation's Notice of Sale, the Corporation advises bidders of its policy that appropriate consideration be given to firms which are minority and women business enterprises and further requests and strongly urges bidders to include such firms in their management group or syndicate and to allocate bonds accordingly. Sealed bids are accepted and the bidder submitting the lowest true interest cost is awarded the bonds.

It should be noted that many of the Authorities had begun to consider MWBE utilization prior to the formal establishment of the Task Force through discussions with the Executive and Legislative branches. As demonstrated by the data regarding the RFP results in this report, the establishment of the Task Force has clearly focused and directed the efforts of the Authorities, resulting in significant achievements in this important policy area. The inclusion of so many MWBE firms in the ranks of Senior Managers for State-supported debt issuers will have long lasting and indelible effects as these firms carry that experience and those credentials into the dynamics of the industry throughout the country.

The following pages of this report detail the combined efforts of the five State-supported debt issuers (the Dormitory Authority, the Environmental Facilities Corporation, the Empire State Development Corporation, the Housing Finance Agency and the Thruway Authority) as well as the performance of each of the individual State-supported debt issuers in the utilization of MWBE firms in State debt offerings. It also includes a summary of the Local Government Assistance Corporation's competitive sales and conversions/refundings using existing remarketing agents or broker dealers over the same time period.

This report completes the data presented in the Preliminary Report to the Governor last year and outlines MWBE utilization for calendar years 2007, 2008 and 2009. The Preliminary Report showed dramatic progress in the amount of designations received by MWBE firms as a result of the work of the Task Force. MWBE designations represented 4% of total designations in 2007 and grew to over 23% in 2008. This Final Report demonstrates continued growth with designations reaching over 28% in 2009.

Appendix V contains further information on the bond issues undertaken by each of the Authorities. As noted previously, specific information with respect to the bond issues of LGAC is included in Appendix V as well.

MWBE Participation by Role for State-Supported Debt

January 1, 2007 to December 31, 2009

State Authorities Combined:

The State Supported Debt Issuers demonstrated significant progress in their use of MWBE firms from January 1, 2007 to December 31, 2009.

State Authorities Combined
MWBE Participation for Calendar Year 2009, 2008 and 2007[1]
State Supported Debt

		State Supported Debt							
		Total							
	% of Issues w/MWBE Firms	# of Issues	# of Variable Rate Issues	# of Fixed Rate Issues	# of Issues w/MWBE Firms	Total # of times MWBE Firms Participated	Total $ Designations	MWBE $ Designations	*Total MWBE $ Designations as % of Total Designations*
2009	84.21%	19	3	16	16	164	$ 32,360,244.68	$ 9,371,605.81	28.96%
2008	86.96%	23	4	19	20	148	$ 21,885,100.70	$ 5,238,521.83	23.94%
2007	80.00%	15	0	15	12	62	$ 11,798,881.64	$ 507,029.92	4.30%

		State Supported Debt							
		Lead							
	% of Issues w/MWBE Firms	# of Issues	# of Variable Rate Issues	# of Fixed Rate Issues	# of Issues w/MWBE Firms	Total # of times MWBE Firms Participated	Total $ Designations	MWBE $ Designations	*Total MWBE $ Designations as % of Total Designations*
2009	68.42%	19	3	16	13	16	$ 19,735,040.32	$ 6,754,546.26	34.23%
2008	43.48%	23	4	19	10	13	$ 12,294,363.29	$ 3,219,641.12	26.19%
2007	6.67%	15	0	15	1	1	$ 5,864,778.19	$ 187,266.00	3.19%

		State Supported Debt							
		Co-Senior							
	% of Issues w/MWBE Firms	# of Issues	# of Variable Rate Issues	# of Fixed Rate Issues	# of Issues w/MWBE Firms	Total # of times MWBE Firms Participated	Total $ Designations	MWBE $ Designations	*Total MWBE $ Designations as % of Total Designations*
2009	63.64%	11	0	11	7	12	$ 3,731,945.45	$ 1,027,616.42	27.54%
2008	43.75%	16	1	15	7	9	$ 3,817,652.17	$ 1,316,758.98	34.49%
2007	15.38%	13	0	13	2	2	$ 2,009,332.64	$ 29,573.00	1.47%

		State Supported Debt							
		Co-Manager							
	% of Issues w/MWBE Firms	# of Issues	# of Variable Rate Issues	# of Fixed Rate Issues	# of Issues w/MWBE Firms	Total # of times MWBE Firms Participated	Total $ Designations	MWBE $ Designations	*Total MWBE $ Designations as % of Total Designations*
2009	86.67%	15	0	15	13	29	$ 7,353,935.75	$ 1,280,199.95	17.41%
2008	78.95%	19	1	18	15	28	$ 3,909,679.41	$ 348,730.21	8.92%
2007	71.43%	14	0	14	10	19	$ 2,577,776.69	$ 182,010.81	7.06%

		State Supported Debt							
		Selling Group							
	% of Issues w/MWBE Firms	# of Issues	# of Variable Rate Issues	# of Fixed Rate Issues	# of Issues w/MWBE Firms	Total # of times MWBE Firms Participated	Total $ Designations	MWBE $ Designations	*Total MWBE $ Designations as % of Total Designations*
2009	100.00%	14	0	14	14	107	$ 1,539,323.16	$ 309,243.18	20.09%
2008	93.33%	15	1	14	14	98	$ 1,863,405.83	$ 353,391.51	18.96%
2007	90.91%	11	0	11	10	40	$ 1,346,994.13	$ 108,181.10	8.03%

[1] Thruway Authority numbers, which are a component of the State Authorities combined numbers, include retail orders.

- Total participation through all tiers of the syndicate:
  - In 2009: MWBE firms participated in 16 out of 19 financings and received 28.96% of the designations.
  - In 2008: MWBE firms participated in 20 out of 23 financings and received 23.4% of the designations.
  - In 2007: MWBE firms participated in 12 out of the 15 financings and received 4.3% of the designations.
- Total participation as Lead Manager including Co-Lead Manager and Co-Coordinating Lead Senior Manager:
  - In 2009: MWBE firms participated in 13 out of 19 transactions and received 34.2% of the designations associated with Lead Bookrunners, Co-Lead Managers and Co-Coordinating Lead Senior Managers.
  - In 2008: MWBE firms participated in 10 out of 23 financings and received 26.2% of the designations associated with the Lead Bookrunners, Co-Lead Managers and Co-Coordinating Lead Senior Managers.
  - In 2007: MWBE firms participated in 1 out of 15 financings as Co-Lead Manager and received 3.2% of the designations associated with the Lead Managers.
- Total participation as Co-Senior Manager:
  - In 2009: MWBE firms participated in 7 out of the 11 financings which were structured with Co-Senior Managers. MWBE firms received 27.5% of the designations associated with Co-Senior Managers.
  - In 2008: MWBE firms participated in 7 out of the 17 financings which were structured with Co-Senior Managers. MWBE firms received 34.5% of the designations associated with the Co-Senior Managers.
  - In 2007: MWBE firms participated in 2 out of the 14 financings which were structured with Co-Senior Managers. MWBE firms received 1.5% of the designations associated with the Co-Senior Managers.
- Total participation as Co-Manager:
  - In 2009: MWBE firms participated in 13 out of the 15 financings which were structured with Co-Managers. MWBE firms received 17.4% of the designations associated with Co-Managers.
  - In 2008: MWBE firms participated in 15 out of the 19 financings which were structured with Co-Managers. MWBE firms received 8.9% of the designations.
  - In 2007: MWBE firms participated in 11 out of the 15 financings which were structured with Co-Managers. MWBE firms received 7.1% of the designations associated with the Co-Managers.
- Total participation as Selling Group Members:
  - In 2009: MWBE firms participated in all 14 of the financings which utilized Selling Group Members. MWBE firms received 20% of the designations associated with Selling Group Members.
  - In 2008: MWBE firms participated in 14 out of the 15 financings which were structured with Selling Group Members. MWBE firms received 19.0% of the designations associated with Selling Group Members.
  - In 2007: MWBE firms participated in 10 out of the 11 financings which were structured with Selling Group Members. MWBE firms received 8.0% of the designations associated with the Selling Group Members.

Dormitory Authority:

Dormitory Authority of the State of New York
MWBE Participation for Calendar Year 2009, 2008 and 2007
State Supported Debt

		State Supported Debt							
		Total							
	% of Issues w/MWBE Firms	# of Issues	# of Variable Rate Issues	# of Fixed Rate Issues	# of Issues w/MWBE Firms	Total # of times MWBE Firms Participated	Total $ Designations	MWBE $ Designations	*Total MWBE $ Designations as % of Total Designations*
2009	70.00%	10	2	8	7	79	$ 15,538,534.62	$ 4,836,271.02	31.12%
2008	83.33%	12	2	10	10	53	$ 9,124,454.23	$ 2,782,441.85	30.49%
2007	80.00%	5	0	5	4	13	$ 3,042,069.95	$ 90,330.65	2.97%

		State Supported Debt							
		Lead							
	% of Issues w/MWBE Firms	# of Issues	# of Variable Rate Issues	# of Fixed Rate Issues	# of Issues w/MWBE Firms	Total # of times MWBE Firms Participated	Total $ Designations	MWBE $ Designations	*Total MWBE $ Designations as % of Total Designations*
2009	40.00%	10	2	8	4	6	$ 7,972,737.42	$ 2,884,766.24	36.18%
2008	25.00%	12	2	10	3	6	$ 4,407,964.57	$ 1,225,732.50	27.81%
2007	0.00%	5	0	5	0	0	$ 1,875,301.85	$ -	0.00%

		State Supported Debt							
		Co-Senior							
	% of Issues w/MWBE Firms	# of Issues	# of Variable Rate Issues	# of Fixed Rate Issues	# of Issues w/MWBE Firms	Total # of times MWBE Firms Participated	Total $ Designations	MWBE $ Designations	*Total MWBE $ Designations as % of Total Designations*
2009	80.00%	5	0	5	4	8	$ 2,192,275.57	$ 879,151.12	40.10%
2008	100.00%	7	0	7	7	9	$ 2,149,406.00	$ 1,316,758.98	61.26%
2007	50.00%	4	0	4	2	2	$ 416,962.30	$ 29,573.00	7.09%

		State Supported Debt							
		Co-Manager							
	% of Issues w/MWBE Firms	# of Issues	# of Variable Rate Issues	# of Fixed Rate Issues	# of Issues w/MWBE Firms	Total # of times MWBE Firms Participated	Total $ Designations	MWBE $ Designations	*Total MWBE $ Designations as % of Total Designations*
2009	85.71%	7	0	7	6	17	$ 5,111,501.17	$ 1,020,361.93	19.96%
2008	55.56%	9	0	9	5	7	$ 2,274,811.86	$ 43,457.49	1.91%
2007	80.00%	5	0	5	4	5	$ 748,024.55	$ 60,757.65	8.12%

		State Supported Debt							
		Selling Group							
	% of Issues w/MWBE Firms	# of Issues	# of Variable Rate Issues	# of Fixed Rate Issues	# of Issues w/MWBE Firms	Total # of times MWBE Firms Participated	Total $ Designations	MWBE $ Designations	*Total MWBE $ Designations as % of Total Designations*
2009	100.00%	6	0	6	6	48	$ 262,020.46	$ 51,991.73	19.84%
2008	100.00%	5	0	5	5	31	$ 292,271.80	$ 196,492.88	67.23%
2007	100.00%	4	0	4	4	6	$ 1,781.25	$ -	0.00%

- In 2009: MWBE firms participated in seven out of the ten transactions that DASNY undertook receiving 31% of the total designations associated with these transactions. In four of the transactions, MWBE firms either as Lead or Co-Lead Managers receiving 36% of the designations associated with all Lead Managers in 2009. MWBE firms participated in four out of the five transactions which used Co-Senior Managers receiving 40% of the designations associated with this tier. MWBE firms participated in six out of the seven transactions which used Co-Managers receiving 20% of the designations associated with this tier. MWBE firms participated in all 6 of the transactions which used Selling Group members. MWBE firms received 19.8% of all designations associated with the Selling Group.

- In 2008: MWBE firms participated in 10 out of the 12 financings DASNY undertook receiving 29.1% of total designations. Most of the participation occurred in the Lead Manager, Co-Senior Manager and Selling Group Member tiers. Of the 12 financings in 2008, DASNY undertook three State-supported debt transactions where MWBE firms served as Lead Bookrunning Manager. MWBE firms received 27.8% of all designations received by Lead Managers. In addition, the Authority also used a model where MWBE firms were used as Co-Senior Manager.

This strategy was employed in seven out of the remaining nine State-supported debt transactions the Authority undertook in 2008. As a result, MWBE firms received 61.3% of the designations associated with Co-Senior Managers. MWBE firms also participated in all five of the transactions structured with Selling Group Members receiving 67.2% of the designations associated with the Selling Group Member tier.

- In 2007: MWBE firms participated in 4 out of the 5 financings DASNY undertook. Overall, MWBE firms received 3.0% of the designations associated with transactions in 2007. Most of the participation occurred in the Co-Manager and Co-Senior Manager tiers where MWBE firms received 8.1% and 7.1% of the designations associated with Co-Managers and Co-Senior Managers respectively. It should be noted that DASNY did not include any MWBE firms as Lead Manager in a departure from its longstanding practice where at least one DASNY financing historically was led by a MWBE firm acting as Lead Manager.

Environmental Facilities Corporation (EFC):

Environmental Facilities Corporation
MWBE Participation for Calendar Year 2009, 2008 and 2007
State Supported Debt

		State Supported Debt							
		Total							
	% of Issues w/MWBE Firms	# of Issues	# of Variable Rate Issues	# of Fixed Rate Issues	# of Issues w/MWBE Firms	Total # of times MWBE Firms Participated	Total $ Designations	MWBE $ Designations	*Total MWBE $ Designations as % of Total Designations*
2009	100.00%	1	0	1	1	6	$ 427,731.21	$ 194,481.56	45.47%
2008	0.00%	0	0	0	0	0	$ -	$ -	0.00%
2007	50.00%	2	0	2	1	1	$ 585,518.75	$ 8,375.00	1.43%

		State Supported Debt							
		Lead							
	% of Issues w/MWBE Firms	# of Issues	# of Variable Rate Issues	# of Fixed Rate Issues	# of Issues w/MWBE Firms	Total # of times MWBE Firms Participated	Total $ Designations	MWBE $ Designations	*Total MWBE $ Designations as % of Total Designations*
2009	100.00%	1	0	1	1	1	$ 299,884.38	$ 149,942.19	50.00%
2008	0.00%	0	0	0	0	0	$ -	$ -	0.00%
2007	0.00%	2	0	2	0	0	$ 300,725.00	$ -	0.00%

		State Supported Debt							
		Co-Senior							
	% of Issues w/MWBE Firms	# of Issues	# of Variable Rate Issues	# of Fixed Rate Issues	# of Issues w/MWBE Firms	Total # of times MWBE Firms Participated	Total $ Designations	MWBE $ Designations	*Total MWBE $ Designations as % of Total Designations*
2009	0.00%	0	0	0	0	0	$ -	$ -	0.00%
2008	0.00%	0	0	0	0	0	$ -	$ -	0.00%
2007	0.00%	2	0	2	0	0	$ 41,713.75	$ -	0.00%

		State Supported Debt							
		Co-Manager							
	% of Issues w/MWBE Firms	# of Issues	# of Variable Rate Issues	# of Fixed Rate Issues	# of Issues w/MWBE Firms	Total # of times MWBE Firms Participated	Total $ Designations	MWBE $ Designations	*Total MWBE $ Designations as % of Total Designations*
2009	100.00%	1	0	1	1	1	$ 89,086.72	$ 5,896.25	6.62%
2008	0.00%	0	0	0	0	0	$ -	$ -	0.00%
2007	50.00%	2	0	2	1	1	$ 243,080.00	$ 8,375.00	3.45%

		State Supported Debt							
		Selling Group							
	% of Issues w/MWBE Firms	# of Issues	# of Variable Rate Issues	# of Fixed Rate Issues	# of Issues w/MWBE Firms	Total # of times MWBE Firms Participated	Total $ Designations	MWBE $ Designations	*Total MWBE $ Designations as % of Total Designations*
2009	100.00%	1	0	1	1	4	$ 38,760.12	$ 38,643.12	99.70%
2008	0.00%	0	0	0	0	0	$ -	$ -	0.00%
2007	0.00%	0	0	0	0	0	$ -	$ -	0.00%

- In 2009: EFC undertook one State-supported debt transaction. MWBE participation occurred at the Lead Manager level with a MWBE firm acting as Co-Senior. In this transaction the MWBE firm received 50% of the designations associated with Lead Managers. MWBE firms also participated as Co-Managers receiving 6.6% of the designation associated with this tier. In total, MWBE firms received 45.5% of the total designation received by all firms for this one transaction in 2009.

- In 2008: EFC undertook no negotiated State-supported debt transactions.

- In 2007: MWBE firms participated in 1 out of the 2 financings that EFC undertook. The participation occurred in the Co-Manager tier where MWBE firms received 3.5% of the designations associated with the Co-Managers. This represented 1.4% of total designations in 2007.

Empire State Development Corporation:

Empire State Development Corporation
MWBE Participation for Calendar Year 2009, 2008 and 2007
State Supported Debt

		State Supported Debt							
		Total							
	% of Issues w/MWBE Firms	# of Issues	# of Variable Rate Issues	# of Fixed Rate Issues	# of Issues w/MWBE Firms	Total # of times MWBE Firms Participated	Total $ Designations	MWBE $ Designations	*Total MWBE $ Designations as % of Total Designations*
2009	100.00%	2	0	2	2	27	$ 8,965,671.00	$ 3,080,170.00	34.36%
2008	100.00%	5	1	4	5	45	$ 4,419,701.00	$ 1,426,580.00	32.28%
2007	100.00%	2	0	2	2	15	$ 1,480,300.00	$ 234,463.00	15.84%

		State Supported Debt							
		Lead							
	% of Issues w/MWBE Firms	# of Issues	# of Variable Rate Issues	# of Fixed Rate Issues	# of Issues w/MWBE Firms	Total # of times MWBE Firms Participated	Total $ Designations	MWBE $ Designations	*Total MWBE $ Designations as % of Total Designations*
2009	100.00%	2	0	2	2	3	$ 7,773,907.00	$ 2,786,494.00	35.84%
2008	100.00%	5	1	4	5	5	$ 3,218,909.00	$ 1,296,236.00	40.27%
2007	50.00%	2	0	2	1	1	$ 969,022.00	$ 187,266.00	19.33%

		State Supported Debt							
		Co-Senior							
	% of Issues w/MWBE Firms	# of Issues	# of Variable Rate Issues	# of Fixed Rate Issues	# of Issues w/MWBE Firms	Total # of times MWBE Firms Participated	Total $ Designations	MWBE $ Designations	*Total MWBE $ Designations as % of Total Designations*
2009	50.00%	2	0	2	1	2	$ 521,601.00	$ 107,462.00	20.60%
2008	0.00%	5	1	4	0	0	$ 730,762.00	$ -	0.00%
2007	0.00%	2	0	2	0	0	$ 319,855.00	$ -	0.00%

		State Supported Debt							
		Co-Manager							
	% of Issues w/MWBE Firms	# of Issues	# of Variable Rate Issues	# of Fixed Rate Issues	# of Issues w/MWBE Firms	Total # of times MWBE Firms Participated	Total $ Designations	MWBE $ Designations	*Total MWBE $ Designations as % of Total Designations*
2009	100.00%	2	0	2	2	7	$ 670,163.00	$ 186,214.00	27.79%
2008	100.00%	5	1	4	5	11	$ 470,030.00	$ 130,344.00	27.73%
2007	100.00%	1	0	1	1	6	$ 191,423.00	$ 47,198.00	24.66%

		State Supported Debt							
		Selling Group							
	% of Issues w/MWBE Firms	# of Issues	# of Variable Rate Issues	# of Fixed Rate Issues	# of Issues w/MWBE Firms	Total # of times MWBE Firms Participated	Total $ Designations	MWBE $ Designations	*Total MWBE $ Designations as % of Total Designations*
2009	100.00%	2	0	2	2	15	$ -	$ -	0.00%
2008	100.00%	5	1	4	5	29	$ -	$ -	0.00%
2007	100.00%	2	0	2	2	8	$ -	$ -	0.00%

- In 2009: MWBE firms participated in both transactions undertaken by ESDC. MWBE firms received 35.8% of the designations associated with the Lead Managers. In the first transaction of the year, a MWBE Co-Manager acted as Co-Lead. The second transaction occurred after ESDC completed its underwriter RFP. In this transaction, ESDC selected 5 firms to act as Lead or Senior Managers. Two out of the five firms were MWBE firms. MWBE firms also participated as Co-Senior Managers in the second transaction and as Co-Managers in both of the transactions undertaken during 2009 receiving 20.6% and 27.8% of the designations associated each tier respectively. In total, MWBE firms received 34.4% of the total designations received by all firms for transactions undertaken in 2009.

- In 2008: MWBE firms participated in all 5 financings undertaken by ESDC. MWBE firms received 32.3% of the designations associated with these five financings. Again, most of the participation occurred in the Lead Manager tier where MWBE firms on the Co-Manager list participated as Co-Lead and received 40.3% of designations associated with Lead Managers.

Participation also occurred in the Co-Manager tier where MWBE firms participated in all five financings and received 27.7% of the designations associated with Co-Managers.

- In 2007: MWBE firms participated in both of the negotiated financings that ESDC undertook. MWBE firms received 15.8% of the total designations associated with these two financings. Most of the participation occurred in the Lead Manager tier where in one of the transactions a MWBE firm on the Co-Manager list participated as Co-Lead as well as other MWBE firms participated in the Co-Manager category. MWBE firms received 19.3% and 24.7% of the designations in each tier respectively.

Housing Finance Agency:

New York State Housing Finance Agency
MWBE Participation for Calendar Year 2009, 2008 and 2007
State Supported Debt

		State Supported Debt							
		Total							
	% of Issues w/MWBE Firms	# of Issues	# of Variable Rate Issues	# of Fixed Rate Issues	# of Issues w/MWBE Firms	Total # of times MWBE Firms Participated	Total $ Designations	MWBE $ Designations	*Total MWBE $ Designations as % of Total Designations*
2009	100.00%	2	1	1	2	6	$ 622,459.00	$ 261,166.00	41.96%
2008	50.00%	2	1	1	1	1	$ 606,187.00	$ 57,643.00	9.51%
2007	100.00%	1	0	1	1	1	$ 350,912.00	$ 20,189.00	5.75%

		State Supported Debt							
		Lead							
	% of Issues w/MWBE Firms	# of Issues	# of Variable Rate Issues	# of Fixed Rate Issues	# of Issues w/MWBE Firms	Total # of times MWBE Firms Participated	Total $ Designations	MWBE $ Designations	*Total MWBE $ Designations as % of Total Designations*
2009	100.00%	2	1	1	2	2	$ 392,924.00	$ 240,424.00	61.19%
2008	0.00%	2	1	1	0	0	$ 323,093.00	$ -	0.00%
2007	0.00%	1	0	1	0	0	$ 174,443.00	$ -	0.00%

		State Supported Debt							
		Co-Senior							
	% of Issues w/MWBE Firms	# of Issues	# of Variable Rate Issues	# of Fixed Rate Issues	# of Issues w/MWBE Firms	Total # of times MWBE Firms Participated	Total $ Designations	MWBE $ Designations	*Total MWBE $ Designations as % of Total Designations*
2009	0.00%	0	0	0	0	0	$ -	$ -	0.00%
2008	0.00%	0	0	0	0	0	$ -	$ -	0.00%
2007	0.00%	0	0	0	0	0	$ -	$ -	0.00%

		State Supported Debt							
		Co-Manager							
	% of Issues w/MWBE Firms	# of Issues	# of Variable Rate Issues	# of Fixed Rate Issues	# of Issues w/MWBE Firms	Total # of times MWBE Firms Participated	Total $ Designations	MWBE $ Designations	*Total MWBE $ Designations as % of Total Designations*
2009	100.00%	1	0	1	1	1	$ 229,535.00	$ 20,742.00	9.04%
2008	100.00%	1	0	1	1	1	$ 283,094.00	$ 57,643.00	20.36%
2007	100.00%	1	0	1	1	1	$ 176,469.00	$ 20,189.00	11.44%

		State Supported Debt							
		Selling Group							
	% of Issues w/MWBE Firms	# of Issues	# of Variable Rate Issues	# of Fixed Rate Issues	# of Issues w/MWBE Firms	Total # of times MWBE Firms Participated	Total $ Designations	MWBE $ Designations	*Total MWBE $ Designations as % of Total Designations*
2009	100.00%	1	0	1	1	3	$ -	$ -	0.00%
2008	0.00%	1	0	1	0	0	$ -	$ -	0.00%
2007	0.00%	1	0	1	0	0	$ -	$ -	0.00%

- In 2009: MWBE firms participated in both transactions undertaken by HFA. MWBE firms received 61.2% of the designations associated with the Lead Managers. In one of the transactions, an MWBE firm also participated as a Co-Manager receiving 9% of the designations associated with this tier. In total, MWBE firms received over 41.9% of the total designations received by all firms for transactions undertaken in 2009.

- In 2008: HFA undertook two State-supported debt transactions before the establishment of the Task Force and before the action by the Board to add the MWBE firms to the underwriter panel as noted above. MWBE firms participated in one out of two transactions and again participated at the Co-Manager level receiving 20.4% of the designations associated with Co-Managers or 9.5% of the total designations in 2008.

- In 2007: HFA undertook only one State-supported debt transaction. MWBE firms participated in this transaction at the Co-Manager level receiving 11.4% of the designations associated with Co-Managers. This translated into MWBE firms receiving 5.8% of the total designations in 2007.

Thruway Authority:

Thruway Authority
MWBE Participation for Calendar Year 2009, 2008 and 2007[1]
State Supported Debt

		State Supported Debt							
		Total							
	% of Issues w/MWBE Firms	# of Issues	# of Variable Rate Issues	# of Fixed Rate Issues	# of Issues w/MWBE Firms	Total # of times MWBE Firms Participated	Total $ Designations	MWBE $ Designations	*Total MWBE $ Designations as % of Total Designations*
2009	100.00%	4	0	4	4	46	$ 6,805,848.85	$ 999,517.23	14.69%
2008	100.00%	4	0	4	4	49	$ 7,734,758.47	$ 971,856.98	12.56%
2007	80.00%	5	0	5	4	32	$ 6,340,080.94	$ 153,672.27	2.42%

		State Supported Debt							
		Lead							
	% of Issues w/MWBE Firms	# of Issues	# of Variable Rate Issues	# of Fixed Rate Issues	# of Issues w/MWBE Firms	Total # of times MWBE Firms Participated	Total $ Designations	MWBE $ Designations	*Total MWBE $ Designations as % of Total Designations*
2009	100.00%	4	0	4	4	4	$ 3,295,587.52	$ 692,919.83	21.03%
2008	50.00%	4	0	4	2	2	$ 4,344,396.72	$ 697,672.62	16.06%
2007	0.00%	5	0	5	0	0	$ 2,545,286.34	$ -	0.00%

		State Supported Debt							
		Co-Senior							
	% of Issues w/MWBE Firms	# of Issues	# of Variable Rate Issues	# of Fixed Rate Issues	# of Issues w/MWBE Firms	Total # of times MWBE Firms Participated	Total $ Designations	MWBE $ Designations	*Total MWBE $ Designations as % of Total Designations*
2009	50.00%	4	0	4	2	2	$ 1,018,068.88	$ 41,003.30	4.03%
2008	0.00%	4	0	4	0	0	$ 937,484.17	$ -	0.00%
2007	0.00%	5	0	5	0	0	$ 1,230,801.59	$ -	0.00%

		State Supported Debt							
		Co-Manager							
	% of Issues w/MWBE Firms	# of Issues	# of Variable Rate Issues	# of Fixed Rate Issues	# of Issues w/MWBE Firms	Total # of times MWBE Firms Participated	Total $ Designations	MWBE $ Designations	*Total MWBE $ Designations as % of Total Designations*
2009	75.00%	4	0	4	3	3	$ 1,253,649.86	$ 46,985.77	3.75%
2008	100.00%	4	0	4	4	9	$ 881,743.55	$ 117,285.72	13.30%
2007	60.00%	5	0	5	3	6	$ 1,218,780.14	$ 45,491.16	3.73%

		State Supported Debt							
		Selling Group							
	% of Issues w/MWBE Firms	# of Issues	# of Variable Rate Issues	# of Fixed Rate Issues	# of Issues w/MWBE Firms	Total # of times MWBE Firms Participated	Total $ Designations	MWBE $ Designations	*Total MWBE $ Designations as % of Total Designations*
2009	100.00%	4	0	4	4	37	$ 1,238,542.58	$ 218,608.33	17.65%
2008	100.00%	4	0	4	4	38	$ 1,571,134.03	$ 156,898.63	9.99%
2007	100.00%	4	0	4	4	26	$ 1,345,212.88	$ 108,181.10	8.04%

- In 2009: MWBE firms participated in all four transactions that the Thruway Authority undertook receiving 14.7% of the designations associated with these transactions. In all four transactions, MWBE firms served as Co-Coordinating Lead Senior Managers. MWBE firms received 21% of the designations associated with all Lead Managers in 2009. In two out of the four transactions, MWBE firms participated as Co-Senior Managers receiving 4% of the designations associated with this tier. MWBE firms participated as Co-Managers in three out of the four transaction and Selling Group Members in all four transactions. MWBE firms received 3.8% and 17.7% of all designations in the Co-Manager and Selling Group Member tiers respectively.

[1] Thruway Authority numbers include retail orders.

- In 2008: MWBE firms participated in all four of the transactions that the Thruway Authority undertook receiving 12.6% of the designations associated with these transactions. In two out of the four transactions, MWBE firms served as Co-Coordinating Lead Senior Managers. MWBE firms received 16.1% of the designations associated with all Lead Managers in 2008. MWBE firms also participated as Co-Managers and Selling Group Members in all four transactions. MWBE firms received 13.3% and 10.0% of all designations in the Co-Manager and Selling Group Member tiers respectively.

- In 2007: MWBE firms participated in 4 out of the 5 financings that the Thruway Authority undertook receiving 2.4% of the total designations associated with these financings. Most of the participation took place in the Co-Manager and Selling Group Member tiers where MWBE firms received 3.7% and 8.0% of the designations in those tiers respectively.

New York Local Government Assistance Corporation:

LGAC's enabling statute presumes that a competitive sale will be conducted unless the Corporation makes a determination that the interests of the Corporation will be served otherwise. As a result, recently LGAC has primarily relied on the competitive sale process for the issuance of its debt. Sealed bids are accepted and the bidder submitting the lowest true interest cost is awarded the bonds. Additionally, over the last several years, LGAC has changed the mode or removed bond insurance from certain of its bonds through conversions or refunding using existing remarketing agents or broker-dealers.

In 2009: The Corporation issued a total of $325,880,000 in bonds through two separate transactions.

- In June 2009, the Corporation converted $284,995,000 of Series 2008B C/D Refunding Bonds and Series 2003A 5/6 Subordinate Lien Refunding Bonds from variable rate mode to fixed rate mode. The existing remarketing agent was used.
- In August 2009, the Corporation removed FSA insurance from $40,885,000 of existing variable rate demand bonds. The existing remarketing agent was used.

In 2008: The Corporation issued a total of $1,184,485,000 in bonds through three separate transactions.

- In February 2008, the Corporation issued $392,610,000 of Series 2008A refunding bonds through a competitive sale process. Merrill Lynch & Co. was awarded the bonds. In total, seven bids were received; however, none were from MWBE firms.
- In June 2008, the Corporation issued $588,325,000 of Series 2008B refunding bonds in order to convert certain of its Auction Rate Securities to uninsured variable rate demand bonds and also to remove FGIC bond insurance from certain variable rate demand bonds. The existing remarketing agents and broker-dealers were used.[1]
- In August 2008, the Corporation issued $203,550,000 of Series 2008C refunding bonds through a competitive sale process. Lehman Brothers, Inc. was awarded the bonds. In total, nine bids were received; however, none were from MWBE firms.

In 2007: The Corporation issued once in 2007 through a competitive sale.

- The Corporation issued $387,320,000 of Series 2007A refunding bonds through a competitive sale process. The Banc of America was awarded the bonds. In total, eight bids were received; however, none were from MWBE firms.

[1] UBS had announced plans to exit the municipal bond market. In instances where UBS served as remarketing agent, they were replaced with one of LGAC's existing remarketing agents.

Legal Services

"I began submitting proposals to act as bond or underwriter's counsel as early as 1998. My first breakthrough came with DASNY, which used me as underwriting counsel on two transactions in 2009. I am proud of my firm, which is small, but with an emphasis on the quality of our work. Recently I was selected as part of a joint venture to serve as special bond counsel to the Thruway Authority. I believe that having the right people in positions of power makes all the difference when it comes to expanding minority, women, and small business participation in working with New York State. There is plenty of work to go around, and I think my business will expand as MWBE participation does likewise."

Joseph C. Reid, Principal, Law Offices of Joseph C. Reid, PA

The Task Force developed and adopted Recommendations Regarding Best Practices in Procurements for Legal Services ("Best Practices") on May 11, 2009. These Best Practices seek to promote increased utilization by State public authorities of MWBE law firms and other law firms having sound diversity practices. To achieve this objective, the Best Practices focused on removing any barriers to participation by qualified MWBE law firms and encouraging the utilization of other law firms that have sound diversity practices and programs and that provide meaningful opportunities for the advancement of minority and women attorneys. Although the initial focus of the Task Force was legal services required by State public authorities in connection with the issuance of State-supported debt, the Task Force determined that the recommendations in the Best Practices should be utilized by State public authorities in all Requests for Proposals ("RFP") for all procurements of legal services.

On January 30, 2009, the Task Force held a panel discussion entitled "*Supporting Diversity in Government Contracting of Outside Legal Services: Challenges and Opportunities.*" This event, which was attended by over 200 representatives of MWBE and non-MWBE law firms, provided a forum for all sectors of the legal community to voice their concerns regarding the way the State currently conducts procurements for legal services. Among those who spoke at the forum were attorneys from MWBE law firms, as well as minority and women attorneys in non-MWBE law firms. The event was organized into three panels as follows:

- The first panel focused on the experiences of minority attorneys in the legal profession;
- The second panel discussed best practices that are utilized by corporate in-house law departments to promote the use of MWBE firms as outside counsel and diversity within their own organizations; and

- The third panel, which consisted of representatives of the various State public authorities, described legal services procurement opportunities in the State of New York.

The feedback provided to the Task Force from those in attendance, as well as the quality and caliber of the information presented, allowed the Task Force to gain valuable insight as to the perceived barriers to entry that currently exist with respect to MWBE law firms.

The information provided to the Task Force at the January 30th event was crucial in formulating the Best Practices. Based upon this input, the Task Force determined that every RFP should have a clear statement of intent to "utilize qualified law firms that have a demonstrated history of hiring, training, developing, promoting and retaining minority and woman attorneys and to encourage participation by qualified certified MWBE firms." The Best Practices also recommend that each State public authority establish an overall aspirational goal for participation by certified MWBE law firms in legal fees paid by the State public authority for outside legal services.

The Best Practices also address other concerns raised by MWBE law firms at the event and therefore include other recommendations aimed at eliminating the barriers to MWBE participation on State contracts. These recommendations pertain to, among other things, outreach to organizations that serve MWBEs, shorter RFP cycles and taking into consideration and encouraging joint ventures and other partnering arrangements among certified MWBE law firms and other law firms.

The Task Force then developed a Request for Information ("RFI") that was intended to assist and encourage law firms to engage in joint ventures or other partnering arrangements and that was distributed to law firms interested in pursuing work with the State public authorities. All law firms that respond to the RFI are added to the State public authorities' bidder's mailing list and included in a database that may be accessed by the State public authorities, as well as firms seeking to locate potential joint venture partners.

In an effort to further assist in the promotion of joint ventures and other partnering arrangements among law firms and to help eliminate barriers to entry that plague MWBE law firms, the Task Force sponsored a networking event and panel discussion entitled "*Supporting Diversity in Government Contracting of Legal Services: Partnering Opportunities*" at DASNY's New York City office on October 16, 2009. This event allowed attorneys from various law firms to introduce themselves both to each other as well as representatives of the State public authorities. Over 60 senior counsel and partners from both MWBE and non-MWBE law firms attended.

Attendees at the October 16, 2009 event were split into two breakout sessions which focused on Public Finance and Litigation. Panelists represented both non-MWBE and MWBE law firms that had engaged in prior strategic partnering arrangements and were familiar with such arrangements. The panelists discussed, among other things, the benefits and challenges of developing partnering arrangements within the legal profession. Once the panelists completed

their presentations, an interactive dialogue with the audience and panel members occurred. The event concluded with a networking session to encourage firm interaction. All the firms completing the event survey indicated that they planned on following up with at least one of the firms they met at the event to discuss potential partnering relationships.

Since the Task Force began its activities and adopted its Best Practices, there have been a number of positive developments:

- The Thruway Authority issued an RFP in accordance with the Best Practices. In May, 2009 the Thruway Authority issued an RFP for special bond counsel services for a contract term of five years that commenced on January 1, 2010. Five firms were empanelled to serve as special bond counsel. Among the empanelled firms was a joint venture comprised of an MWBE and non-MWBE law firm.

- The Dormitory Authority released an RFP for legal services in February, 2010 that adheres to the Best Practices. The results of that process will not be known until later in the year. The RFP seeks legal services in the following areas: bond counsel; labor and employment law counsel; bankruptcy and workout counsel; construction and general litigation counsel; real estate and environmental counsel; emerging firms; and underwriter's counsel. The RFP is expected to accomplish a couple of key objectives in regard to increasing the utilization of MWBE law firms. First, the selection of underwriter's counsel separate and exclusive from bond counsel will create greater opportunities for firms to participate since bond counsel firms will not be able to undertake underwriter's counsel work (as had been the past custom) except in rare circumstances. By including in the RFP the selection of Emerging Firms, the Authority will be able to identify capable and committed MWBE or small law firms to work as co-bond or co-underwriter's counsel, as those firms grow their experience and expertise, or to work in other areas in co-counsel relationships as the need may dictate.

- In 2009, there were at least seven voluntary collaborations between non-MWBE law firms and MWBE law firms. The MWBE and non-MWBE law firms worked as co-underwriter's counsel on six DASNY transactions. In another instance, one of the law firms on DASNY's bond counsel panel chose to engage an MWBE law firm to work on a financing as its co-counsel. These engagements were the first to include MWBE law firms in State debt transactions in over a decade.

Appendix IX contains data sheets detailing the use of majority and MWBE firms by the Authorities in various legal sectors.

Financial Services

"Partnering with majority firms as an MWBE isn't always easy. I've been through the process, and I know it takes patience. There are times when it takes a lot of effort to understand and find a comfort level with your partner's culture. That being said, the recent outreach by Gov. Paterson and his creation of Executive Order No. 10 and the MWBE Task Force has been quite positive. It's gotten firms to the table and that wouldn't have happened without this focused effort."

Bennie Hadnott, Chair, Managing Partner TCBA Watson Rice

"We have a robust process in partnering with MWBE firms. Our primary focus is in the government area. Internally, we continually stress the importance of diversity. We believe that 10% MWBE participation is a target we can easily meet, and frankly, we look to raise that bar. Our work with TCBA Watson Rice is deeper than traditional subcontracting or partnerships. They are involved from beginning to end. We believe this type of involvement with MWBE firms is of greater benefit than a less integrated model."

Ken Deon, Managing Partner, KPMG

The Task Force identified numerous sectors within the Financial Services arena where State-supported debt issuers have significant relationships with professional financial firms. Among these sectors are: accounting, banking, broker-dealers, certificates of deposit and money market fund investments, financial advisory and swap advisory services, and risk management and insurance brokerage services.

In an effort to reach out to and solicit information from as many financial services firms as possible, on April 30, 2009 the Task Force hosted a forum entitled, *"Supporting Diversity in Government Contracting of Financial Services: Challenges and Opportunities"*. The forum included representatives from minority and majority firms together with key staff from all of the State-supported debt issuers who came together to discuss barriers to entry and identify strategies to encourage MWBE participation. The agenda included four panel presentations in the areas of: 1) accounting services, 2) banks, trusts and money market funds, 3) financial and swap advisors, and 4) broker dealers. Over 200 people attended this public forum.

In addition, on June 8, 2009 the Task Force held a meeting where its members were provided with an overview of general insurance liability issues and title insurance issues as well as in-depth presentations from nine industry professionals who shared their insights, concerns and suggestions.

The Task Force learned that the services of MWBE title insurance/abstract companies were not being utilized to obtain title insurance for those State Public Authority bond transactions that are secured in whole, or in part by a mortgage on real property. The policy is paid for by the borrower and is considered part of the cost of issuance. Currently the selection of title insurance or abstract companies is in the discretion of the borrower or its counsel and title insurance is ordered by the attorneys of the private not-for-profit client.

The ideas generated at these two events served as the basis for developing the *Recommendations Regarding Best Practices in Financial Services.* The Best Practices seek to promote the utilization of firms that have demonstrated a history of hiring, training, developing promoting and retaining minority and women financial service professionals and advocate an aspirational goal for participation of MWBE firms and/or minority and women staff. The areas of focus were modeled after the Legal Services Best Practices and centered around outreach, the RFP process, partnership arrangements, the unbundling of services where appropriate, RFP cycle times, the RFP evaluation process, the establishment of aspirational goals, and the periodic evaluation of firms selected. These recommendations were adopted by the Task Force on November 23, 2009. Notwithstanding the very recent adoption of these recommendations, Task Force members have been taking many positive steps including the following:

- DASNY issued an RFP for Audit Services in September 2009 which included best practices under consideration by the Task Force. KPMG was reengaged to provide audit services. KPMG is partnering with TCBA Watson Rice, a certified MWBE firm. It is estimated that TCBA Watson Rice will be allocated 25% of the total audit hours that will be incurred across all staffing levels. In addition, KPMG also focused on its own internal diversity by staffing the Authority's engagement with a number of minorities and women that exceeded the Authority's goal of 20%.

- ESDC issued an RFP for Financial Advisor and Swap Advisor in June of 2009 using the best practices that were under discussion by the Task Force. (This RFP was undertaken in conjunction with ESDC's Underwriter RFP.) The Authority received seven responses and selected three firms/joint partnerships. Of the three respondents selected, two had MWBE participation. One was a joint proposal with a majority firm for financial advisory work and a MWBE firm for swap advisory work; the other was a joint proposal amongst three firms with one MWBE firm for financial advisory work, another MWBE firm for pricing and marketing and a majority firm for swap advisory services.

- ESDC works with 3 MWBE broker-dealer firms out of a panel of 6 firms. ESDC modified its systems in the Fall of 2009 to capture MWBE utilization data. For the last two months of 2009, 47.3% of all bids were solicited to MWBE firms and 59.9% of the dollar value of all trades were executed by MWBE firms.

- The Thruway Authority works with 5 MWBE broker-dealer firms out of a panel of 14 firms. In 2009, the Thruway estimated that 24.97% of all bids were solicited to MWBE firms and 28.34% of the dollar value of all trades were executed by MWBE firms.

- DASNY will be undertaking a review of its Investment Policy and Guidelines in 2010 in light of the Best Practices. Any changes to existing policy and guidelines will need to take into consideration the Authority's broader investment objectives. DASNY will also be exploring the potential for trustee banks to expand their platforms to include MWBE money market funds that meet the appropriate criteria.

- DASNY will issue a Request for Qualifications ("RFQ") for Title Insurance companies and Abstract companies in 2010 to identify MWBE firms able to provide title insurance and abstract services on DASNY transactions. Although outside counsel and the attorneys of private or not-for profit clients will be free to use firms of their own choosing, DASNY will encourage counsels for the borrower to consider using MWBE firms on the prequalified list.

- EFC will issue an RFP for accounting services using the Best Practices during 2010.

- ESDC's State Asset Maximization Commission may issue an RFP for Financial Advisor and anticipates incorporating the best practices recommended by the Task Force, where appropriate, including the use of the diversity questionnaire.

- HFA and its sister agencies, the State of New Mortgage Agency (SONYMA), the Municipal Bond Bank Agency (MBBA), the Affordable Housing Corporation (AHC) and the Tobacco Settlement Financing Corporation (TSFC) will issue RFPs for auditing and payroll services in 2010, taking into consideration, where appropriate, recommended best practices by the Task Force.

- HFA will issue an RFP for banking/depository services and plans to incorporate, where appropriate, the Best Practices.

- HFA's Affordable Housing Corporation (AHC) will solicit bids for compliance audit services from a pre-qualified panel of nine firms, four of which are MWBE firms.

- The LGAC Board will consider the Financial Services Best Practices approved by the Task Force at its next meeting. The Corporation anticipates updating its investment and procurement policies and guidelines for presentation to its Board during 2010 and that the updated policies and guidelines will incorporate, where appropriate, the Best Practices produced by the Task Force.

Appendix XIII contains data sheets detailing the use of majority and MWBE firms by the Authorities in the various financial services sectors including accounting services, banking, broker-dealers, certificates of deposit and money market fund investments, financial advisory services, swap advisory services, risk management and insurance brokerage services, and title insurance and abstract companies. Recognizing that the Task Force concluded its work in this area in November of 2009, the MWBE utilization data included herein represents a benchmark from which we can track and measure future success.

Legislation

"In the past, too many firms, legal and other, felt that diversity and inclusion were 'a bull market indulgence'. I've worked with a number of MWBE firms over a period of time, and have attended several gatherings where the Governor's EO No. 10 and its Task Force were the focus. That was invaluable. For EO No. 10 to ultimately reach its goal, inclusion must become part of the financial industry's DNA. It must become a core value. On the legislative front, I would like to see the progress made by the Task Force and its recommendations codified into law."

Gregory M. Weston, Counsel, Nixon Peabody LLP

Since its formation on June 26, 2008, the Task Force has made significant strides in determining ways to increase MWBE participation on public contracts and to promote the award of public contracts to companies that have demonstrated a history of hiring, training, developing, promoting and retaining minority and women attorneys. In an effort to help ensure that the work and accomplishments of the Task Force would not be diminished with the passage of time, the Task Force determined that legislation should be enacted to institutionalize some of the recommendations for best practices that it has developed for the different sectors.

To assist the Task Force in its deliberations regarding the proposed legislation, the Task Force Chair directed staff to conduct extensive research with respect to MWBE programs that currently exist in New York and other states. Staff's review included an analysis of the evolution of the MWBE laws/programs in New York State. This research culminated in a presentation (see appendix) to the Task Force at a regularly scheduled meeting on July 21, 2009. This presentation, among other things, offered the following history of MWBE laws/programs in New York:

- In 1973, the New York State Office of Minority Business Enterprise was established within the Department of Commerce;
- In 1981, Governor Hugh Carey issued Executive Order No. 117, which prescribed arrangements for developing and coordinating a State program for minority business enterprise;
- In 1983, Governor Mario M. Cuomo issued Executive Order No. 6, which assigned the responsibilities of the State Department of Civil Service and certain State agencies for insuring equal employment opportunities for minorities, women, disabled persons and Vietnam era veterans in State government and established the Governor's Executive Committee for Affirmative Action;

- In 1983, Governor Mario M. Cuomo issued Executive Order No. 21, prescribing arrangements for establishing a State program for contract compliance and minority and women-owned business enterprise;
- In 1988, Article 15-A (Executive Law §§ 310-318) was enacted and provided for the participation by minority group members and women with respect to State contracts;
- In 2003, Article 15-A was reauthorized and is currently set to expire on December 31, 2018;
- In 2008, Governor David Paterson issued Executive Order No. 10, which established a task force charged with increasing the utilization of minority and women-owned business enterprise in State debt offerings; and
- In 2009, Governor David Paterson convened a Task Force to improve diversity in the State workforce.

The legislation being recommended by the Task Force as part of this Final Report seeks to continue the evolution of the State's MWBE laws and to provide a framework so that the State and its corporate entities can be held accountable for their commitment to diversity in the area of procurement.

This proposed legislation would amend Article 15-A to:

- Require the director of the Division of Minority and Women Owned Business Development ("DMWBD") to promulgate regulations requiring all State agencies to assess the diversity practices of contractors submitting bids or proposals in connection with the award of a State contract where practicable, feasible and appropriate;
- Require enhanced reporting by State entities regarding their compliance with the provisions of Article 15-A and an annual report by DMWBD assessing the effectiveness of each state entity's MWBE program; and
- Enhance penalties for contractors that willfully or intentionally disregard their responsibilities to utilize MWBE firms.

The proposed legislation would also amend section 2879 of the New York State Public Authorities Law to require that the procurement guidelines required to be adopted by every state authority conform to the Best Practices recommended by the Task Force. Under the Task Force's recommended legislation, each authority's procurement guidelines would be required, among other things, to:

- Establish appropriate goals for participation by minority or women-owned business enterprises in procurement contracts awarded by the authority and for the utilization of minority and women enterprises as subcontractors and suppliers by entities having procurement contracts with the authority;

- Require that the evaluation criteria for awarding any procurement contract (other than contracts required by law to be awarded to the lowest responsible bidder pursuant to sealed bids) include an assessment of the proposer's diversity practices where practicable, feasible and appropriate; and
- Designate one or more senior staff of the authority to oversee the authority's programs established to promote and assist participation by MWBEs in the authority's procurement contracts and to promote sound diversity practices on the part of other contractors, suppliers and consultants engaged by the authority.

By amending Article 15-A and the Public Authorities Law in the manner described above, the Task Force hopes to provide a permanent framework for the implementation of the Task Force's recommendations to promote participation by MWBE firms in state contracts and the utilization of contractors, suppliers and consultants with sound diversity practices. The legislation also seeks to keep the State and its constituent entities accountable for their actions in this regard.

Appendix X contains legislation proposed by the Task Force for consideration by the Governor's Office.

Areas for Further Exploration

"We are the oldest minority owned firm in the US. We are based in New York, where I was born and raised, yet there was always frustration in trying to do business with the State. The difference after Governor Paterson assumed office and formed the EO No. 10 Task Force was the difference between night and day. People are starting to realize that bigger isn't necessarily better. In fact, Ramirez and Co. is well positioned to move forward, thanks to the MWBE program."

Samuel Ramirez Jr., President, Samuel A. Ramirez and Co.

Several areas that need further exploration emerged out of the work of the MWBE Task Force. In some cases, these areas amounted to questions that the Task Force initially sought to address and found were beyond its scope. In other cases, new questions emerged during the course of the deliberations that simply were unable to be addressed during the last 18 months. As the Task Force concludes its official work as required under Executive Order No. 10, a number of longer term policy issues and complex questions should be considered including:

1. ***The In-State Advantage***
   Other jurisdictions such as the state of California and the city of Chicago have given preference to firms based in their jurisdictions in an attempt to support and grow local small businesses. Should future RFPs weigh participation by MWBE firms domiciled and headquartered in New York more heavily than out-of-state MWBE firms? Should New York require that firms involved in state debt transactions maintain a physical presence in the state, such as a manned office?

2. ***Asset Management***
   On July 30th 2009 the Task Force in conjunction with the Counsel of Urban Professionals (CUP) hosted an historic panel presentation and professional networking event entitled "Supporting Diversity in Government Contracting of Asset Managers and Broker Dealers." We understand that this was the first time that all of the major plan sponsors at the state level appeared together to discuss their programs with the MWBE community. The event attracted over 200 participants including over 100 MWBE firms interested in doing business with Public Agencies that collectively managed over $300 billion in assets. Due to the fact that none of the authorities on the Task Force utilize asset managers, this topic was beyond the scope of Executive Order No. 10. Should a Task Force to increase the utilization of MWBE Asset Management and Broker Dealer firms by State Plan Sponsors be established?

3. ***Real Estate Brokerage***

   Many of the State Public Authorities are involved in significant real estate transactions. Should the State take an interest in increasing the pool of qualified MWBE Real Estate Brokerages for State real estate transactions? Should a Task Force to increase the utilization of MWBE Real Estate Brokerages and minority and women agents and brokers be established?

4. ***Commodities***

   As a result of the Task Force deliberations, another area of concern emerged regarding the lack of procurement opportunities for MWBE firms in Commodities/NYS Centralized Contracts within Executive Agencies and Authorities. Should a Task Force be convened to review how to increase M/WBE participation in Commodities Procurement/NYS Centralized Contracts?

5. ***Advertising***

   Underwriting firms spend significant dollars advertising to make retail investors aware of upcoming sales of State-supported debt. These fees are considered a part of the cost of issuance. Further discussion should occur in regard to the role issuers should play in determining the selection of the advertising outlets used.

6. ***Business Development***

   During the Task Force deliberations it was noted that there were a limited number and, in some cases, no MWBE firms in New York State in the following industries: trustee and commercial banking, money market funds and law firms with a public finance practice. What can be done to develop MWBE firms with expertise in these areas? What can be done to attract out-of-state MWBE firms with these areas of expertise to New York State?

Conclusion

"I want to thank you so much for sharing with us the reports and recommendations of the New York State Minority and Women-Owned Business Enterprise Task Force. This information is certainly on the leading edge of diversity high performance practices and has assisted us greatly in our continuing effort to implement state of the art inclusion strategies. We very much appreciate your assistance."

Trent Hargrove, Chief Diversity Officer, Commonwealth of Pennsylvania

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The work of the Governor's MWBE Task Force has been far reaching for the State-supported debt issuers as outlined in the foregoing pages. Of equal and perhaps more telling note is the observation that the Task Force has had a significant impact on other Public Authorities and Agencies in New York State and throughout the country. Although the Battery Park City Authority and Nassau County were not formal members of the Task Force, they have been active participants throughout the Task Force deliberations and have shown a commitment to adhering to the "Best Practices" and recommendations detailed in this report. Moreover, it should be noted that there are numerous other authorities and agencies in New York State that have modeled procurements and structured events and programs after the work of the Task Force and their efforts are also commended. Indeed, the Metropolitan Transportation Authority and the New York Power Authority were also not members of the Task Force, but have issued RFPs in accordance with MWBE Task Force "Best Practices".

Beyond New York State, jurisdictions across the country have been reaching out to the Task Force for guidance and have used the "Best Practices" as a template for expanding opportunities for MWBE firms. For example, the City of Baltimore and the Commonwealth of Pennsylvania are utilizing the "Best Practices" as a template to expand their existing MWBE programs to go beyond construction and include financial and professional services. We have found that many other states have been grappling with the same problems originally identified by the Governor and, thanks to the hard work of the Task Force, there is now a solution that can be modeled nationally.

The work of the Task Force has helped to level the playing field and allowed MWBE firms to compete on their own merit all across the nation. As more MWBE firms earn more senior roles as underwriters, attorneys, bankers, brokers, agents and advisors to New York State public authorities and agencies, these firms will then be able to further expand their capital base, create more jobs and develop the next generation of minorities and women in the financial services profession. With the world's financial capital on their resumes, Governor Paterson's MWBE Task Force has made minority and women owned firms in New York State more competitive in the overall national market.

EXECUTIVE ORDER

No 10: ESTABLISHING A TASK FORCE TO INCREASE THE UTILIZATION OF MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISE UNDERWRITERS FOR STATE DEBT OFFERINGS

WHEREAS, in 1988 New York State enacted a law establishing a comprehensive, statewide Minority and Women-Owned Business Enterprise ("M/WBE") program; and

WHEREAS, that law mandated that public authorities consider hiring M/WBE underwriters in section 136-b of the State Finance Law;

WHEREAS, of the $22 billion of bonds the State has sold since April 1, 2004, M/WBE firms have participated in the role of senior manager or co-senior manager on only 4 percent of these transactions;

WHEREAS, Executive Order No. 8 issued on February 8, 2007, established the M/WBE Executive Leadership Council and the MWBE Corporate Roundtable to seek to improve participation of M/WBE businesses in the State's procurement process;

WHEREAS, the State has an interest in increasing the pool of qualified investment banking firms for State debt offerings;

WHEREAS, transparent performance metrics should govern the selection of lead underwriters for State debt and will ensure all qualified investment banks have an opportunity to fairly compete for the State's underwriting business;

NOW, THEREFORE, I, David A. Paterson, Governor of the State of New York, by virtue of the authority vested in me by the Constitution and the laws of the State of New York, do hereby order as follows:

A. Definitions

1. "Public authority" or "authority" shall mean a public authority or public benefit corporation created by or existing under any State law, a majority of whose members are appointed by the Governor (including any subsidiaries of such public authority or public benefit corporation), other than an interstate or international authority or public benefit corporation, that issues debt.

2. "State-supported debt issuer" shall mean any public benefit corporation which issues debt on behalf of the State, including but not limited to the Dormitory Authority of the State of New York, the New York State Urban Development Corporation, the New York State Housing Finance Agency, the Environmental Facilities Corporation and the New York State Thruway Authority.

3. "Minority and Women-Owned Business Enterprise" and "M/WBE" shall mean any investment bank which is more than 50% by women, minorities or a combination thereof.

B. Task Force to Increase Participation of M/WBE Firms in Debt Issuances

1. There is hereby established a Task Force to increase participation by M/WBE investment banking firms in the issuance of State debt sold on a negotiated basis.

2. The Task Force shall be comprised of the following members: three members appointed by the Governor, who shall also select the Chair; the Presidents or Executive Directors of the Dormitory Authority of the State of New York, the Environmental Facilities Corporation, the New York State Housing Finance Agency and the New York State Thruway Authority; and the Chair of the New York State Urban Development Corporation.

3. Members of the Task Force may designate an executive level staff member to represent them and participate in the Task Force on their behalf. A majority of the members of the Task Force shall constitute a quorum. The Task Force may meet in person or by telephone, and may hold meetings to discuss issues even in the absence of a

quorum, but all final actions and recommendations of the Task Force shall require approval of a majority of the total members of the Task Force.

4. Every public authority of this state shall cooperate with the Task Force and furnish such information and assistance as the Task Force determines is reasonably necessary to accomplish its purposes.

5. The Task Force also shall consider ways to increase utilization of the W/MBE businesses in the financial industry, such as bond counsel, and note such recommendations as it deems appropriate.

C. Duties and Purpose

1. On or before July 15, 2008, the Task Force shall ask each public authority to provide its current practices for:

a. selecting investment banks as underwriters on debt issuances; and

b. utilizing M/WBE firms as underwriters on debt issuances. This information shall include, to the extent available, a discussion on current procurement guidelines used for the development and issuance of new solicitations for underwriting services. Responses to that request shall be submitted to the Task Force no later than August 1, 2008.

2. By September 1, 2008, the Task Force shall develop recommended:

a. procurement guidelines to be used for the development and issuance of new solicitations for underwriting services;

b. underwriting performance measures to evaluate all investment banks awarded bond underwriting contracts.

3. In developing guidelines to increase the utilization of qualified M/WBE investment banking firms, especially at the senior manager or co-manager level, the Task Force shall consider:

a. improving the request for proposals process;

b. establishing opportunities for M/WBE firms to partner with large investment banks as co-senior managers to increase their ability to be sole senior managers in future transactions;

c. identifying and eliminating inappropriate barriers to entry; and

d. recommending revisions to designation policies to encourage participation of M/WBE firms in state debt offerings.

4. Each state-supported debt issuer's Board shall consider implementation of new practices for selecting M/WBE firms as underwriters and evaluating performance, which shall be consistent with the Task Force's guidelines, no later than October 15, 2008.

D. Reporting

1. Each State-supported debt issuer shall submit two progress reports to the Task Force: one on March 1, 2009 and one on December 1, 2009, in such form and containing such information as specified by the Task Force.

2. The Task Force shall issue, to the Governor, a preliminary report evaluating each State-supported debt issuer's performance practices on April 15, 2009; and a final report on January 31, 2010.

GIVEN under my hand and the Privy Seal of the State in the City of Albany this twenty-sixth of June in the year two thousand eight.

David A. Paterson
Governor

Charles O'Byrne
Secretary to the Governor

WHEREAS, Governor David A. Paterson's Executive Order No. 10 establishes for the New York State Minority and Women-Owned Business Enterprise Task Force (the "Task Force") created thereunder certain duties and responsibilities and a timeline for accomplishing those duties and meeting those responsibilities; and

WHEREAS, the Task Force has taken a comprehensive approach to fulfilling its mission and has developed a work plan which not only addresses utilization of M/WBE firms as underwriters on debt issuances, but also addresses utilization of other M/WBE service providers including bond counsel, financial advisors, trustee banks and accounting firms; and

WHEREAS, Executive Order No. 10 provides that:

> 2. By September 1, 2008, the Task Force shall develop recommended: a. procurement guidelines to be used for the development and issuance of new solicitations for underwriting services; b. underwriting performance measures to evaluate all investment banks awarded bond underwriting contracts;.....
>
> 4. Each state-supported debt issuer's Board shall consider implementation of new practices for selecting M/WBE firms as underwriters and evaluating performance, which shall be consistent with the Task Force's guidelines, no later than October 15, 2008; and

WHEREAS, the Task Force believes that in order to best formulate its recommendations, it would be desirable to extend the September 1, 2008 deadline for developing recommendations to November 1, 2008, and extend the October 15, 2008 deadline for state-supported debt issuers' Boards to consider implementation of new practices for selecting M/WBE firms as underwriters to December 31, 2008.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOW:

1. The Chair of the Task Force is hereby directed to consult with Governor David A. Paterson's Office regarding the possible extension of dates contained in Executive Order No. 10 referenced above such that the September 1, 2008 deadline for developing recommendations shall be extended to November 1, 2008, and the October 15, 2008 deadline for state-supported debt issuers' Boards to consider implementation of new practices for selecting M/WBE firms as underwriters be extended to December 31, 2008.
2. This Resolution shall take effect immediately.

A RESOLUTION OF THE NEW YORK STATE MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISE TASK FORCE

WHEREAS, on June 26, 2008, Governor Paterson signed Executive Order No. 10 which established the Minority and Women-Owned Business Enterprise (MWBE) Task Force to increase the utilization of minority and women-owned business enterprise underwriters in State-supported debt offerings; and

WHEREAS, the Task Force was specifically charged, among other things, with making recommendations with regard to the development and issuance of new solicitations for underwriting services; and

WHEREAS, on October 30, 2008, the Task Force issued its recommendations, which include improving the process by which underwriters are selected ("Request for Proposals" or "RFP"); and

WHEREAS, the recommendations include the use of a universal RFP template which will standardize underwriter procurements of State-supported debt issuers; and

WHEREAS, the Task Force has developed such a universal RFP template, which is attached hereto and made a part hereof (the "Universal Template"); and

WHEREAS, the Task Force believes that the Universal Template should be a working document which is reviewed periodically by the Task Force and updated as necessary.

NOW, THEREFORE, BE IT RESOLVED by the Members of the Task Force as follows:

1. The Universal Template is hereby adopted in substantially the form herein.

2. The Task Force shall periodically review and update the Universal Template as necessary.

3. This Resolution shall take effect immediately.

WHEREAS, Governor David A. Paterson's Executive Order No. 10 establishes for the New York State Minority and Women-Owned Business Enterprise Task Force (the "Task Force") created thereunder certain duties and responsibilities and a timeline for accomplishing those duties and meeting those responsibilities; and

WHEREAS, the Task Force has taken a comprehensive approach to fulfilling its mission and has developed a work plan which not only addresses utilization of M/WBE firms as underwriters on debt issuances, but also addresses utilization of other M/WBE service providers including legal services, financial advisors, trustee banks and accounting firms; and

WHEREAS, Executive Order No. 10 provides that:

By April 15, 2009, the Task Force shall issue, to the Governor, a preliminary report evaluating each State-supported debt issuer's performance practices for utilizing M/WBE firms as underwriters; and

WHEREAS, the Task Force believes that it would be desirable to extend the April 15, 2009 deadline to issue the preliminary report to April 28, 2009.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOW:

1. The Chair of the Task Force is hereby directed to consult with Governor David A. Paterson's Office regarding the possible extension of the date contained in Executive Order No. 10 referenced above such that the April 15, 2009 deadline for issuing to the Governor, a preliminary report evaluating each State-supported debt issuer's performance practices shall be extended to April 28, 2009.

2. This Resolution shall take effect immediately.

A RESOLUTION OF THE NEW YORK STATE MINIORITY AND WOMEN-OWNED BUSINESS ENTERPRISE TASK FORCE ADOPTING ITS EXECUTIVE ORDER NO. 10 PRELIMINARY REPORT – EVALUATION OF STATE-SUPPORTED DEBT ISSUERS

WHEREAS, on June 26, 2008, Governor Paterson signed Executive Order No. 10 which established the Minority and Women-Owned Business Enterprise (MWBE) Task Force to increase the utilization of minority and women-owned business enterprise underwriters in State debt offerings; and

WHEREAS, Executive Order No. 10 directed the MWBE Task Force to make recommendations with regard to the development and issuance of new solicitations for underwriting services, to identify barriers to entry that limit MWBE participation in State-supported debt transactions and to develop performance measures to evaluate all investment banks; and

WHEREAS, on October 30, 2008, the MWBE Task Force issued its *Underwriter Recommendations* which addressed ways to improve the Request for Proposal ("RFP process"), to identify and eliminate barriers to entry, to enable MWBE firms to partner and increase their ability to be sole senior managers, and to revise designation policies to encourage the participation of MWBE firms; and

WHEREAS, Executive Order No. 10 requires the MWBE Task Force to issue to the Governor a preliminary report evaluating each State-supported debt issuer's performance practices on April 15, 2009 (which date has been extended to April 28, 2009); and

WHEREAS, the MWBE Task Force has obtained data for the five State-supported debt issuers that provide an overview of State-level performance with respect to the use of MWBE firms, as well as specific data for each of the individual State-supported debt issuers, and information regarding the first underwriter RFP issued using the new template developed by the MWBE Task Force which was designed to eliminate barriers to entry, and provided such information in its *Executive Order No. 10 Task Force Increasing the Utilization of Minority and Women-Owned Business Enterprise (MWBE) in State Debt Offerings Preliminary Report: Evaluation of State-Supported Debt Issuers.*

NOW, THEREFORE, BE IT RESOLVED by the Members of the MWBE Task Force as follows:

1. The *Executive Order No. 10 Task Force Increasing the Utilization of Minority and Women-Owned Business Enterprise (MWBE) in State Debt Offerings Preliminary Report: Evaluation of State-Supported Debt Issuers* dated April 28, 2009 is hereby adopted in substantial form.

2. The Chair is hereby authorized and directed to issue the *Report* to Governor Paterson on April 28, 2009.

3. This Resolution shall take effect immediately.

A RESOLUTION OF THE NEW YORK STATE MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISE TASK FORCE ADOPTING RECOMMENDATIONS REGARDING BEST PRACTICES IN PROCUREMENTS FOR LEGAL SERVICES

WHEREAS, on June 26, 2008, Governor Paterson signed Executive Order No. 10 which established the Minority and Women-Owned Business Enterprise (MWBE) Task Force to increase the utilization of minority and women-owned business enterprise underwriters in State debt offerings; and

WHEREAS, the MWBE Task Force issued its *Underwriter Recommendations* on October 30, 2008; and

WHEREAS, Executive Order No. 10 also charges the MWBE Task Force with making recommendations concerning ways to increase utilization of MWBE businesses in the financial industry, including bond counsel; and

WHEREAS, the MWBE Task Force has considered ways to increase the utilization of MWBE law firms that serve as legal counsel to public authorities and has developed a set of Recommendations for Best Practices to be utilized in the Request for Proposal ("RFP") process in an attempt to remove any barriers to participation by qualified MWBE law firms and to utilize other firms that have sound diversity practices and programs; and

WHEREAS, the MWBE Task Force believes that in order to facilitate the implementation of the *Recommendations Regarding Best Practices in Procurements for Legal Services ("Best Practices")*, it is desirable for the State-supported debt issuers' Boards to adopt in substantial form the *Best Practices.*

NOW, THEREFORE, BE IT RESOLVED by the Members of the MWBE Task Force as follows:

1. The *Recommendations Regarding Best Practices in Procurements for Legal Services* is hereby adopted.

2. Each State-supported debt issuer Member of the MWBE Task Force shall, to the extent Board approval is required for implementation of the *Best Practices*, recommend to his or her respective State-supported debt issuer's Board, that the Board adopt in substantial form the *Best Practices* no later than August 31, 2009.

3. This Resolution shall take effect immediately.

A RESOLUTION OF THE NEW YORK STATE MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISE TASK FORCE ADOPTING RECOMMENDATIONS FOR FINANCIAL SERVICES PROVIDERS

WHEREAS, on June 26, 2008, Governor Paterson signed Executive Order No. 10 which established the Minority and Women-Owned Business Enterprise ("MWBE") Task Force (the "Task Force") to increase the utilization of minority and women-owned business enterprise underwriters in State debt offerings; and

WHEREAS, Executive Order No. 10 also charges the Task Force with making recommendations concerning ways to increase utilization of MWBE businesses in the financial industry, including bond counsel; and

WHEREAS, the Task Force has taken a comprehensive approach to fulfilling its mission and has developed a work plan which not only addresses the utilization of MWBE firms as underwriters on debt issuances, but also addresses the utilization of other MWBE professional service providers including legal services, financial advisors, trustee banks and accounting firms; and

WHEREAS, the Task Force has developed a set of Recommendations to be utilized in the Request for Proposals (RFP) process in an attempt to remove any barriers to participation by qualified MWBE Financial Service Providers (Accountants, Banks, Broker Dealers, Certificates of Deposit and Money Market Fund Investments, Financial and Swap Advisors, Risk Management and Insurance Brokerage Services) and to utilize other Financial Service Providers that have sound diversity practices and programs; and

WHEREAS, the Task Force issued its *Underwriter Recommendations* on October 30, 2008; and

WHEREAS, the Task Force issued its *Recommendations Regarding Best Practices in Procurements for Legal Services* on May 11, 2009; and

WHEREAS, the Task Force believes that in order to facilitate the implementation of the adoption of Recommendations for Financial Services Providers, it is desirable for the State-supported debt issuers' Boards to adopt in substantial form the Recommendations.

NOW, THEREFORE, BE IT RESOLVED by the Members of the Task Force as follows:

1. The Recommendations for Financial Services Providers is hereby adopted.

2. Each State-supported debt issuer Member of the Task Force shall, to the extent Board approval is required for implementation of the Recommendations, recommend to his or her respective State-supported debt issuer's Board, that the Board adopt in substantial form the Recommendations no later than January 31, 2010 or as soon thereafter as practicable.

3. This Resolution shall take effect immediately.

A RESOLUTION OF THE NEW YORK STATE MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISE TASK FORCE EXTENDING THE DATE FOR FINAL REPORT FROM JANUARY 31, 2010 TO MARCH 15, 2010

WHEREAS, Governor David A. Paterson's Executive Order No. 10 establishes for the New York State Minority and Women-Owned Business Enterprise ("MWBE") Task Force (the "Task Force") created thereunder certain duties and responsibilities and a timeline for accomplishing those duties and meeting those responsibilities; and

WHEREAS, the Task Force has taken a comprehensive approach to fulfilling its mission and has developed a work plan which not only addresses utilization of MWBE firms as underwriters on debt issuances, but also addresses utilization of other MWBE professional service providers including legal services, financial advisors, trustee banks and accounting firms; and

WHEREAS, Executive Order No. 10 provides, *inter alia*, that:

By January 31, 2010, the Task Force shall issue, to the Governor, a final report evaluating each State-supported debt issuer's performance practices for utilizing MWBE firms as underwriters; and

WHEREAS, the Task Force believes that it would be desirable to extend the January 31, 2010 deadline to issue the final report to March 15, 2010.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOW:

1. The Chair of the Task Force is hereby directed to consult with Governor David A. Paterson's Office regarding the possible extension of the date contained in Executive Order No. 10 referenced above such that the January 31, 2010 deadline for issuing to the Governor, a final report evaluating each State-supported debt issuer's performance practices shall be extended to March 15, 2010.

2. This Resolution shall take effect immediately.

A RESOLUTION OF THE NEW YORK STATE MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISE TASK FORCE ADOPTING ITS EXECUTIVE ORDER NO. 10 FINAL REPORT

WHEREAS, on June 26, 2008, Governor Paterson signed Executive Order No. 10, which established the Minority and Women-Owned Business Enterprise (MWBE) Task Force to increase the utilization of minority and women-owned business enterprise underwriters in State debt offerings; and

WHEREAS, Executive Order No. 10 directed the MWBE Task Force to make recommendations with regard to the development and issuance of new solicitations for underwriting services, to identify barriers to entry that limit MWBE participation in State-supported debt transactions and to develop performance measures to evaluate all investment banks; and

WHEREAS, the Task Force has taken a comprehensive approach to fulfilling its mission and has developed a work plan that not only addresses utilization of MWBE firms as underwriters on debt issuances, but also addresses utilization of other MWBE professional services providers, including legal services, financial advisors, trustee banks and accounting firms; and

WHEREAS, on October 30, 2008, the MWBE Task Force issued its *Underwriter Recommendations* which addressed ways to improve the Request for Proposals ("RFP') process, to identify and eliminate barriers to entry, to enable MWBE firms to partner and increase their ability to be sole senior managers, and to examine designation policies to encourage the participation of MWBE firms; and

WHEREAS, On May 11, 2009, the MWBE Task Force issued its *Recommendations Regarding Best Practices in Procurements for Legal Services* to increase the utilization of MWBE law firms and other firms that have sound diversity practices and programs; and

WHEREAS on November 23, 2009, the MWBE Task Force issued its *Recommendations for Financial Services Providers*, to be utilized in the RFP process in an attempt to remove any barriers to participation by qualified MWBE financial service providers (accountants, banks, broker-dealers, certificates of deposit and money market fund investments, financial and swap advisors, risk management and insurance brokerage services) and to utilize other financial service providers that have sound diversity practices and programs; and

WHEREAS Executive Order No. 10 required that the Task Force submit a Preliminary Report to the Governor evaluating the performance of the State-Supported Debt Issuers in the utilization of MWBE underwriting firms detailing each State-Supported Debt Issuer's performance practices and such Preliminary Report was submitted to the Governor on April 28, 2009; and

WHEREAS, Executive Order No. 10 requires the MWBE Task Force to issue to the Governor a Final Report on January 31, 2010 (which date has been extended to March 15, 2010) evaluating each State-supported debt issuer's performance practices; and

WHEREAS, the MWBE Task Force has compiled data for the State-Supported Debt Issuers that provide an overview of State-level performance with respect to the use of MWBE firms in the following areas: underwriting, legal services, accounting, financial advisor, swap advisor, broker-dealers, banks, money market funds and risk management/insurance brokerage services and title insurance; recommended best practices to be utilized in the RFP process by State-supported debt issuers and other public authorities; developed a common RFP for underwriters to be used by each State-Supported Debt Issuer; drafted legislation that seeks to hold both public authorities and potential vendors accountable for diversity and MWBE participation; and made recommendations regarding further exploration to be undertaken with respect to increasing the utilizing of MWBE firms on State procurements.

NOW, THEREFORE, BE IT RESOLVED by the Members of the MWBE Task Force as follows:

1. The *Executive Order No. 10 Task Force Increasing the Utilization of Minority and Women-Owned Business Enterprise (MWBE) in State Debt Offerings Final Report* is hereby adopted in substantial form.

2. The Chair is hereby authorized and directed to issue the *Final Report* to Governor David A. Paterson on or about March 15, 2010.

3. This Resolution shall take effect immediately.

Dormitory Authority
State of New York

Dear :

Governor Paterson signed Executive Order #10 on June 26th establishing the MWBE Task Force which is examining ways to increase the utilization of MWBE firms in the financial services industry in the State of New York. One of the first priorities that the Task Force is charged with is recommending procurement guidelines and specific ways in which to eliminate barriers to entry and maximize the use of MWBE underwriting firms in State supported debt issuance. The Task Force held its first meeting last week and determined that one way to solicit as many ideas and best practices as possible on this topic would be to hold a public hearing and canvas a broad group of underwriters.

As the Chairman of the Task Force, I am writing to invite your firm to the public hearing which will be held on September 18, 2008 at DASNY's New York City Office at 1 Penn Plaza, 52nd floor. If you are interested in presenting testimony, please contact Kim Mero by September 5th at kmero@dasny.org. I would ask that you be prepared to speak for 15 minutes including questions from the Task Force. I encourage you to focus your comments on a priority issue, idea or recommendation. Also, please provide fifteen copies of your written testimony for Task Force members and staff. Your written testimony may, of course, address a broader array of topics than your verbal comments. Due to limitations on time, the Task Force reserves the right to limit the number and order of speakers at the hearing. If you request to speak, the Task Force will notify you by September 12th of the anticipated time for your remarks.

Attached, for your information, is a list of Task Force Members and an overview of issues for consideration which the Task Force has identified regarding the general process for selecting underwriters and the ways in which to maximize the use of MWBE firms. The Task Force encourages you to address one or more of these issues or others that you believe would help to advance the work of the Task Force. I look forward to working with you on this important policy initiative.

Sincerely,

Paul T. Williams, Jr.
Chair
MWBE Task Force

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MWBE Task Force Members

1) Priscilla Almodovar – President and Chief Executive Officer, Housing Finance Agency

2) Carl Andrews – Deputy Director for Intergovernmental Affairs (Governor's Appointment)

3) James Cavanaugh – President and Chief Executive Officer, Battery Park City Authority (Invited Guest)

4) Raudline Etienne – Chief Investment Officer, NYS Common Retirement Fund, Office of the State Comptroller (Governor's Appointment)

5) Michael R. Fleischer, Esq. – Executive Director, Thruway Authority

6) Charlotte Hitchcock – Deputy Secretary for Labor and Financial Regulation (Governor's Appointment)

7) Matthew Millea – Acting President, Environmental Facilities Corporation

8) Avi Schick – President and Chief Operating Officer, Empire State Development Corporation

9) Paul T. Williams, Jr. – Executive Director, Dormitory Authority and Chair, MWBE Task Force

Issues for Consideration

1) General Procurement Guidelines and Underwriter Procurement Guidelines/RFPs
    - Barriers to entry
        - Authority familiarity with providers
        - Authority specific experience
        - NYS presence
        - Nature of competitive landscape
        - Perception regarding capabilities
        - Capitalization
        - Length of time between RFPs
        - NYS MWBE certification
        - Other
    - Improving the RFP process/Universal Template

2) Practices to maximize MWBE opportunities
    - Formation of syndicate
        - Senior manager/bookrunner
        - Joint-bookrunner
        - Co-coordinator
        - Co-senior manager
        - Co-manager
        - Selling group member
    - Compensation
        - Designation policies
        - Management Fee
        - Takedown
        - Liability
    - Joint Venture/Partnering

MWBE Task Force Public Hearing Attendees
September 18, 2008
One Penn Plaza, 52nd Floor

Authority/Agency

Battery Park City Authority
Dormitory Authority State of New York
Empire State Development Corp.
Environmental Facilities Corporation
Housing Finance Agency
New York State Governor's Office
New York State Office of the State Comptroller
Thruway Authority

Firm

AC Advisors
Banc of America Securities LLC
BB&T
Black Enterprise
Cabrera Capital Markets, Inc.
Citi
DEPFA First Albany Securities LLC
Doley Securities, LLC
George K. Baum
Goldman, Sachs & Co.
Holland & Knight
Jackson Securities
JP Morgan
Lebenthal & Co.
Loop Capital Markets, LLC
Merrill Lynch
Mohanty and Associates
Morgan Stanley
MR Beal & Company
PG Corbin
Ramirez & Co., Inc.
Raymond James
RBC Capital Markets
Rice Financial
Roosevelt and Cross, Incorporated
Siebert Brandford Shank & Co., LLC
Toussaint Capital
US Legal Support (news)
Venus Capital Partners
Wachovia

Minority and Women-Owned Business Enterprise (MWBE) Task Force Underwriter Recommendations

October 30, 2008

MWBE Task Force Members:

Paul Williams, Executive Director, Dormitory Authority, MWBE Task Force Chair
Carl Andrews, Deputy Secretary for Intergovernmental Affairs, Governor's Office
Charlotte Hitchcock, Chief of Staff and Director of Financial Regulation, Governor's Office
Raudline Etienne, Chief Investment Officer, NYS Common Retirement Fund, Office of the State Comptroller
Marisa Lago, President and Chief Executive Officer, Empire State Development Corporation
Matthew Millea, Acting President, Environmental Facilities Corporation
Priscilla Almodovar, President and Chief Executive Officer, Housing Finance Agency/SONYMA
Michael Fleischer, Esq., Executive Director, Thruway Authority

MWBE Task Force Underwriter Recommendations

On June 26, 2008, the Governor signed Executive Order 10 which established a Task Force to increase the utilization of Minority and Women-Owned Business Enterprise underwriters in State debt offerings. The Task Force was charged with making recommendations with regard to the development and issuance of new solicitations for underwriting services as well as underwriting performance measures to evaluate all investment banks. In developing these recommendations, the Task Force was directed to consider ways to improve the RFP process, to establish ways for MWBE firms to partner and increase their ability to be sole senior managers, to identify and eliminate barriers to entry, and to recommend revisions to designation policies to encourage the participation of MWBE firms.

In signing Executive Order 10, the Governor referenced the historic 1988 law which established a comprehensive, statewide Minority and Women-Owned Business Enterprise Program. The Governor also referenced that of the $22 billion in bonds the State has sold since April1, 2004, MWBE firms have participated in the role of senior manager or co-senior manager on only 4% of these transactions. As such, the first order of business for the Task Force was to examine the underwriting process for State debt offerings.

The Executive Order challenged the Task Force to make historic recommendations. The themes that run throughout the recommendations are leveling the playing field, eliminating barriers to entry, providing opportunities to firms to demonstrate their qualifications, skills and expertise, and measuring performance. We are challenging firms to compete; and we are ensuring that they have a level playing field from which to compete. We are demanding that firms perform; and we are eliminating barriers to entry to ensure that they are given the opportunity to perform. We are holding the highest standards for qualifications, skills and expertise; and we know based on their experience that once we establish a level playing field that MWBE firms will perform, compete and meet these expectations.

The recommendations contained in this report address all of the underwriter issues highlighted in the Executive Order and represent the work of all of the members of the Task Force which include the five State-Supported Debt Issuers – Dormitory Authority, Empire State Development Corporation, Environmental Facilities Corporation, Housing Finance Agency and the Thruway Authority – as well as three members appointed by the Governor.

In less than four months, the Task Force surveyed all of the State public authorities regarding their practices, examined the policies and practices of the State-Supported Debt Issuers, held a public hearing at which over twenty firms testified, convened four formal meetings of the members, worked collaboratively through staff and developed a comprehensive set of recommendations for the underwriting process. Set forth below are a set of thirty recommendations regarding underwriting services which the Task Force believes meet the challenge and objectives of Executive Order 10.

MWBE Task Force Underwriter Recommendations
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MWBE Task Force Underwriter Recommendations: Request for Proposals

The Underwriter Request for Proposal (RFP) process is the fundamental framework for Issuers of State-Supported Debt to identify qualified banking firms and for banking firms to seek underwriting opportunities. This competitive process establishes the platform from which the opportunity to provide services is accessed. It is critical that this process be open, fair and performance based. It is equally important that this process ensures a level playing field for all firms, including MWBE firms, and that it addresses and eliminates unintended barriers to entry.

The RFP process should result in Issuers having access to the best service possible and at the most economic levels. It should also allow for banking firms to be able to demonstrate their relevant skills and reflect the changes in those skills over time. The timing of the RFPs and the ongoing review of the firms selected should recognize both the administrative and operational demands on the Issuer as well as the rapidly changing market environment and business plans of the firms and their expertise. Given the significant and sizable changes that the financial services industry is currently experiencing, this should benefit both the issuers and the banking firms.

1) RFP Process

a. Require Shorter RFP Cycles to Ensure Reasonable Access: State-Supported Debt Issuers typically have RFP cycles of three or four years. Some Issuers also allow for up to two one-year renewals. The existing cycle times preclude firms who have not been chosen for a panel from the opportunity to provide services for a long period of time.

   Recommendation: Require a two year RFP cycle with one 6 month renewal and an additional 6 month renewal only upon extraordinary circumstances. State-Supported Debt Issuers must make a good faith effort to achieve the two year cycle.

b. Require Mid-Cycle Review to Assess Performance of Firms: Existing RFPs contemplate a static pool for the duration of the RFP cycle. Given the rapidly changing market environment, performance and qualifications of firms is more uncertain and fluid.

   Recommendation: Authorize State-Supported Debt Issuers to review their underwriter panels at any time during the RFP cycle; require State-Supported Debt Issuers to review their underwriter panels after one year to assess performance of the firms on the panel. Issuers would be allowed to move firms on the panel up and down between tiers based on performance such as sales performance, banking ideas and personnel changes. Issuers would be required to determine the appropriate process, criteria and documentation for the decision to move firms between tiers.

c. Allow State-Supported Debt Issuers to Fill Underwriter Vacancies to Address Market Conditions: Existing RFPs do not address the issue of filling vacancies on the panel. Current market conditions with the consolidation of firms and firms leaving the municipal business have left State-Supported Debt Issuers with smaller panels than anticipated.

Recommendation: Allow State-Supported Debt Issuers to fill vacancies at any time from among the firms on the Issuer's panel. Issuers would be required to determine the appropriate process, criteria and documentation for the decision to fill a vacancy with a particular firm.

d. Allow State-Supported Debt Issuers to Enable Firms to Join the Selling Group at Any Time to Provide Access to Qualified Firms: Selling Group Members provide valuable support to Issuers by generating retail orders. Allowing Selling Group Members to join the panel on an ongoing basis is of value to the Issuer as strong retail demand helps to ensure good pricing execution. This would provide opportunities for firms to access the Issuers' bonds as well as have the opportunity to move to more senior positions based upon performance and qualifications.

Recommendation: Allow State-Supported Debt Issuers to enable firms to join the Selling Group at any time based upon satisfactory registration requirements including NASD/FINRA and SEC.

e. Require RFPs to include Requirement that All Firms on State-Supported Debt Issuers' Underwriter Panels Provide Updated Information Regarding Capital to Ensure that Issuers Have Current Information: Traditionally, State-Supported Debt Issuers request information regarding capital in their RFPs. This information, however, is not updated. Given the rapidly changing events in the financial services industry, issuers would benefit from more current information. A periodic update would ensure that issuers have current information. This would also dovetail with issuers' undertaking their mid-cycle performance reviews.

Recommendation: Require all Firms which are included in State-Supported Debt Issuers' underwriter panels to update their capital information annually. This information should include the firm's most recent SEC FOCUS (Financial and Operational Combined Uniform Single) report. In addition, Firms should notify Issuers if there is a significant change or impairment of capital upon such occurrence.

2) Timing of RFP Issuance

a. Stagger RFP Issuance by State-Supported Debt Issuers to Provide Ongoing Opportunities to Firms: The five State-Supported Debt Issuers do not coordinate when they issue their Underwriter RFPs. A coordinated approach would enable firms to have ongoing opportunities to present their qualifications to the State.

Recommendation: Stagger the issuance of Underwriter RFPs by State-Supported Debt Issuers to provide for maximum continual opportunities to firms.

Example:

Environmental Facilities Corp.:	*November 2008*
Dormitory Authority:	*December 2008*
Housing Finance Agency:	*January 2009*
Empire State Development Corp.:	*June 2009*
Thruway Authority:	*September 2009*

3) Request for Proposal (RFP) Template

a. Require Universal RFP Template to Standardize the Underwriter Procurements of State-Supported Debt Issuers: State-Supported Debt Issuers look for the same general characteristics when selecting underwriter panels. Adopting a Universal RFP Template would be more efficient for the firms submitting responses.

Recommendation: Require State-Supported Debt Issuers to develop and use a universal RFP template which standardizes the information sought from firms. The Universal Template should allow for a section which addresses any State-Supported Debt which may be distinct to a particular Issuer as well as the specific business lines of each authority separate from State-Supported Debt.

b. Revise Assessment Criteria to Eliminate Barriers to Entry: State-Supported Debt Issuers have included language in their RFPs which present barriers to entry for smaller firms and firms that have not done business with New York issuers historically. Revising the current assessment criteria would provide opportunities to all firms.

- *Recommendation: Revise questions in the RFP to eliminate barriers to entry. Examples include:*

  - *Experience with Issuer or New York State Issuers – include national experience with similar credits;*
  - *Experience with large deals – include experience with smaller deals as well;*
  - *Experience of personnel – include experience that personnel has had at other firms;*
  - *Sales and distribution – include deals with other issuers with similar credits and how this experience relates to the marketing plan for State-Supported Debt;*
  - *Secondary Market support – include expertise and commitment to the secondary market;*
  - *Capital – include assessment of capital devoted specifically to municipal finance and amount of leverage associated with the capital.*

- *Recommendation: Also include other factors which State-Supported Debt Issuers should consider as "tie breakers" such as:*

  - *Firm diversity – include the diversity of firm's key personnel on issuer's account;*
  - *New York State presence – include information regarding extent of New York State presence;*
  - *Joint Venture Partnerships – ask for ideas for joint venture partnerships;*
  - *Corporate Citizenship – ask for information regarding firm's efforts in this area.*

c. Qualify Firms into Smaller Number of Tiers to Provide Greater Opportunities to Firms: Qualifying firms into multiple tiers has historically locked firms into certain roles. Establishing fewer tiers in the panel selection will provide greater flexibility for firms.

Recommendation: Reduce the number of tiers in the underwriter panels to include senior managers, co-managers and selling group members. Issuers would have flexibility to create co-senior managers as needed on specific transactions from either the senior manager tier or co-manager tier. This provides greater flexibility for co-managers to grow into more senior roles.

d. Require Uniform Set of Minimum Review Criteria to Ensure Consistency Among State-Supported Debt Issuers: State-Supported Debt Issuers have traditionally crafted individual RFPs with corresponding review criteria. With the adoption of a Universal RFP, the State-Supported Debt Issuers should also adopt a uniform set of minimum review criteria.

Recommendation: Require a uniform set of minimum review criteria to be used by State-Supported Debt Issuers that reflects the uniform RFP.

MWBE Task Force Underwriter Recommendations: Performance Measures

Underwriter performance measures will provide the Issuers of State-Supported Debt with tools to assess the service provided by underwriting firms. These performance measures will be consistent across all State-Supported Debt Issuers and will capture pricing execution, underwriting support and investor interest.

The performance measures are intended to work in tandem with the RFP process. The RFP recommendations together with the recommendations with respect to underwriter performance measures should work to reinforce each other. The information provided through the performance reviews will enable State-Supported Debt Issuers to assess the performance of firms during the mid-cycle review of the RFP panel selection.

In turn, the reports by the Issuers of State-Supported Debt which will be generated from the performance measures will enable the Issuers and the Task Force to track the utilization of MWBE firms. And finally, the reports from all of the firms on their development and diversity will help enable the Task Force and the Issuers to track the progress of all of the firms in their efforts to promote diversity and to assess the impact of these efforts.

1) General Underwriter Performance Measures

a. <u>Require Senior Managers to Provide Uniform Data for Each Financing to Capture Overall Participation and Pricing Execution by the Management Team</u>

Recommendation: Require Senior Managers to complete uniform template which captures pricing execution data to determine underwriters' performance including placing going away orders, underwriters' willingness to place stock orders in difficult portion of the yield curve and underwriters' overall support of the issuer's financing. (See Attachment 1 - Underwriter Spreadsheet/Pricing Worksheet) Data includes:

- *Coupon, yield and spread to MMD (beginning and end of day) for retail order period and institutional pre-pricing and post-pricing;*
- *Orders and allotments by banking firm;*
- *Designations by firm; and*
- *Initial and final orders by investor.*

b. Require State-Supported Debt Issuers to Complete Qualitative Survey to Assess Overall Performance of Senior Manager

Recommendation: Require State-Supported Debt Issuers to complete a qualitative review of Senior Manager performance after each transaction to assess underwriter responsiveness to market conditions and investor demand, syndicate management and communication, the extent to which the underwriter provided useful research and ideas, and the extent to which the Senior Manager helped to further the objectives of the Issuer. (See Attachment 2 – Staff Underwriter Review)

2) Information Sharing

a. Require State-Supported Debt Issuers to Share Data in a Central Repository

Recommendation: Require State-Supported Debt Issuers to share with each other the data described in Recommendation #1a above in a central repository. This would enable Issuers to gain insight from the experience of their colleagues.

3) Reports by State-Supported Debt Issuers to Task Force

a. Require State-Supported Debt Issuers to Track Uniform Data regarding Orders, Allotments and Designations for all Firms including MWBE firms on Each Financing and Report to the Task Force on a Periodic Basis

Recommendation: Require State-Supported Debt Issuers to use the data provided by the Senior Managers to track orders, allotments and designations for each firm on each financing to determine which firms are supporting each deal. This data will also enable issuers to track the economics of each transaction. (See Attachments 3 – Sample Deal Template and Attachment 4 – Sample Orders, Allotments and Designations Template)

b. Determine an Appropriate Entity to Track Data Once the Task Force Concludes its Charge

Recommendation: Determine an appropriate entity to monitor and track data once the Task Force concludes its final report which is due to the Governor on January 31, 2010.

4) Reports by Underwriting Firms to Task Force

a. Require Firms to Report on their Development and Diversity

Recommendation: Require Firms to report annually to the Task Force and each of the State-Supported Debt Issuers annually on the following factors:

- *Number of employees (professional and support) in state at the beginning and end of each year broken out into total firm numbers and municipal finance department numbers;*
- *Number of minority and women employees (professional and support) at the beginning and end of each year broken out into total firm numbers and municipal finance department numbers;*
- *Annual NYS taxes paid, annual NYS revenues, and annual overall revenues;*
- *Unrestricted net capital at the beginning and end of each year;*
- *Internships and other examples of corporate citizenship.*

MWBE Task Force Underwriter Recommendations: Goals, Syndicate Formation and Designation Policies

The goals of the Issuers of State-Supported Debt represent the framework for the utilization of MWBE firms. Syndicate formation and designation policies are the tools which may be used to achieve these goals, and which build upon the RFP process and underwriter performance measures.

Syndicate formation and designation policies should be tailored to reflect the various different transactions undertaken by Issuers of State-Supported Debt. Different syndicate structures and different designation policies may be used to achieve the same effect of meeting the goals of the Issuers. The designations included in these recommendations include various models which seek to identify roles for MWBE firms throughout the tiers of Senior Manager, Coordinating Manager, Co-Senior Manager and Co-Manager. The Task Force believes that decision making regarding various ways to achieve these goals should be left to the individual Issuers.

1) MWBE Goals

a. Establish Goals for MWBE Utilization in State-Supported Debt Transactions

Recommendation: The Task Force recommends that State-Supported Debt Issuers should establish aspirational goals for meaningful MWBE utilization in State Supported Debt issuance. Each of the Chief Executives of the State-Supported Debt Issuers has reviewed this issue and will establish an aspirational goal of 20% for MWBE utilization in State-Supported Debt issuance through various designation policies. Each of the State-Supported Debt Issuers should also work together in their efforts to achieve these aspirational goals. The Task Force will monitor each State-Supported Debt Issuer relative to the goals they have established.

b. Address MWBE Utilization in Non-State-Supported Debt Transactions and Private Client Transactions

Recommendation: The Task Force recognizes that several State-Supported Debt Issuers undertake highly specialized financings or financings on behalf of private borrowers. The Task Force believes that each State-Supported Debt Issuer should seek to significantly increase MWBE utilization in these financings in a manner to be developed at the Issuer level. The Task Force will monitor each Issuer relative to the actions taken to increase MWBE utilization in these financings.

2) Syndicate Structure and Designation Policies

a. Increase Utilization of MWBE Firms in State-Supported Debt Transactions

Recommendation: To help achieve their overall goals, State-Supported Debt Issuers should use various syndicate structures and designation policies which increase the utilization of MWBE firms. Issuers of State-Supported Debt would determine the appropriate syndicate structures and designation policies for individual transactions. Model designation policies include:

- *Use MWBE Firm as sole Senior Manager*
    - *Designate 40% - 50% to Senior Manager*
- *Use two firms as Senior Managers on larger transactions including one MWBE firm*
    - *Designate 30% to each Senior Manager*
    - *Use one firm as Bookrunner*
    - *Share SDC and League Table credit*
- *Use more than two firms as Senior Managers on larger transactions including one or more MWBE firms*
    - *Allow firms to pool their designations and then share them equally*
    - *Use one firm as Bookrunner*
    - *Share SDC and League Table credit*
- *Use Senior Manager together with Coordinating Manager including MWBE firm as Coordinating Manager*
    - *Designate 40% to Senior Manager and 20% to Coordinating Manager*
    - *Split SDC and League Table credit*
- *Use MWBE Firms and other small firms as Co-Senior Managers*
    - *Designate 30-40% to Senior Manager and 20-30% to Co-Senior Managers with 40% left to remainder of management team.*
- *Include MWBE Firms and other small firms as Co-Managers*
    - *Designate 30-50% to Senior Manager and 10-30% to among a group of MWBE and other small Co-Managers with 40% left to remainder of management team.*
    - *Specifically list a group of Co-Manager firms to be designated*

b. Encourage Joint Venture Partnerships

Recommendation: Encourage firms to enter into joint venture partnerships and encourage State-Supported Debt Issuers to create partnerships to support information exchange as well as the building of capacity and expertise. Designation policies should be created to reflect the nature of the partnership.

c. Encourage the Use of Large Selling Group on Large State-Supported Debt Transactions to Gain Greater Retail Distribution

Recommendation: On large State-Supported Debt transactions, use a large selling group comprised of all firms on Issuer's list of selling group members and all firms not otherwise used as Senior Manager, Co-Senior Manager or Co-Manager. This would enable greater retail distribution and lessen the potential capital needed by the Senior Manager, making it easier for firms with less capital including MWBE firms to senior manage transactions. This would also provide a level playing field from which to evaluate the performance of all firms on all State-Supported Debt transactions.

3) Capital Requirements

a. Require Firms to Provide Updated Disclosure regarding Capital and Access to Credit at the Time of Each State-Supported Debt Transaction

Recommendation: Require Senior Managers to provide information to State-Supported Debt Issuers at the time of each transaction to demonstrate that they have sufficient net capital to support the financing. Firms would be required to provide the most recent SEC FOCUS (Financial and Operational combined Uniform Single) Report and disclose current information including a) net capital, b) debt liabilities, c) net capital ratio and d) credit lines that are available to support the underwriting. In addition, firms would be required to certify that they have sufficient net capital to maintain compliance with SEC Rule 15c 3-1 with respect to the specific transaction. Although State-Supported Debt Issuers ask for data regarding capital and ability to underwrite at the time of the RFP, this information is not updated. Requiring this information at the time of each transaction will ensure that the Issuer has timely and meaningful data.

4) Allotment Process

a. Encourage Issuers to Actively Oversee the Allotment Process to Ensure that Firms Which Bring Net Designated Orders are Treated Fairly

Recommendation: State-Supported Debt Issuers should actively oversee the allotment process. While the Senior Manager is responsible for running the books, it is the responsibility of the Issuer to ensure that the other firms on the management team are treated fairly when they bring in net designated orders. Also, due to the turbulence in today's market, it is in the interest of the Issuers to have underwriters build a book of orders before deals are put to market.

5) Communication

a. Encourage Better Communication Among the Management Team

Recommendation: Require Senior Manager to include Co-Senior Managers on all structuring, market update and pricing calls with the State-Supported Debt Issuer. This would help ensure that the Co-Senior Manager firms have the best and most up to date information in order to effectively address the Issuer's needs.

6) Senior Manager Flexibility

a. Allow Co-Managers who Provide an Innovative Idea to Senior Manage State-Supported Debt Transaction to Incentivize Performance and Encourage Competition

Recommendation: Allow Co-Managers who provide an innovative idea for State-Supported Debt to senior manage the transaction. This would encourage all co-managers including MWBE firms to show good ideas and receive the economic benefits.

MWBE Task Force Underwriter Recommendations: Other Issues

A number of the issues that were considered by the Task Force fall outside of the jurisdiction of the Issuers of State-Supported Debt including MWBE certification issues, other ways to capitalize MWBE firms and the ability of local governments to issue debt through negotiated sale. The Task Force will bring these issues to the attention of the appropriate policy makers to further the goals of Executive Order 10 as it relates to issues surrounding underwriting by MWBE firms.

1) MWBE Certification

a. Initiate Discussions with the Department of Economic Development Division of Minority and Women Business Development Regarding MWBE Financial Services Firms

- *Recommendation: Consider MWBE certification criteria that are unique to the finance sector. (Legislation is required.)*
- *Recommendation: Consider creating a website so that firms applying for MWBE certification can easily check the status of their application. (Appropriation is required.)*

2) Other Investment in MWBE Firms

a. Initiate discussions with NYS Common Retirement Fund regarding MWBE Issues

Recommendation: Initiate discussions with NYS Comptroller/NYS Common Retirement Fund to discuss whether there are ways to use the NYS Common Retirement Fund's investment options consistent with the Comptroller's fiduciary standard to assist MWBE firms and bond financings lead by MWBE firms. Explore private equity investment in MWBE firms through the NYS Common Retirement Fund. The NYS Common Retirement Fund currently invests in private equity firms which provide venture capital as well as private equity firms which are targeted to business development in New York State.

3) Local Finance Law Limits

a. Initiate Discussion with Local Governments to Assess the Issues regarding Increasing the Local Finance Law Cap for Negotiated New Money Issues

Recommendation: Initiate discussion with local governments to assess the issues regarding raising the New York Local Finance Law cap on negotiated new monies issues to $10 million. The Local Finance Law which governs local government bond issues currently prohibits negotiated new money transactions over $1 million subject to certain exceptions. Given current market volatility, raising the cap, which was last raised in 1991 may provide additional options to local governments and may also provide opportunities to firms including MWBE firms in this sector. (Legislation is required.)

Series 2008 Bonds
Pricing worksheet

Ratings:	
Moody's	Aaa/A2
Standard & Poor's	NR
Fitch	NR

UNDERWRITERS	
Senior Lead	
Co-Manager	
Co-Manager	
Co-Manager	
Co-Manager	
Co-Manager	
Co-Manager	

Economic Indicators	Last	Forecast	Actual
Pending Home Sales	88.2	86.4	
Wholesale Inventory	+1.3%	+.0.7%	
Wholesale Sales	+1.4%	+.0.7%	
Consumer Credit	+$8.9B	+$7.0B	

Economic Indicators	Last	Forecast	Actual

Treasury Yeilds	
2-YR	
10-YR	3.92%
30-YR	4.51%

Treasury Yeilds
2-YR
10-YR
30-YR

Treasury Yeilds
2-YR
10-YR
30-YR

Initial Order Period Tuesday July 25, 2008 9:30 AM

Maturity July 1,	Principal amount	Serial or Term	Coupon	Yield	Morning MMD Spread	Afternoon MMD Spread	Principal amount
2009		S	SB	SB			
2010		S	3.000%	2.600%	0.100%	0.100%	
2011		S	3.000%	2.970%	0.120%	0.120%	
2012		S	3.100%	3.210%	0.150%	0.150%	
2013		S	3.250%	3.360%	0.180%	0.180%	
2014		S	3.500%	3.500%	0.200%	0.200%	
2015		S	3.500%	3.610%	0.200%	0.200%	
2016		S	4.000%	3.730%	0.210%	0.210%	
2017		S	5.000%	3.850%	0.220%	0.220%	
2018		S	5.000%	3.960%	0.220%	0.220%	
2019		S	5.000%	4.100%	0.250%	0.250%	
2020		S	5.000%	4.200%	0.250%	0.250%	
2021		S	5.000%	4.280%	0.250%	0.250%	
2022		S	5.000%	4.340%	0.250%	0.250%	
2023		S	5.000%	4.400%	0.250%	0.250%	
2024		S	5.000%	4.460%	0.250%	0.250%	
2025		S	5.000%	4.500%	0.240%	0.240%	
2026		S	5.000%	4.530%	0.220%	0.220%	
2027		S	5.000%	4.560%	0.200%	0.200%	
2028		S	5.000%	4.610%	0.200%	0.200%	
2033		T	5.000%	4.780%	0.200%	0.200%	
2038		T	5.000%	4.830%	0.200%	0.200%	
	0						0

Final pricing Tuesday July 26, 2008 12:00 PM

Serial or Term	Coupon	Yield	Morning MMD Spread	Afternoon MMD Spread	Principal amount
S	4.000%	1.950%			
S	3.000%	2.570%	0.100%	0.100%	
S	3.000%	2.950%	0.120%	0.120%	
S	3.100%	3.190%	0.150%	0.150%	
S	3.250%	3.340%	0.180%	0.180%	
S	3.400%	3.480%	0.200%	0.200%	
S	3.500%	3.600%	0.200%	0.200%	
S	4.000%	3.710%	0.210%	0.210%	
S	5.000%	3.830%	0.220%	0.220%	
S	5.000%	3.940%	0.220%	0.220%	
S	5.000%	4.050%	0.250%	0.250%	
S	5.000%	4.150%	0.250%	0.250%	
S	5.000%	4.230%	0.250%	0.250%	
S	5.000%	4.310%	0.250%	0.250%	
S	5.000%	4.370%	0.250%	0.250%	
S	5.000%	4.440%	0.250%	0.250%	
S	5.000%	4.480%	0.240%	0.240%	
S	5.000%	4.530%	0.220%	0.220%	
S	5.000%	4.550%	0.200%	0.200%	
S	5.000%	4.580%	0.200%	0.200%	
T	5.000%	4.740%	0.200%	0.200%	
T	5.000%	4.780%	0.200%	0.200%	
					0

Serial or Term	Coupon	Yield	Morning MMD Spread	Afternoon MMD Spread	Principal amount

Serial or Term	Coupon	Yield	Morning MMD Spread	Afternoon MMD Spread	Principal amount

Negotiated Comprables:

Date	Deal	Final Maturity	Final Yeild	Spread to MMD

Competative Comprables:

Date	Deal	Final Maturity	Final Yeild	Spread MMD

Commentary

Series 2008 Bonds
Orders by Firm

Liability	
Senior	70%
Co-Senior	NA
Co Manager	5%

Maturity July 1,	Principal amount or sinking fund		FIRM: Lead	Allotments	Co-Managers	Allotments	Allotments	Allotments	Allotments	Allotments	Allotments	Allotments	Allotments	Total
2009		Retail												0
		Institutional												0
		Member												0
	Total		0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	
2010		Retail												0
		Institutional												0
		Member												0
	Total		0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	
2011		Retail												0
		Institutional												0
		Member												0
	Total		0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	
2012		Retail												0
		Institutional												0
		Member												0
	Total		0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	
2013		Retail												0
		Institutional												0
		Member												0
	Total		0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	
2014		Retail												0
		Institutional												0
		Member												0
	Total		0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	

Series 2008 Bonds
Orders by Firm

Liability	
Senior	70%
Co-Senior	NA
Co Manager	5%

Maturity July 1,	Principal amount or sinking fund		*FIRM* Lead	Allotments	Co-Managers	Allotments		Allotments		Allotments		Allotments		Allotments		Allotments	Total
2015		Retail															0
		Institutional															0
		Member															0
	Total		0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	
2016		Retail															0
		Institutional															0
		Member															0
	Total		0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	
2017		Retail															0
		Institutional															0
		Member															0
	Total		0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	
2018		Retail															0
		Institutional															0
		Member															0
	Total		0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	
2019		Retail															0
		Institutional															0
		Member															0
	Total		0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	
2020		Retail															0
		Institutional															0
		Member															0
	Total		0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	

Series 2008 Bonds
Orders by Firm

Liability	
Senior	70%
Co-Senior	NA
Co Manager	5%

Maturity July 1,	Principal amount or sinking fund		FIRM: Lead	Allotments	Co-Managers	Allotments	Allotments	Allotments	Allotments	Allotments	Allotments	Allotments	Allotments	Total
2021		Retail												0
		Institutional												0
		Member												0
	Total		0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	
2022		Retail												0
		Institutional												0
		Member												0
	Total		0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	
2023		Retail												0
		Institutional												0
		Member												0
	Total		0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	
2024		Retail												0
		Institutional												0
		Member												0
	Total		0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	
2025		Retail												0
		Institutional												0
		Member												0
	Total		0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	
2026		Retail												0
		Institutional												0
		Member												0
	Total		0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	

Series 2008 Bonds
Orders by Firm

Liability	
Senior	70%
Co-Senior	NA
Co Manager	5%

Maturity July 1,	Principal amount or sinking fund		FIRM: Lead	Allotments	Co-Managers	Allotments		Allotments		Allotments		Allotments		Allotments		Allotments	Total
2027		Retail															0
		Institutional															0
		Member															0
	Total		0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	
2028		Retail															0
		Institutional															0
		Member															0
	Total		0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	
2033		Retail															0
		Institutional															0
		Member															0
	Total		0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	
2038		Retail															0
		Institutional															0
		Member															0
	Total		0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	
	Total	Retail	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0
		Institutional	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0
		Member	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0	**0**	0

Series 2008 Bonds
Designations by Maturity and Firm

Designation Policy
Senior Manager must receive 30% or all designations
No firm may receive more than 30% of any designation
At least 4 firms must be designated
Selling group member may receive up to 10% in aggregate designations

FIRM

			Lead	Co Senior			Co Manager			
Maturity July 1,	**Principal Amount**	**Takedown**								**Total**
2009		$0.35	0	0	0	0	0	0	0	0
2010		$3.75	0	0	0	0	0	0	0	0
2011		$3.75	0	0	0	0	0	0	0	0
2012		$3.75	0	0	0	0	0	0	0	0
2013		$3.75	0	0	0	0	0	0	0	0
2014		$3.75	0	0	0	0	0	0	0	0
2015		$3.75	0	0	0	0	0	0	0	0
2016		$3.75	0	0	0	0	0	0	0	0
2017		$3.75	0	0	0	0	0	0	0	0
2018		$3.75	0	0	0	0	0	0	0	0
2019		$5.00	0	0	0	0	0	0	0	0
2020		$5.00	0	0	0	0	0	0	0	0
2021		$5.00	0	0	0	0	0	0	0	0
2022		$5.00	0	0	0	0	0	0	0	0
2023		$5.00	0	0	0	0	0	0	0	0
2024		$5.00	0	0	0	0	0	0	0	0
2025		$5.00	0	0	0	0	0	0	0	0
2026		$5.00	0	0	0	0	0	0	0	0
2027		$5.00	0	0	0	0	0	0	0	0
2028		$5.00	0	0	0	0	0	0	0	0

2033	$5.00	0	0	0	0	0	0	0									0
2038	$5.00	0	0	0	0	0	0	0									0
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Series 2008B Bonds
Orders by Account

Maturity July 1,	Principal Amount		Account: Franklin	Nuveen	T Rowe	JPMorgan	Blackrock	Fidelity	Merrill	Rochester								Total	Designations
2013		Initial	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Drop																	
		Final **Allotment**																	
2014		Initial	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Drop																	
		Final **Allotment**																	
2015		Initial	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Drop																	
		Final **Allotment**																	
2016		Initial	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Drop																	
		Final **Allotment**																	
2017		Initial	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Drop																	
		Final **Allotment**																	
2018		Initial	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Drop																	
		Final **Allotment**																	
2019		Initial	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Drop																	
		Final **Allotment**																	
2024		Initial	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Drop																	
		Final **Allotment**																	

Series 2008B Bonds
Orders by Account

Maturity July 1,	Principal Amount		Account: Franklin	Nuveen	T Rowe	JPMorgan	Blackrock	Fidelity	Merrill	Rochester								Total	Designations
2025		Initial	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Drop																	
		Final																	
		Allotment																	
2026		Initial	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Drop																	
		Final																	
		Allotment																	
	$ -		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	

Dormitory Authority - State of New York
Staff Underwriter Review of: _____

Lead Underwriter:

Sale Type: Negotiated

Issue Name:

Par Amount:

Program:

Closing Date:

Purpose: New Money

Rate Type: Fixed

Tax Status: Tax-Exempt

Process Type: Standard

Question	5 Very Satisfied	4 Somewhat Satisfied	3 Neither	2 Somewhat Dissatisfied	1 Very Dissatisfied	Not Applicable
Process						
Completely described the financing structure	☐	☐	☐	☐	☐	☐
Provided accurate and timely information	☐	☐	☐	☐	☐	☐
Developed realistic financing schedule and time frame	☐	☐	☐	☐	☐	☐
Structured the transaction within the confines of Regulatory Authority and Authority Guidelines	☐	☐	☐	☐	☐	☐
Did the Underwriter present any creative ideas or exceptional research?	☐	☐	☐	☐	☐	☐
Pre-Pricing						
Provided detailed schedule of various pricing calls including pricing wires	☐	☐	☐	☐	☐	☐
Provided internal and external sales memoranda	☐	☐	☐	☐	☐	☐
Provided a list of useful comparable transactions	☐	☐	☐	☐	☐	☐
Listed appropriate benchmark indices	☐	☐	☐	☐	☐	☐
Provided adequate description of market conditions	☐	☐	☐	☐	☐	☐

Question	5 Very Satisfied	4 Somewhat Satisfied	3 Neither	2 Somewhat Dissatisfied	1 Very Dissatisfied	Not Applicable
Final Pricing						
Provided final pricing wires	☐	☐	☐	☐	☐	☐
Provided timely final numbers	☐	☐	☐	☐	☐	☐
Provided list of the order book by investor and investor type from initial order period	☐	☐	☐	☐	☐	☐
Provided final orders and allotments	☐	☐	☐	☐	☐	☐
Provided bond allocations	☐	☐	☐	☐	☐	☐
Provided Designations by Par and Takedown	☐	☐	☐	☐	☐	☐
Provided list of final book by investor and investor type	☐	☐	☐	☐	☐	☐
Did Senior Managing Underwriter maximize the use of MWBE Firms? (if applicable)	☐	☐	☐	☐	☐	☐
Communication						
Responded to requests quickly	☐	☐	☐	☐	☐	☐
Provided solutions to inquiries	☐	☐	☐	☐	☐	☐
Offered personal attention to inquiries	☐	☐	☐	☐	☐	☐
Kept the analyst apprised of changes in structuring	☐	☐	☐	☐	☐	☐
Kept the Working Group apprised of changes in schedule	☐	☐	☐	☐	☐	☐
Did the Underwriter communicate with syndicate in a timely and efficient manner?	☐	☐	☐	☐	☐	☐
Overall Performance						
Responsiveness	☐	☐	☐	☐	☐	☐
Execution	☐	☐	☐	☐	☐	☐
Organization	☐	☐	☐	☐	☐	☐
Communication	☐	☐	☐	☐	☐	☐
Reasonableness of Fees						
Management Fee	☐	☐	☐	☐	☐	☐
Takedown	☐	☐	☐	☐	☐	☐
Miscellaneous Expenses	☐	☐	☐	☐	☐	☐
Provides accurate costs of issuance	☐	☐	☐	☐	☐	☐
Mortgage Banking Fee (if applicable)	☐	☐	☐	☐	☐	☐

Question	5 Very Satisfied	4 Somewhat Satisfied	3 Neither	2 Somewhat Dissatisfied	1 Very Dissatisfied	Not Applicable
Marketing of DASNY Bonds						
Diversification of portfolio	☐	☐	☐	☐	☐	☐
Spread to MMD based on comparables	☐	☐	☐	☐	☐	☐

Comments:

Analyst: Matthew Bergin

Date of Report:

Sample Deal Template Attachment 3

$516,455,000 Mental Health Services Facilities Improvement Revenue Bonds
Series 2008 A, B, C, D and E

Date:	**July 2008**
S&P Rating:	**AA-/Stable**
Fitch Rating:	**A+/Positive**
Bond Insurance:	**Certain Maturities insured by FSA (AAA/AAA)**

Senior Managers:	JP Morgan and Lehman
Co-Senior Managers:	Goldman Sachs Merrill Lynch Ramirez Wachovia
Co-Managers:	Cain Brothers DEPFA First Albany Jackson Securities Morgan Stanley Raymond James Roosevelt and Cross Sterne, Agee & Leach
Selling Group:	BB&T Capital Markets Cabrera Capital Doley Securities Emmet & Co. Morgan Keegan Oppenheimer & Co. Podesta & Co. Rice Derivatives Holdings Stone & Youngerg
Designation Policy:	At least four firms must be designated. No firm may receive more than 30% of any designation. JP Morgan and Lehman must each be designated 30%. Selling group members may be designated in aggregate up to 10% of any allotment.
Priority Orders Retail:	New York Retail National Retail
Priority Orders Institutional:	Net designated Member
Liability Policy:	Senior Managers: JP Morgan (30%) and Lehman (29%) = 59% Co-Senior Managers: 5% for each of four firms = 20% Co-Managers: 3% for each of seven firms = 21%

DRAFT

SAMPLE
Dormitory Authority
Orders, Allotments & Designations
Mental Health Series 2008A-E
July 2008

Attachment 4

Underwriters	Retail Orders Placed	Net Designated Orders Placed	Member Orders Placed	Total Orders	Retail Orders Allotted	Net Designated Orders Allotted	Member Orders Allotted	Total Allotments	Amount Designated by Par Amount of Bonds	Amount from Takedown	Liability
LEAD MANAGER											
J.P. Morgan Securities				0				0			
Lehman Brothers				0				0			
CO-SENIOR MANAGERS											
Goldman Sachs				0				0			
Merrill Lynch				0				0			
Ramirez & Co.				0				0			
Wachovia				0				0			
CO-MANAGERS											
Cain Brothers & Co.				0				0			
DEPFA First Albany				0				0			
Jackson Securities				0				0			
Morgan Stanley				0				0			
Raymond James				0				0			
Roosevelt & Cross				0				0			
Sterne, Agee, & Leach, Inc.				0				0			
SELLING GROUP											
BB&T Capital Markets				0				0			
Cabrera Capital				0				0			
Doley Securities				0				0			
Emmet & Co.				0				0			
Morgan Keegan				0				0			
Oppenheimer & Co.				0				0			
Podesta & Co.				0				0			
Rice Derivatives Holdings				0				0			
Stone & Youngberg				0				0			
TOTALS	0	0	0	0	0	0	0	0	0	0	0

Management Fee: $0

Common Request for Proposals for Underwriting Services

INSERT AGENCY LOGO

[date]

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Common Request for Proposals for Underwriting Services
Checklist

CHECKLIST OF ITEMS TO BE COMPLETED AND RETURNED:

- ☐ Common Application Coversheet
- ☐ Part I – Qualifications
- ☐ Part II – Performance
- ☐ Part III – Innovations
- ☐ Part IV – AUTHORITY Supplement: Additional Questions to Common RFP
- ☐ Part V – AUTHORITY Supplement: Exhibits to Common RFP

Exhibits:

- ☐ Pricing Workbook
- ☐ [placeholder for additional exhibits]

Common Request for Proposals for Underwriting Services

Common Application Coversheet

Attach this form to the top of your proposal.

POSITION APPLYING FOR: _____

DATE OF APPLICATION: _____

GENERAL INFORMATION ON FIRM:

Legal Name of Firm: _____

Firm's Mailing Address: _____

_____

Firm's Website Address: _____

Firm's Main Telephone Number (including area code): _____

Federal Tax ID Number: _____

FINRA and/or SEC Registration Number: _____

MWBE Registration Number (if applicable): _____

MAIN CONTACT INFORMATION FOR THIS PROPOSAL:

Please list the individual that will be the main contact *regarding this proposal*:

Contact Name: _____

Contact Telephone Number (including area code): _____

Contact E-mail Address: _____

Contact Facsimile Number (including area code): _____

PRIMARY STAFF PERSON(S):

Please list the primary staff person(s) who will provide services relating to the Authority. Attach additional sheets if necessary.

Contact #1

Contact Name: _____

Contact Telephone Number (including area code): _____

Contact E-mail Address: _____

Contact Facsimile Number (including area code): _____

Contact #2

Contact Name: _____

Contact Telephone Number (including area code): _____

Contact E-mail Address: _____

Contact Facsimile Number (including area code): _____

Contact #3

Contact Name: _____

Contact Telephone Number (including area code): _____

Contact E-mail Address: _____

Contact Facsimile Number (including area code): _____

Common Request for Proposals for Underwriting Services
General Information

Section 1. General Information

A. Background

Governor Paterson signed Executive Order 10 in June 2008 which established a Task Force to increase the utilization of Minority and Women-Owned Business Enterprise underwriters in State debt offerings. One of the recommendations of the Task Force was to establish a universal Request for Proposal (RFP) template to standardize, to the extent practicable, the underwriter procurements of State-supported debt issuers. As there are a number of State-supported debt issuers, the Task Force concluded that a universal RFP template would be more efficient for the firms submitting responses. This Common RFP for Underwriting Services is the result of the Task Force's recommendations and deliberations.

B. Authority Description

[insert specific Authority description]

C. Purpose

The AUTHORITY is seeking proposals from qualified firms, registered with FINRA and/or SEC, to serve as Senior Managing Underwriter and Co-Managing Underwriter in connection with the proposed future issuance of bonds of the AUTHORITY. Firms who wish to serve as Selling Group Members must be registered with FINRA and/or SEC and must provide registration numbers, but are not required to provide proposals in response to the questions posed in this Request for Proposal ("RFP"). The AUTHORITY may add additional firms as Selling Group Members to its list of underwriters at any time upon demonstration of satisfactory registration requirements.

The AUTHORITY is accepting proposals from firms that wish to be considered for senior manager as well as for co-manager. It is intended that through this RFP, one or more firms that are qualified underwriters will be selected for inclusion on the AUTHORITY's Qualified Underwriter List ("List"). The AUTHORITY expects to sell several bond issues for [IDENTIFY SPECIFIC AUTHORITY PROGRAMS] and one or more Personal Income Tax revenue bond and state appropriation-backed bond issues during the next two years. The Firms included on the List may also be used for other AUTHORITY financing programs that may be assigned to the AUTHORITY during the engagement period.

D. Key Events/Dates

Provided below is the schedule for milestones in this RFP process, listed in order of occurrence. The AUTHORITY reserves the right to change any or all of these dates as it deems necessary or convenient in its discretion. In the event of such a date change, all parties that have been furnished with this RFP will be duly notified.

Issuance of RFP	Date
RFP Question Deadline	Date
RFP Question Response	Date
Proposal Due By	Date
Interviews, if necessary (not earlier than)	Date
Anticipated Selection	Date

Section 2. Engagement Requirements

A. Overall Scope of Services

The overall responsibilities of the AUTHORITY's Senior Managing Underwriter(s) shall include:

1. providing the most cost effective pricing and marketing of the AUTHORITY's bonds at the lowest interest rates possible;

2. identifying new strategies and initiatives as well as new ideas which could be utilized by the AUTHORITY to further enhance the AUTHORITY's operation and the performance of AUTHORITY's programs as well as its overall goals;

3. identifying refunding opportunities for the AUTHORITY to reduce interest costs on their respective portfolios;

4. pursuing ways for the AUTHORITY to improve the reduction of interest rate exposure as well as mitigate other risks commonly associated with swap strategies and continue to maximize interest rate savings; and

5. providing such other related services as requested by the AUTHORITY from time to time.

B. Specific Scope of Services

The successful firm(s) will:

1. As Senior Managing Underwriter, provide services including (except as otherwise provided):

   a. Structure and size bond issues;

   b. Prepare cash flows and individual transaction cash flows for the AUTHORITY'S programs;

   c. Prepare financing schedules and calendar of events;

   d. Prepare pricing memos discussing marketing conditions (including comparables) and preliminary pricing scales, syndicate rules, syndicate price views and marketing compensation;

   e. Manage the underwriting process and provide advice on market timing and investor demand;

   f. Conduct bond sale conference calls and coordinate information with the syndicate group;

g. Market and distribute bonds;

h. Commit capital as required in underwriting the AUTHORITY's bonds;

i. Provide post-closing analysis of debt issuances including pricing, orders, allotments, designations, etc.;

j. Provide support for the bonds in the secondary market;

k. As remarketing agent, provide weekly/daily reset rates;

l. Undertake certain market-related analysis of various financial products as may be requested by the AUTHORITY;

m. Coordinate information meetings with institutional investors, credit analysts, financial advisors and other public presentations as requested by the AUTHORITY;

n. Participate in discussions with the AUTHORITY upon the occurrence of unexpected events, such as the dislocation in the auction rate market and the downgrade of the monoline insurance companies regarding the effect on the AUTHORITY's bonds, and assist the AUTHORITY in developing strategic and tactical responses;

o. [AUTHORITY SPECIFIC]; and

p. Other services as requested from time to time.

2. As Co-Managing Underwriter, provide services including (except as otherwise provided):

   a. Assist in marketing and distribution of bonds;

   b. Commit capital as required in underwriting the AUTHORITY's bonds;

   c. Provide support for the bonds in the secondary market; and

   d. Other services as requested from time to time.

Section 3. Content of Proposal

A. General Information

[Specific instructions to be inserted by specific Authority.]

Responses should be within the page limits indicated, single spaced in 10 point type or larger on 8½" x 11" paper. Include a cover letter with the following items:

a. The firm's name, address, telephone number, fax number, email address and web site address, if applicable;

b. The name, title, telephone number, fax number and email address of the individual within the firm who will be the AUTHORITY's primary contact concerning the proposal;

c. The names of the primary staff persons who will provide services relating to the AUTHORITY; and

d. A statement indicating whether your firm wishes to be considered for a Senior Manager position, Co-Manager position or both.

B. Proposal Requirements

Complete the following Parts as appropriate pursuant to the instructions in Section 3.A. in this RFP. In your response, provide the information in the same order in which it is requested. Your proposal must contain sufficient information to assure the AUTHORITY of its accuracy. Complete all exhibits as attached hereto.

C. Engagement Standards; Rights of AUTHORITY

Underwriting Partnerships - At the direction of AUTHORITY, the firm must be willing to partner with other firms, including M/WBE firms.

Financial Information - As a condition of this engagement each firm will be required to update financial information prior to each appointment to senior manage or co-senior manage a transaction. Firms will also be required to notify AUTHORITY when a significant change or impairment of financial position has occurred.

Syndicate Structures - The AUTHORITY reserves the right to review performance and reassign underwriters on the list to new roles at any time during the engagement. The AUTHORITY may also fill management team vacancies from firms on the list.

Reports to the AUTHORITY – Firms will be required to provide pricing information to the Authority for each transaction for which they serve as Senior Manager. The form of the report is attached as an Exhibit in Part V.

Reports to the MWBE Task Force – Firms will be required to report annually on their development and diversity.

Section 4. Evaluation of Proposals

A. The Selection Process

The selection process will begin with the review and evaluation of each of the written proposals. The purpose of the evaluation is two-fold: (1) to examine the responses for compliance with this RFP, and (2) to identify the complying firms that have the highest probability of satisfactorily performing the scope of services. The evaluation will be conducted in a comprehensive and impartial manner as set forth herein.

B. Preliminary Review

AUTHORITY reserves the right to reject and return to the proposer all proposals received after the RFP due date and time. All proposals will be reviewed to determine if they contain all required submittals specified in this RFP. Incomplete proposals may be rejected.

C. Evaluation and Criteria for Selection

Proposals will undergo an evaluation process conducted by a Committee selected by AUTHORITY. The Committee will evaluate the proposals based upon the following criteria:

- the information submitted in response to this RFP, including:
  - underwriter's experience,
  - underwriter's ability to structure and sell AUTHORITY's bond issues,
  - underwriter's knowledge and technical expertise,
  - underwriter's capitalization, and
  - underwriter's diversity and commitment to equal opportunity programs.
- interviews to clarify or expand on the response (to be conducted at the discretion of AUTHORITY); and
- significant innovative structuring proposals in response to Part III for Senior Managing Underwriter.

D. Interviews

AUTHORITY reserves the right to determine whether interviews will be necessary. The purpose of the interview is to further document the proposer's ability to provide the required services, and to impart to the Committee an understanding of how specific services will be furnished. The proposed engagement partner, as well as other key personnel proposed to provide the services, must be present and participate in the interview. The interview will be evaluated on the basis of whether it substantiates the characteristics and attributes claimed by the proposer in its written response to this RFP and any other information requested by the Committee prior to the interview.

Section 5. Submission of Proposals

A proposer must submit _____ hardcopies of its proposal and ____ CDs to AUTHORITY on or before [TIME] EST on DATE.

Fax submissions will not be considered under any circumstances. Proposals received after the proposal date may be rejected and returned to the proposer.

All proposals and accompanying documentation will become the property of the AUTHORITY and will not be returned. The content of each bidder's proposal will be held in strict confidence during the bid evaluation process, and no details of any proposal will be discussed outside the evaluation process. An official authorized to commit the company to a contract must sign the proposal.

Proposals should be addressed to:

Name
Address 1
Address 2
City/State/Zip

and marked as follows: **Response to Request for Proposal for Underwriter Services.**

Section 6. Important Information Affecting Proposers

A. Proposal Requirements

1. All questions concerning this RFP must be addressed to the person *[persons]* listed below. Proposers and prospective Proposers may not approach any other Authority officer, employee, contractor or agent or any other State entity relative to this RFP (except as provided in [Exhibit 1]).

   [Name]
   [Title]
   [Address]
   [phone]
   [fax]
   [email]

   In the event the contact person *[persons]* listed above is *[are]* not available, Proposers may direct their questions to [____]:

   All questions must be submitted in writing by email, citing the particular proposal section and paragraph number. Proposers should note that all clarifications and exceptions are to be resolved prior to submission of the proposal. A list of all substantive inquiries received with relevant responses will be posted on the AUTHORITY's website, [insert].

2. A proposer may withdraw a proposal any time prior to the final due date and time by written notification, signed by an authorized agent, to the contact person identified in Section 6.A.1 above. The proposal may thereafter be resubmitted, but not after the final due date and time. Modifications offered in any other manner, oral or written, will not be considered. The AUTHORITY will not be liable for any costs incurred by a proposer in the preparation and production of a proposal and/or an interview.

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 6.A.1 above. Notice of such error or omission should be submitted prior to the final due date and time for submission of proposals. Modifications shall be made by addenda to this RFP. Such clarifications shall be posted on the AUTHORITY's website.

4. By responding to this RFP, the proposer indicates its acceptance of the provisions and conditions enumerated in this RFP. The proposer warrants and affirms that the terms of this RFP, and any resultant agreement, do not violate any contracts or agreements to which it is a party, and that its other contractual obligations will not adversely influence its capabilities to perform under the contract.

B. Authority's Requirements

1. By submitting a proposal, the proposer covenants that it 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. The AUTHORITY 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 6.A.1 above, or designee(s), prospective proposers shall not approach AUTHORITY employees during the period of this RFP process about any matters related to this RFP or any proposals submitted pursuant thereto.

C. Authority's Rights and Prerogatives

The AUTHORITY reserves the right to exercise the following prerogatives:

- To accept or reject any or all proposals and amend, modify or withdraw this RFP.
- To correct any arithmetic errors in the proposals.
- To change the proposal's due date upon appropriate notification to all prospective proposers.
- To accept or reject any of the firm's employees assigned to provide services on this project and to require their replacement at any time.
- 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.
- To consider modifications to proposals at any time before the award is made, if such action is in the best interest of the AUTHORITY.
- To interview proposers prior to selection.
- 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.
- To negotiate the terms of the proposal with the selected proposer prior to commencing services. If negotiations cannot be concluded successfully with any selected proposer(s), the AUTHORITY may negotiate with other proposers.
- To continually evaluate the performance of firms selected for the AUTHORITY's pre-qualified panel of underwriters and take appropriate action based on its findings. Evaluation criteria shall include, but not be limited to: transaction execution as determined by pricing, orders, allotments, compliance with AUTHORITY policies concerning designations and furtherance of AUTHORITY's objectives.

D. Participation of Minority and Women-Owned Business Enterprises (MWBE)

The AUTHORITY is committed to diversity and equal employment opportunities among its contractors, including underwriters. The AUTHORITY encourages all firms, including firms that are MWBE certified, to submit proposals to the RFP.

The AUTHORITY is committed to making a good faith effort to achieve MWBE participation in each negotiated underwriting. In a negotiated sale, the AUTHORITY has better control on the amount of participation of such firms, and will use its best efforts so that qualified MWBE firms are included in the selected underwriting syndicate(s).

Please note that all certified MWBE firms submitting proposals to this RFP should be registered as such with the New York State Department of Economic Development. For firms that are not certified but have applied for certification, please provide evidence of filing, including the filing date.

Section 7. Term of Engagement

The engagement term will run for an initial two year period. The AUTHORITY may exercise its option to extend the engagement period for up to six months at management's discretion. Subject to the consent of the [insert] an additional six months extension may also be exercised if necessary. Inclusion on the List does not guarantee a minimum number of transactions, or any transaction with the AUTHORITY.

Common Request for Proposals for Underwriting Services

Part I - Qualifications

Please limit your response to 5 pages.

1. Briefly describe your firm's qualifications to serve as either a senior manager or co-manager for an AUTHORITY bond issuance. Your response should include:

   a. a brief description of your firm and its organizational structure including a list of business lines in which your firm engages in addition to public finance;

   b. the ownership structure of the firm and , if applicable, your firm's long term ratings for each of the last two years and a description of any events that may have caused any of the rating agencies to change their rating or outlook;

   c. the firm's capital structure and leveraging practices, including total capital, equity capital, uncommitted excess net capital , underwriting capacity and your firm's most recent audited financial statements and FOCUS Report; and

   d. an explanation of any short term financing currently used, including credit lines to support underwritings.

2. Discuss your firm's commitment to public finance. Have there been any changes in the firm's municipal finance department staffing or staffing policy in the past two years (2007 and 2008)? If so, please discuss how these changes may affect coverage of the AUTHORITY. Include the number of staff members assigned to investment banking, underwriting, sales and trading during this period.

3. Discuss your firm's capital commitment to public finance. Your response should include:

   a. How much uncommitted excess net capital is allocated to public finance?

   b. How much uncommitted excess net capital was allocated to support public finance operations in 2007 and 2008?

   c. Please briefly discuss examples of transactions and circumstances where your firm used its capital to support the sale and distribution of bonds during the past two years.

   d. What are the three largest positions your firm has taken down into inventory during the last six months when your firm was senior manager on a transaction? Please include in your response the total par amount of the issue, the total amount of unsold bonds, the type of bonds (Tax supported, Appropriation, Revenue etc.), as well as the amount of bonds your firm took into inventory.

4. Identify the principals and the key personnel who would be primarily responsible for the AUTHORITY investment banking and underwriting relationship. Please include resumes of all pertinent staff and describe how you would utilize your firm's capital and human resources to serve AUTHORITY.

5. The AUTHORITY is committed to diversity and equal employment opportunities among its contractors, including underwriters. Describe your firm's affirmative action program and activities. Please include this information as an appendix to your response (not subject to the respective page limit) entitled "Affirmative Action Policies". Please provide the total number of employees in your public finance department and include the numbers and percentages of minorities and women employed as officers, associates and paraprofessionals. Please provide this same information with respect to the personnel covering the AUTHORITY's account. If your firm is a MWBE firm, please indicate so and provide documentation.

6. Discuss your firm's presence in New York State including any offices maintained in the State, the number of staff employed in the state and the number of staff covering the AUTHORITY who are employed in the state. Include in your discussion how your firm's current New York State footprint has changed in the last two years.

7. The AUTHORITY is committed to increasing the utilization of MWBE firms in underwriting its general purpose bond issues. Please share any ideas you may have for joint venture partnerships which would benefit the AUTHORITY.

8. Describe the firm's corporate citizenship and commitment to New York State, including local procurement of goods and services, development or participation in internship programs or scholarships and corporate philanthropy.

9. Provide the Authority with a list and description of any proceedings pending or contemplated by any governmental authority against your firm, including but not limited to, any pending or anticipated proceedings or rule or order relating to a violation or alleged violation by your firm of any federal or state statute or regulation pertaining to the underwriting or sale of securities, the provision of investment advisory services or the issuance of securities. Provide a list of all sanctions and/or fines imposed on your firm during the last 24 months in connection with any proceeding of the type described in the proceeding sentence. Also provide the Authority with a list and description of any pending or anticipated proceedings by private parties against your firm (individually or in the aggregate) that your firm has determined may have a material adverse impact on the current financial status or operations of the firm.

10. Disclose any existing or contemplated relationship with any other person or entity, including relationships with any parent, subsidiary or affiliated firm, which would constitute an actual or potential conflict of interest in connection with your rendering services enumerated in this RFP. If a conflict does or might exist, please describe how your firm would eliminate or prevent it.

Common Request for Proposals for Underwriting Services

Part II - Performance

Please limit your response to 5 pages.

1. List your firm's or principal's combined experience as senior manager or co-manager for (i) NYS appropriation, Personal Income Tax Revenue Bonds, (ii) _____, (iii) _____ or comparable financing programs in other jurisdictions in the last three years. In your response for each financing mentioned be sure to indicate the principals that were involved. Provide the following information where applicable for each financing (information should be provided in tabular form in an appendix which will not be counted against page limit):

   a. Name of Issuer

   b. Size and Title of Issue

   c. Date of Issue

   d. Rating

   e. Role of Firm (senior manager, co-manager)

   f. Total Volume of Sales Compared to Orders Placed

   g. Did your Firm Develop and Implement a Formal Investor Education Presentation?

   h. Investment Banker and/Underwriter Responsible at your Firm

   i. Financial Advisor to Issuer, if applicable

   j. Method and type of Sale (negotiated or competitive, variable or fixed, new money or refunding)

   k. Issuer Reference (name of individual, telephone number)

   For each financing mentioned, describe any unique contribution your firm or principals have made to the transaction and how the issuer benefited. Elaborate on any innovations developed by your firm or principals or any special marketing efforts undertaken by the firm for such financings. Limit your response to three examples.

2. If your firm has served as a senior managing underwriter or a co-managing underwriter member in AUTHORITY's management teams, discuss your sales performance, in particular, your orders placed, allotments received and/or distributed, and designations. Also please describe the efforts of your firm to support the AUTHORITY's bond issues in the secondary market. If your firm has not served as senior managing underwriter or a co-managing underwriter in AUTHORITY's management teams, discuss the issues noted above with respect to similar credits for other issuers and how these experiences relate to the AUTHORITY's bonds.

3. Discuss the firm's bond distribution capabilities, both institutional and retail, in detail. Include any significant increases or decreases in the number of employees devoted to these functions in the last two years or any planned in the near future. Please describe how your firm's bond distribution capabilities have served the AUTHORITY or similar credits for other issuers in the past two years.

4. If your firm serves as a broker-dealer or remarketing agent for any of AUTHORITY's State-supported auction rate or variable rate debt, please discuss your performance, including the firm's response to failed remarketings. If your firm does not serve the AUTHORITY in this capacity, but serves in this capacity for other issuers, discuss the issues noted above, including any failed remarketings, with respect to an other issuer with similar credit characteristics.

5. Using the Municipal Market Data AAA/Aaa G.O. Yield Curve ("MMD") and any other market indicators, please analyze your past AUTHORITY book runner assignments that your firm or members of your team handled while at a prior firm and compare them to three AUTHORITY State-supported debt financings issued since January 2006. Be sure to explain any positive or negative deviations from the average MMD over the period. Also, discuss the role compensation played in obtaining the optimal price for the transaction. If you have had no prior bookrunning role, analyze and rank the results for these financings that were achieved by the management teams. Include in the analysis an assessment of the debt structure, pricing and market conditions.

6. Discuss any recommendations you have regarding how AUTHORITY markets and sell its bonds. Can the marketing and selling process be improved?

Common Request for Proposals for Underwriting Services

Part III - Innovations

Please limit your response to 5 pages.

1. Provide any ideas or strategies that you have regarding AUTHORITY's state supported debt programs that could benefit the State.

2. Given current market conditions discuss how AUTHORITY can expand its retail marketing efforts including use of the internet for marketing purposes. Also discuss any strategies you might have to expand AUTHORITY's institutional distribution.

3. Discuss how AUTHORITY can limit financing costs. Include in your discussion the future role, if any, of variable rate bonds to limit costs and enhance the ability of the State to manage its bond portfolio.

4. Discuss the future of derivative obligations as financial tools. Include any recommendations regarding interest rate swaps, either fixed to floating and/or floating to fixed, for any State-supported financing programs issued by AUTHORITY.

5. State-supported debt is now primarily financed through the issuance of debt under the Personal Income Tax ("PIT") Revenue Bond Program. Discuss any potential enhancements of or innovations to this program.

6. Recent market volatility, lack of liquidity and credit concerns have made it difficult for many issuers to access the market. Discuss measures AUTHORITY may take to ensure the continuous availability of funds for its programs.

Common Request for Proposals for Underwriting Services

Part IV – AUTHORITY Supplement: Additional Questions

Please limit your response to { } pages.

Common Request for Proposals for Underwriting Services

Part V – Authority Supplement: Exhibits to Common RFP

Please complete and return the following Exhibits to the Common RFP:

- Pricing Workbook
- [placeholder for additional Exhibits]

Part V – AUTHORITY Supplement: Exhibits to Common RFP

Pricing Workbook

Series 2008 Bonds
Pricing worksheet

Ratings:	
Moody's	Aaa/A2
Standard & Poor's	NR
Fitch	NR

UNDERWRITERS
Senior Lead
Co-Manager
Co-Manager
Co-Manager
Co-Manager
Co-Manager
Co-Manager

Economic Indicators	Last	Forecast	Actual
Pending Home Sales	89.2	86.4	
Wholesale Inventory	+1.3%	+0.7%	
Wholesale Sales	+1.4%	+0.7%	
Consumer Credit	+$8.9B	+$7.0B	

Economic Indicators	Last	Forecast	Actual

Treasury Yields	
2-YR	
10-YR	3.92%
30-YR	4.51%

Treasury Yields
2-YR
10-YR
30-YR

Treasury Yields
2-YR
10-YR
30-YR

Initial Order Period Tuesday July 25, 2008 9:30 AM

Maturity July 1,	Principal amount	Serial or Term	Coupon	Yield	Morning MMD Spread	Afternoon MMD Spread
2009		S	SB	SB		
2010		S	3.000%	2.600%	0.100%	0.100%
2011		S	3.000%	2.970%	0.120%	0.120%
2012		S	3.100%	3.210%	0.150%	0.150%
2013		S	3.250%	3.360%	0.180%	0.180%
2014		S	3.500%	3.500%	0.200%	0.200%
2015		S	3.550%	3.610%	0.200%	0.200%
2016		S	4.000%	3.730%	0.210%	0.210%
2017		S	5.000%	3.850%	0.220%	0.220%
2018		S	5.000%	3.980%	0.220%	0.220%
2019		S	5.000%	4.100%	0.250%	0.250%
2020		S	5.000%	4.200%	0.250%	0.250%
2021		S	5.000%	4.280%	0.250%	0.250%
2022		S	5.000%	4.340%	0.250%	0.250%
2023		S	5.000%	4.400%	0.250%	0.250%
2024		S	5.000%	4.460%	0.250%	0.250%
2025		S	5.000%	4.500%	0.240%	0.240%
2026		S	5.000%	4.530%	0.220%	0.220%
2027		S	5.000%	4.560%	0.200%	0.200%
2028		S	5.000%	4.610%	0.200%	0.200%
2033		T	5.000%	4.780%	0.200%	0.200%
2038		T	5.000%	4.830%	0.200%	0.200%
	0					

Final pricing Tuesday July 26, 2008 12:00 PM

Maturity July 1,	Principal amount	Serial or Term	Coupon	Yield	Morning MMD Spread	Afternoon MMD Spread
2009		S	4.000%	1.950%		
2010		S	3.000%	2.520%	0.100%	0.100%
2011		S	3.000%	2.950%	0.120%	0.120%
2012		S	3.100%	3.190%	0.150%	0.150%
2013		S	3.250%	3.340%	0.180%	0.180%
2014		S	3.400%	3.480%	0.200%	0.200%
2015		S	3.500%	3.600%	0.200%	0.200%
2016		S	4.000%	3.710%	0.210%	0.210%
2017		S	5.000%	3.830%	0.220%	0.220%
2018		S	5.000%	3.940%	0.220%	0.220%
2019		S	5.000%	4.050%	0.250%	0.250%
2020		S	5.000%	4.150%	0.250%	0.250%
2021		S	5.000%	4.230%	0.250%	0.250%
2022		S	5.000%	4.310%	0.250%	0.250%
2023		S	5.000%	4.370%	0.250%	0.250%
2024		S	5.000%	4.440%	0.250%	0.250%
2025		S	5.000%	4.480%	0.240%	0.240%
2026		S	5.000%	4.530%	0.220%	0.220%
2027		S	5.000%	4.550%	0.200%	0.200%
2028		S	5.000%	4.580%	0.200%	0.200%
2033		T	5.000%	4.740%	0.200%	0.200%
2038		T	5.000%	4.780%	0.200%	0.200%
	0					

Maturity July 1,	Principal amount	Serial or Term	Coupon	Yield	Morning MMD Spread	Afternoon MMD Spread

Maturity July 1,	Principal amount	Serial or Term	Coupon	Yield	Morning MMD Spread	Afternoon MMD Spread

Negotiated Comparables:

Date	Desc	Final Maturity	Final Yield	Spread to MMD

Competitive Comparables:

Date	Desc	Final Maturity	Final Yield	Spread MMD

Commentary

Series 2008 Bonds
Orders by Firm

Liability	
Senior	70%
Co-Senior	NA
Co Manager	5%

Maturity July 1,	Principal amount or sinking fund		FIRM														
			Lead		Co-Managers												
				Allotments		Allotments		Allotments		Allotments		Allotments		Allotments		Allotments	Total
2009		Retail															0
		Institutional															0
		Member															0
Total			0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2010		Retail															0
		Institutional															0
		Member															0
Total			0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2011		Retail															0
		Institutional															0
		Member															0
Total			0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2012		Retail															0
		Institutional															0
		Member															0
Total			0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2013		Retail															0
		Institutional															0
		Member															0
Total			0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2014		Retail															0
		Institutional															0
		Member															0
Total			0	0	0	0	0	0	0	0	0	0	0	0	0	0	

Series 2008 Bonds
Orders by Firm

Liability	
Senior	70%
Co-Senior	NA
Co Manager	5%

Maturity July 1,	Principal amount or sinking fund		FIRM														
			Lead		Co-Managers												
				Allotments		Allotments		Allotments		Allotments		Allotments		Allotments		Allotments	Total
2015		Retail															0
		Institutional															0
		Member															0
Total			0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2016		Retail															0
		Institutional															0
		Member															0
Total			0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2017		Retail															0
		Institutional															0
		Member															0
Total			0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2018		Retail															0
		Institutional															0
		Member															0
Total			0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2019		Retail															0
		Institutional															0
		Member															0
Total			0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2020		Retail															0
		Institutional															0
		Member															0
Total			0	0	0	0	0	0	0	0	0	0	0	0	0	0	

Series 2008 Bonds
Orders by Firm

Liability	
Senior	70%
Co-Senior	NA
Co Manager	5%

Maturity July 1,	Principal amount or sinking fund		FIRM: Lead	Allotments	Co-Managers	Allotments		Allotments		Allotments		Allotments		Allotments		Allotments	Total
2021		Retail															0
		Institutional															0
		Member															0
Total			0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2022		Retail															0
		Institutional															0
		Member															0
Total			0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2023		Retail															0
		Institutional															0
		Member															0
Total			0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2024		Retail															0
		Institutional															0
		Member															0
Total			0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2025		Retail															0
		Institutional															0
		Member															0
Total			0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2026		Retail															0
		Institutional															0
		Member															0
Total			0	0	0	0	0	0	0	0	0	0	0	0	0	0	

Series 2008 Bonds
Orders by Firm

Liability	
Senior	70%
Co-Senior	NA
Co Manager	5%

Maturity July 1,	Principal amount or sinking fund		FIRM: Lead	Allotments	Co-Managers	Allotments		Allotments		Allotments		Allotments		Allotments		Allotments	Total
2027		Retail															0
		Institutional															0
		Member															0
	Total		0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2028		Retail															0
		Institutional															0
		Member															0
	Total		0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2033		Retail															0
		Institutional															0
		Member															0
	Total		0	0	0	0	0	0	0	0	0	0	0	0	0	0	
2038		Retail															0
		Institutional															0
		Member															0
	Total		0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	Total	Retail	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Institutional	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Member	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Series 2008 Bonds
Designations by Maturity and Firm

Designation Policy
Senior Manager must receive 30% or all designations
No firm may receive more than 30% of any designation
At least 4 firms must be designated
Selling group member may receive up to 10% in aggregate designations

Maturity July 1,	Principal Amount	Takedown	*FIRM* Lead	Co Senior			Co Manager										Total
2009		$0.35	0	0	0	0	0	0	0								0
2010		$3.75	0	0	0	0	0	0	0								0
2011		$3.75	0	0	0	0	0	0	0								0
2012		$3.75	0	0	0	0	0	0	0								0
2013		$3.75	0	0	0	0	0	0	0								0
2014		$3.75	0	0	0	0	0	0	0								0
2015		$3.75	0	0	0	0	0	0	0								0
2016		$3.75	0	0	0	0	0	0	0								0
2017		$3.75	0	0	0	0	0	0	0								0
2018		$3.75	0	0	0	0	0	0	0								0
2019		$5.00	0	0	0	0	0	0	0								0
2020		$5.00	0	0	0	0	0	0	0								0
2021		$5.00	0	0	0	0	0	0	0								0
2022		$5.00	0	0	0	0	0	0	0								0
2023		$5.00	0	0	0	0	0	0	0								0
2024		$5.00	0	0	0	0	0	0	0								0
2025		$5.00	0	0	0	0	0	0	0								0
2026		$5.00	0	0	0	0	0	0	0								0
2027		$5.00	0	0	0	0	0	0	0								0
2028		$5.00	0	0	0	0	0	0	0								0
2033		$5.00	0	0	0	0	0	0	0								0
2038		$5.00	0	0	0	0	0	0	0								0
			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Series 2008B Bonds
Orders by Account

Maturity July 1,	Principal Amount		Account: Franklin	Nuveen	T Rowe	JPMorgan	Blackrock	Fidelity	Merrill	Rochester								Total	Designations
2013		Initial	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Drop																	
		Final																	
		Allotment																	
2014		Initial	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Drop																	
		Final																	
		Allotment																	
2015		Initial	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Drop																	
		Final																	
		Allotment																	
2016		Initial	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Drop																	
		Final																	
		Allotment																	
2017		Initial	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Drop																	
		Final																	
		Allotment																	
2018		Initial	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Drop																	
		Final																	
		Allotment																	
2019		Initial	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Drop																	
		Final																	
		Allotment																	
2024		Initial	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Drop																	
		Final																	
		Allotment																	

Series 2008B Bonds
Orders by Account

Maturity July 1,	Principal Amount		Account: Franklin	Nuveen	T Rowe	JPMorgan	Blackrock	Fidelity	Merrill	Rochester								Total	Designations
2025		Initial	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Drop																	
		Final																	
		Allotment																	
2026		Initial	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
		Drop																	
		Final																	
		Allotment																	
	$ -		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	

Common Request for Proposals Scoring Matrix for Underwriting Services for State-Supported Debt (New York State)

Common Scoring Matrix

SAMPLE

FIRM NAME: _____

POSITION APPLYING FOR:

	Senior Manager
	Co-Manager
	Selling Group

MINIMUM QUALIFICATIONS:
Registered FINRA and/or SEC regulations? Y/N

MWBE FIRM: Y/N

PROPOSAL REQUIREMENTS:

	Low----------High						
	1	**2**	**3**	**4**	**5**	**Value**	**Total**
Experience of Firm						**15**	
Knowledge and Technical Expertise						**15**	
Capitalization						**10**	
Diversity						**10**	
Sales & Distribution						**35**	
Innovations						**15**	
TOTAL VALUE						**100**	

SCORING METHODOLOGY:

General Experience of Firm	**General experience of the firm and/or its personnel in the area of Public Finance in and out of State as well as work done at previous firms. Firms should not receive additional credit for New York State experience. Also consider the firm's industry ranking by the Securities Data Corporation.**
Specific Knowledge and Technical Expertise	**Experience and strength of professional team assigned to the Authority's engagement focusing on those individuals who will be directly involved in transactions and communications with Authority staff. Both NYS and experience in other jurisdictions should pertain to the types of transactions executed by the Public Authority.**
Capitalization	**Firm's ability to meet the minimum regulatory capital requirements of the Securities Exchange Commission as outlined in Rule 17 CFR 240.15c3-1, in addition to the firms excess net capital, leverage and allocation of capital to Public Finance. Examine the firm's experience in managing and distributing deals in a variety of market conditions and their willingness to underwrite bonds if necessary. No additional points to be awarded for capital in excess of $7.8 million assuming a 50% liability and 25% unsold balance on a $1 billion bond issue. A minimum of 4 points should be awarded to firms with capital above $7.8 million.**
Diversity	**Refer to the firm's responses to the *Diversity Questionnaire*. Consider a firm's MWBE status, the EEO diversity of the staff assigned to the Authority's engagement and evidence of the firm's corporate commitment to diversity such as related events, programming, and utilization and promotion of MWBE businesses, etc.**
Sales & Distribution	**Ability to sell and distribute bonds to institutional and retail accounts. Examine the firm's ability to successfully manage a syndicate to achieve optimal distribution.**
Innovations	**Distinctiveness and complexity of new proposed transactions, products, technology, trades, research or other new ideas or enhancements.**

SAMPLE

Overview of Individual Bond Detail of State-Supported Debt Transactions

January 1, 2007 through December 31, 2009

Dormitory Authority - State of New York

Overview of State-Supported Debt Transactions

January 1, 2007 through December 31, 2009

Bond Issue	Par Amount
Calendar Year 2009	
◆ Personal Income Tax Revenue Bonds, Series 2009A (Education), Series 2009A (Healthcare), Series 2009A (State Facilities and Equipment) and Series 2009A (Economic Development and Housing)	$551,900,000
◆ Mental Health Services Facilities Improvement Revenue Bonds, Subseries 2003D-2A	$156,000,000
◆ Mental Health Services Facilities Improvement Revenue Bonds, Series 2009 A-1	$443,495,000
◆ Personal Income Tax Revenue Bonds, (General Purpose) Series 2009A, Series 2009B and Series 2009C	$798,010,000
◆ Mental Health Services Facilities Improvement Revenue Bonds, Subseries 2003D-2E and Subseries 2003D-2H	$149,700,000
◆ Personal Income Tax Revenue Bonds (General Purpose) Series 2009D[1]	$404,540,000
◆ Personal Income Tax Revenue Bonds (General Purpose) Federally Taxable, Series 2009E[1]	$101,210,000
◆ Personal Income Tax Revenue Bonds (General Purpose) (Federally Taxable - Build America Bonds), Series 2009F[1]	$755,810,000
◆ Consolidated Service Contract Refunding Revenue Bonds, Series 2009	$616,740,000
◆ Personal Income Tax Revenue Bonds (Education) Qualified School Construction Bonds, Series 2009 (Tax Credit Bonds)	$58,560,000
◆ Personal Income Tax Revenue Bonds (General Purpose) Series 2009G[2]	$91,110,000
◆ Personal Income Tax Revenue Bonds, (General Purpose) Series 2009H (Federally Taxable - Build America Bonds)[2]	$286,525,000
◆ Lease Revenue Bonds (State University Facilities Issue), Series 2009A	$100,120,000
Calendar Year 2008	
◆ Personal Income Tax Revenue Bonds, Series 2008A Economic Development and Housing), Series 2008A (Healthcare)	$176,535,000
◆ Personal Income Tax Revenue Bonds, Series 2008B (Economic Development and Housing) (Federally Taxable)	$94,270,000
◆ Personal Income Tax Revenue Bonds (Education), Series 2008A	$442,035,000
◆ Mental Health Services Facilities Improvement Revenue Bonds, Series 2008A,B, C, D, & E	$516,455,000
◆ City University System Consolidated Fifth General Resolution Revenue Bonds, Series 2008A and Series 2008B	$397,885,000
◆ Lease Revenue Bonds (State University Dormitory Facilities Issue), Series 2008A	$129,375,000
◆ Upstate Community Colleges Revenue Bonds, Series 2005C (1st Reoffering)	$54,080,000
◆ Personal Income Tax Revenue Bonds, Series 2008B (Education), Series 2008C (Education) and Series 2008C (Economic Development and Housing)	$765,695,000

- Upstate Community Colleges Revenue Bonds, Series 2005C (2nd Reoffering) $54,080,000
- City University System Consolidated Fifth General Resolution Revenue Bonds, Series 2008C and Series 2008D $487,575,000
- City University System Consolidated Fifth General Resolution Revenue Bonds, Series 2008E $107,095,000
- Mental Health Services Facilities Improvement Revenue Bonds, Series 2008F $169,515,000

Calendar Year 2007

- Mental Health Services Facilities Improvement Revenue Bonds, Series 2007A and B $209,650,000
- Mental Health Services Facilities Improvement Revenue Bonds, Series 2007C and D $212,690,000
- Personal Income Tax Revenue Bonds, Series 2007A (Education), Series 2007B (Education-Green Initiatives) $462,170,000
- Personal Income Tax Revenue Bonds Series 2007A (Economic Development and Housing) (Federally Taxable)[3] $105,890,000
- Personal Income Tax Revenue Bonds (Education), Series 2007C[3] $600,000,000
- Lease Revenue Bonds (State University Dormitory Facilities Issue), Series 2007 $145,405,000
- State of New York Consolidated Service Contract Refunding Revenue Bonds, Series 2007 $50,115,000

[1] Different Management Teams but sold and closed the same days

[2] Different Management Teams but sold and closed the same days

[3] Competitive Issue.

$551,900,000 Personal Income Tax Revenue Bonds, Series 2009A (Education), Series 2009A (Healthcare), Series 2009A (State Facilities and Equipment) and Series 2009A (Economic Development and Housing)

Date:	**2009**
S&P Rating:	**AAA**
Fitch Rating:	**AA-**
Bond Insurance:	**None**

Senior Manager: Citi

Co-Senior Managers: Loop Capital Markets, LLC[1]
MR Beal & Company[1]

Co-Managers: Barclays Capital
Goldman, Sachs & Co.
JP Morgan
Merrill Lynch
Morgan Stanley
RBC Capital Markets
Southwest Securities
Sterne, Agee & Leach, Inc.

Selling Group:
Backstrom McCarley Berry & Co., LLC[1]
BB&T Capital Markets
Cabrera Capital Markets LLC[1]
Cain Brothers & Company, LLC
Charles Schwab & Co., Inc.
David Lerner Associates, Inc.
Doley Securities, LLC[1]
Duncan-Williams, Inc.[1]
Edward Jones
Estrada Hinojosa & Company, Inc.[1]
Fidelity Capital Markets Services
George K. Baum & Company
Grigsby & Associates[1]
Herbert J. Sims & Co., Inc.
Jackson Securities[1]
Janney Montgomery Scott LLC
DEFPA First Albany Securities LLC
Jesup & Lamont Securities Corp., Inc.
KeyBanc Capital Markets Inc.
Knight BondPoint, Inc.
Lebenthal & Co., LLC[1]
M&T Securities, Inc.
Mesirow Financial, Inc.
Morgan Keegan & Company, Inc.
Oppenheimer & Co., Inc.
Pershing LLC
Piper Jaffray & Co.
Prager, Sealy & Co., LLC
Ramirez & Co., Inc.[1]
Raymond James & Associates, Inc.
Rice Financial Products Company[1]
Roosevelt & Cross, Incorporated
Sandgrain Securities Inc.[1]
SBK Brooks Investment Corp.[1]
Siebert Brandford Shank & Co., LLC[1]
Stifel, Nicolaus & Company, Inc.
Stone & Youngberg
TD Securities LLC
Toussaint Capital Partners, LLC
Wachovia Bank, NA
Ziegler Capital Markets Group

[1]MWBE Firm

Designation Policy:	At least 6 firms must be designated. No firm may receive more than 30% of any designation. Citi must be designated 30%. The two Co-seniors must be designated no more or no less than 15% Special Selling Group members may not enter priority orders, but may be designated up to 10%	
Priority Orders Retail:	Retail order period	
Priority Orders Institutional:	Institutional Member	
Liability Policy:	Senior Manager - Citi	= 30 %
	Co-Senior Managers - 2 firms at 15% each	= 30%
	Co-Managers - 8 firms at 5% each	= 40%

[1]MWBE Firm

$156,000,000 Mental Health Services Facilities Improvement Revenue Bonds, Subseries 2003D-2A

Date:	**2009**
S & P Rating:	**AA-/A-1+**
Fitch Rating:	**A+/F1+**
Enhancement:	**JP Morgan Bank Liquidity Facility**
Senior Manager:	JP Morgan
Co-Senior Manager:	None
Co-Managers:	None
Selling Group:	None
Designation Policy:	None
Priority Orders Retail:	None
Priority Orders Institutional:	Net designated Member
Liability Policy:	Senior Manager – JP Morgan = 100%

[1]MWBE Firm

$443,495,000 Mental Health Services Facilities Improvement Revenue Bonds, Series 2009 A-1

Date:	**2009**
S&P Rating:	**AA-/Stable**
Fitch Rating:	**A+/Positive**
Bond Insurance:	**None**

Senior Managers: Goldman, Sachs & Co. and JP Morgan

Co-Senior Managers:
Jackson Securities
RBC Capital Markets

Co-Managers:
Citi
Janney Montgomery Scott LLC
Merrill Lynch & Co.
Morgan Stanley
Prager, Sealy & Co., LLC
Ramirez & Co., Inc.
Raymond James & Associates, Inc.
Siebert Brandford Shank & Co., LLC
Wachovia BanK, NA

Selling Group:
Backstrom McCarley Berry & Co., LLC[1]
Barclays Capital
MR Beal & Company[1]
BB&T Capital Markets
Cabrera Capital Markets LLC[1]
Cain Brothers & Company, LLC
Charles Schwab & Co., Inc.
David Lerner Associates, Inc.
Doley Securities, LLC[1]
Duncan-Williams, Inc.[1]
Edward Jones
Estrada Hinojosa & Company, Inc.[1]
Fidelity Capital Markets Services
George K. Baum & Company
Grigsby & Associates[1]
Herbert J. Sims & Co., Inc.
DEFPA First Albany Securities LLC
Jesup & Lamont Securities Corp., Inc.
KeyBanc Capital Markets Inc.
Knight BondPoint, Inc.
Lebenthal & Co., LLC[1]
Loop Capital Markets, LLC[1]
M&T Securities, Inc.
Mesirow Financial, Inc.
Morgan Keegan & Company, Inc.
Oppenheimer & Co., Inc.
Pershing LLC
Piper Jaffray & Co.
Rice Financial Products Company[1]
Roosevelt & Cross, Incorporated
Sandgrain Securities Inc.[1]
SBK Brooks Investment Corp.[1]
Southwest Securities, Inc.
Sterne, Agee & Leach, Inc.
Stifel, Nicolaus & Company, Inc.
Stone & Youngberg
TD Securities LLC
Toussaint Capital Partners, LLC
Ziegler Capital Markets Group

[1]MWBE Firm

Designation Policy:	At least six firms must be designated. No firm may receive more than 20% of any designation. Goldman and JP Morgan must be designated 20%. The Co-senior managers must each be designated at least 10% for all designated orders. Selling group members may not place priority orders but may be designated in aggregate up to 10% of any allotment.	
Priority Orders Retail:	Retail	
Priority Orders Institutional:	Net designated Member	
Liability Policy:	Senior Managers - Goldman Sachs & JP Morgan 21% each	= 42%
	Co-Senior Managers - 11% for each of two firms	= 22%
	Co-Managers - 4% for each of nine firms	= 36%

[1]MWBE Firm

$798,010,000 Personal Income Tax Revenue Bonds (General Purpose), Series 2009A, Series 2009B, Series 2009C

Date:	**2009**
Moody's:	**NR**
S&P Rating:	**AAA**
Fitch Rating:	**AA-**[1]
Bond Insurance:	**None**

Senior Manager: J.P. Morgan
Ramirez & Co., Inc.[1]

Co-Senior Managers: None

Co-Managers:
Citi
Goldman, Sachs & Co.
Morgan Keegan & Company, Inc.
RBC Capital Markets
Roosevelt & Cross, Incorporated
Southwest Securities, Inc.
Duncan-Williams, Inc.[1]
Merrill Lynch & Co.
Morgan Stanley
Rice Financial Products Company[1]
Siebert Brandford Shank & Co., LLC[1]
Stifel, Nicolaus & Company, Inc.

Selling Group:
Backstrom McCarley Berry & Co., LLC[1]
Barclays Capital
MR Beal & Company[1]
BB&T Capital Markets
Cabrera Capital Markets LLC[1]
Cain Brothers & Company, LLC
Charles Schwab & Co., Inc.
David Lerner Associates, Inc.
Doley Securities, LLC[1]
Edward Jones
Estrada Hinojosa & Company, Inc.[1]
Fidelity Capital Markets Services
Gates Capital Corporation
George K. Baum & Company
(The) GMS Group L.L.C.
Grigsby & Associates[1]
Herbert J. Sims & Co., Inc.
Jackson Securities[1]
Janney Montgomery Scott LLC
Jefferies & Company
Jesup & Lamont Securities Corp., Inc.
KeyBanc Capital Markets Inc.
Knight BondPoint, Inc.
Lebenthal & Co., LLC[1]
Loop Capital Markets, LLC[1]
M&T Securities, Inc.
Mesirow Financial, Inc.
MFR Securities, Inc.[1]
Northeast Securities Inc.
Oppenheimer & Co., Inc.
Pershing LLC
Piper Jaffray & Co.
Prager, Sealy & Co., LLC
Raymond James & Associates, Inc.
Sandgrain Securities Inc.[1]
SBK Brooks Investment Corp.[1]
Stern Brothers & Co.[1]
Sterne, Agee & Leach, Inc.
Stone & Youngberg
TD Securities LLC
Toussaint Capital Partners, LLC
Wachovia Bank, NA
Ziegler Capital Markets Group

[1]MWBE Firm

Designation Policy:	At least 6 firms must be designated. No firm may receive more than 30% of any designation. The two Co-leads must be designated no more or no less than 30% each. Special Selling Group members may not enter priority orders, but may be designated up to 10%		
Priority Orders Retail:	Retail order period		
Priority Orders Institutional:	Institutional Member		
Liability Policy:	Senior Manager - None	=	0%
	Co-Senior Managers - 2 firms at 29% each	=	58%
	Co-Managers - 12 firms at 3.5% each	=	42%

[1]MWBE Firm

$149,700,000 Mental Health Services Facilities Improvement Revenue Bonds, Subseries 2003D-2E and Subseries 2003D-2H

$99,700,000 - Subseries 2003D-2E
$50,000,000 - Subseries 2003D-2H

Date:	**2009**
Moody's Rating:	**NA**
S&P Rating:	**AAA/A-1+**
Fitch:	**AA/F-1+**
Bond Insurance:	**Letter of Credit – Royal Bank of Canada**
Senior Manager:	RBC Capital Markets
Co-Senior Manager:	None
Co-Managers:	None
Selling Group:	None
Designation Policy:	None
Priority Orders Retail:	
Priority Orders Institutional:	
Liability Policy:	Senior Manager – RBC Capital Markets = 100%

[1]MWBE Firm

$404,540,000 Personal Income Tax Revenue Bonds (General Purpose), Series 2009D

Date:	**2009**
Moody's:	**NA**
S&P Rating:	**AAA**
Fitch Rating:	**AA-**
Bond Insurance:	**None**

Senior Manager:	M.R. Beal & Company	Morgan Stanley
Co-Senior Managers:	Loop Capital Markets, LLC[1] Siebert Brandford Shank & Co., LLC[1]	Merrill Lynch & Co.
Co-Managers:	Citi Grigsby & Associates[1] Raymond James & Associates, Inc. Sterne, Agee & Leach, Inc.	Fidelity Capital Markets Services Jackson Securities[1] Rice Financial Products Company[1] Wachovia Bank, N.A.
Selling Group:	Backstrom McCarley Berry & Co., LLC[1] Barclays Capital BB&T Capital Markets Cabrera Capital Markets LLC[1] Cain Brothers & Company, LLC Charles Schwab & Co., Inc. David Lerner Associates, Inc. Doley Securities, LLC[1] Duncan-Williams, Inc.[1] Edward Jones Estrada Hinojosa & Company, Inc.[1] Gates Capital Corporation George K. Baum & Company (The) GMS Group L.L.C. Goldman, Sachs & Co. Herbert J. Sims & Co., Inc. Janney Montgomery Scott LLC Jefferies & Company Jesup & Lamont Securities Corp., Inc. JPMorgan KeyBanc Capital Markets Inc. Kiley Partners, Inc.	Knight BondPoint, Inc. Lebenthal & Co., LLC[1] M&T Securities, Inc. Mesirow Financial, Inc. MFR Securities, Inc.[1] Morgan Keegan & Company, Inc. Northeast Securities Inc. Oppenheimer & Co., Inc. Pershing LLC Piper Jaffray & Co. Prager, Sealy & Co., LLC Ramirez & Co., Inc.[1] RBC Capital Markets Roosevelt & Cross, Incorporated Sandgrain Securities Inc.[1] SBK Brooks Investment Corp.[1] Southwest Securities, Inc. Stern Brothers & Co.[1] Stifel, Nicolaus & Company, Inc. Stone & Youngberg TD Securities LLC Toussaint Capital Partners, LLC Ziegler Capital Markets Group

[1]MWBE Firm

Designation Policy:	At least 5 firms must be designated No firm may receive more the 30% of any designation M.R. Beal and Morgan Stanley each must be designated 30%. Selling Group members may not enter priority orders, but may be designated up to 10%.		
Priority Orders Retail:	Retail order period		
Priority Orders Institutional:	Institutional Member		
Liability Policy:	Senior Managers - 2 at 30% each	=	60%
	Co-Senior Managers - 3 firms at 6% each	=	18%
	Co-Managers - 8 firms at 2.75 each	=	22%

[1]MWBE Firm

$101,210,000 Personal Income Tax Revenue Bonds (General Purpose) Federally Taxable, Series 2009E

Date:	**2009**
Moody's:	**NA**
S&P Rating:	**AAA**
Fitch Rating:	**AA-**
Bond Insurance:	**None**

Senior Manager:	M.R. Beal & Company	Morgan Stanley
Co-Senior Managers:	Loop Capital Markets, LLC[1] Siebert Brandford Shank & Co., LLC[1]	Merrill Lynch & Co.
Co-Managers:	Citi Grigsby & Associates[1] Raymond James & Associates, Inc. Sterne, Agee & Leach, Inc.	Fidelity Capital Markets Services Jackson Securities[1] Rice Financial Products Company[1] Wachovia Bank, N.A.
Selling Group:	Backstrom McCarley Berry & Co., LLC[1] Barclays Capital BB&T Capital Markets Cabrera Capital Markets LLC[1] Cain Brothers & Company, LLC Charles Schwab & Co., Inc. David Lerner Associates, Inc. Doley Securities, LLC[1] Duncan-Williams, Inc.[1] Edward Jones Estrada Hinojosa & Company, Inc.[1] Gates Capital Corporation George K. Baum & Company (The) GMS Group L.L.C. Goldman, Sachs & Co. Herbert J. Sims & Co., Inc. Janney Montgomery Scott LLC Jefferies & Company Jesup & Lamont Securities Corp., Inc. JPMorgan KeyBanc Capital Markets Inc. Kiley Partners, Inc. Knight BondPoint, Inc.	Lebenthal & Co., LLC[1] M&T Securities, Inc. Mesirow Financial, Inc. MFR Securities, Inc.[1] Morgan Keegan & Company, Inc. Northeast Securities Inc. Oppenheimer & Co., Inc. Pershing LLC Piper Jaffray & Co. Prager, Sealy & Co., LLC Ramirez & Co., Inc.[1] RBC Capital Markets Roosevelt & Cross, Incorporated Sandgrain Securities Inc.[1] SBK Brooks Investment Corp.[1] Southwest Securities, Inc. Stern Brothers & Co.[1] Stifel, Nicolaus & Company, Inc. Stone & Youngberg TD Securities LLC Toussaint Capital Partners, LLC Ziegler Capital Markets Group

[1]MWBE Firm

Designation Policy:	At least 5 firms must be designated No firm may receive more the 30% of any designation M.R. Beal and Morgan Stanley each must be designated 30%. Selling Group members may not enter priority orders, but may be designated up to 10%.		
Priority Orders Retail:	Retail order period		
Priority Orders Institutional:	Institutional Member		
Liability Policy:	Senior Managers - 2 at 30% each	=	60%
	Co-Senior Managers - 3 firms at 6% each	=	18%
	Co-Managers - 8 firms at 2.75 each	=	22%

[1]MWBE Firm

$755,810,000 Personal Income Tax Revenue Bonds (Federally Taxable – Build America Bonds), Series 2009F

Date:	**2009**
Moody's:	**NR**
S&P Rating:	**AAA**
Fitch Rating:	**AA-**
Bond Insurance:	**None**

Senior Manager:	Merrill Lynch & Co. Loop Capital Markets, LLC[1]	
Co-Senior Managers:	Goldman, Sachs & Co.	
Co-Managers:	Morgan Stanley Citi J.P. Morgan	M.R. Beal & Company[1] Jefferies & Company RBC Capital Markets
Selling Group:	None	
Designation Policy:	Group Net based on Liability	
Priority Orders Retail:	Retail order period	
Priority Orders Institutional:	Institutional Member	

Liability Policy:	Lead Manager	=25%
	Co-Lead Manager - Loop	=25%
	Co-Senior Manager - Goldman	=10%
	Co-Managers - Morgan Stanley & MR Beal 10% each	= 20%
	Remaining Co - Managers 4 @ 5% each	= 20%

[1]MWBE Firm

$616,740,000 Consolidated Service Contract Refunding Revenue Bonds, Series 2009

Date:	**2009**
S&P Rating:	**AA-/Stable**
Fitch Rating:	**A+/Positive**
Bond Insurance:	**None**

Senior Managers: Citi
Ramirez & Co., Inc.[1]

Co-Senior Managers: Merrill Lynch & Co.

Co-Managers:
Barclays Capital
Goldman, Sachs & Co.
Janney Montgomery Scott LLC
Prager, Sealy & Co., LLC
BB&T Capital Markets
JP Morgan
Loop Capital Markets, LLC[1]
Stone & Youngberg

Selling Group:
Backstrom McCarley Berry & Co., LLC[1]
MR Beal & Company[1]
Cabrera Capital Markets LLC[1]
Cain Brothers & Company, LLC
Charles Schwab & Co., Inc.
David Lerner Associates, Inc.
Doley Securities, LLC[1]
Duncan-Williams, Inc.[1]
Edward Jones
Estrada Hinojosa & Company, Inc.[1]
Fidelity Capital Markets Services
Gates Capital Corporation
George K. Baum & Company
(The) GMS Group L.L.C.
Grigsby & Associates[1]
Herbert J. Sims & Co., Inc.
Jackson Securities[1]
Jefferies & Company
Jesup & Lamont Securities Corp., Inc.
KeyBanc Capital Markets Inc.
Kiley Partners, Inc.
Knight BondPoint, Inc.
Lebenthal & Co., LLC[1]
M&T Securities, Inc.
Mesirow Financial, Inc.
MFR Securities, Inc.[1]
Morgan Keegan & Company, Inc.
Morgan Stanley
Northeast Securities Inc.
Oppenheimer & Co., Inc.
Pershing LLC
Piper Jaffray & Co.
Raymond James & Associates, Inc.
RBC Capital Markets
Rice Financial Products Company[1]
Roosevelt & Cross, Incorporated
Ross, Sinclaire & Associates, LLC
Sandgrain Securities Inc.[1]
Siebert Brandford Shank & Co., LLC[1]
Southwest Securities, Inc.
Stern Brothers & Co.[1]
Sterne, Agee & Leach, Inc.
Stifel, Nicolaus & Company, Inc.
TD Securities LLC
The Williams Capital Group, L.P.[1]
Toussaint Capital Partners, LLC
Wachovia Bank, NA
Ziegler Capital Markets Group

[1]MWBE Firm

Designation Policy:	At least five firms must be designated. No firm may receive more than 30% of any designation. Citi & Ramirez must receive no more no less than 30% of all designations. Merrill Lynch must receive no less than 5% of every designation Selling group members may not place priority orders but may be designated in aggregate up to 10% of any allotment.	
Priority Orders Retail:	Retail	
Priority Orders Institutional:	Net designated Member	
Liability Policy:	Lead Managers – Citi, Goldman Sachs & JP Morgan 21% each	= 31%
	Co-Senior Managers - Ramirez 31% Merrill Lynch 6%	= 37%
	Co-Managers - 4% for each of eight firms	= 32%

[1]MWBE Firm

$58,560,000 Personal Income Tax Revenue Bonds (Education)
Qualified School Construction Bonds, Series 2009 (Tax Credit Bonds)

Date:	**2009**
Moody's:	**NA**
S&P Rating:	**AAA**
Fitch Rating:	**AA-**
Bond Insurance:	**None**
Senior Manager:	Goldman, Sachs & Co.
Co-Senior Managers:	None
Co-Managers:	None
Selling Group:	None
Designation Policy:	None
Priority Orders Retail:	Retail
Priority Orders Institutional:	Institutional Member
Liability Policy:	Senior Manager = 100%

[1]MWBE Firm

$91,110,000 Personal Income Tax Revenue Bonds (General Purpose), Series 2009G

Date:	**2009**	
Moody's:	**NA**	
S&P Rating:	**AAA**	
Fitch Rating:	**AA-**	
Bond Insurance:	**None**	
Senior Manager:	Goldman, Sachs & Co.	
Co-Senior Managers:	None	
Co-Managers:	Citi Merrill Lynch & Co. M.R. Beal & Company[1]	
Selling Group:	None	
Designation Policy:	Group Net based on Liability	
Priority Orders Retail:	Retail	
Priority Orders Institutional:	Institutional Member	
Liability Policy:	Senior Manager	= 55%
	Co-Managers - 15% each	= 45%

[1]MWBE Firm

$286,525,000 Personal Income Tax Revenue Bonds (General Purpose), Series 2009 H (Build America Bonds)

Date:	**2009**
Moody's:	**NA**
S&P Rating:	**AAA**
Fitch Rating:	**AA-**
Bond Insurance:	**None**
Senior Manager:	Goldman, Sachs & Co.
Co-Senior Managers:	Citi Merrill Lynch & Co. M.R. Beal & Company[1]
Co-Managers:	Morgan Keegan & Company Rice Financial Products Company[1] Siebert Branford Shank & Co., LLC[1] Wachovia Bank, National Association
Selling Group:	None
Designation Policy:	Group Net based on Liability
Priority Orders Retail:	Retail
Priority Orders Institutional:	Institutional Member

Liability Policy:	Senior Manager	= 40%
	Co-Senior Managers - 12.5% each	= 37.5%
	Co-Managers - 5.625% each	= 22.5%

[1]MWBE Firm

$100,120,000 Lease Revenue Bonds (State University Facilities Issue), Series 2009A

Date:	**2009**
S&P Rating:	**AA-**
Fitch Rating:	**NR**
Moody's:	**Aa3**
Bond Insurance:	**None**
Senior Managers:	Siebert Brandford Shank & Co. LLC[1]
Co-Senior Managers:	None
Co-Managers:	Cabrera Capital Markets Inc. [1] Fidelity Capital Markets Janney Montgomery Scott JP Morgan Securities Merrill Lynch & Co. Piper Jaffray Raymond James & Associates
Selling Group:	None
Designation Policy:	At least three firms must be designated No firm may receive more than 60% of any designation
Priority Orders Retail:	Retail
Priority Orders Institutional:	Net designated Member
Liability Policy:	Senior Manager = 51% Co-Managers - 7% for each of seven firms = 49%

[1]MWBE Firm

$176,535,000 State Personal Income Tax Revenue Bonds, Series 2008A (Economic Development and Housing) and Series 2008A (Healthcare)

Date:	**2008**
S&P Rating:	**AAA**
Fitch Rating:	**AA-**
Bond Insurance:	**None**
Senior Managers:	Loop Capital Markets[1]
Co-Lead Managers:	M.R. Beal & Company[1]
Co-Managers:	Citi Lehman Brothers Merrill Lynch RBC Capital Markets Siebert Brandford Shank & Co., LLC[1] UBS Investment Bank
Selling Group:	None
Designation Policy:	At least four firms must be designated. No firm may receive more than 30% of any designation. M.R. Beal and Loop Capital must receive no more or no less than 30% of each designation
Priority Orders Retail:	New York Retail (Retail Order Period) National Retail
Priority Orders Institutional:	Net designated Member
Liability Policy:	Senior Managers: Loop Capital (30%) and MR Beal (30%) = 60% Co-Managers: 6.67% for each of six firms = 40%

[1] MWBE Firm.

$94,270,000 State Personal Income Tax Revenue Bonds, Series 2008B (Economic Development and Housing) (Federally Taxable)

Date:	**2008**
S&P Rating:	**AAA**
Fitch Rating:	**AA-**
Bond Insurance:	**None**
Senior Manager:	M.R. Beal & Company [1]
Co-Lead Manager:	Loop Capital Markets[1]
Co-Managers:	Bear, Stearns & Co. Inc. Raymond James & Associates, Inc. Wachovia Securities
Selling Group:	None
Designation Policy:	Each of the two co-seniors must receive no more or no less the 30% of every designation. Each of the co-managers must receive at least 10% of every designation.
Priority Orders Retail:	None
Priority Orders Institutional:	Net designated Member
Liability Policy:	Senior Managers: MR Beal and Loop Capital Markets = 80.02% Co-Managers: 6.66% for each of three firms = 19.98%

[1] MWBE Firm.

$442,035,000 State Personal Income Tax Revenue Bonds, Series 2008A (Education)

Date:	**2008**
S&P Rating:	**AAA**
Fitch Rating:	**AA-**
Bond Insurance:	**None**
Senior Managers:	MR Beal & Company[1] Loop Capital Markets[1]
Co-Senior Managers:	Banc of America Securities Citi RBC Capital Markets Siebert Brandford Shank & Co., LLC[1]
Co-Managers:	George K. Baum & Company Janney Montgomery Scott LLC JB Hanauer & Co. Morgan Stanley Piper Jaffray Roosevelt & Cross, Incorporated Southwest Securities
Selling Group:	BNY Capital Markets, Inc. Cantor, Weiss & Friedner, Inc. Charles Schwab & Co., Inc. Duncan-Williams, Inc.[1] Estrada Hinojosa & Company[1] Jeffrey Matthews Financial Group, LLC Monarch Financial Corporation Morgan Keegan & Company
Designation Policy:	At least four firms must be designated. No firm may receive more than 30% of any designation. MR Beal and Loop Capital Markets must each be designated 30%. Selling group members may be designated in aggregate up to 10% of any allotment.
Priority Orders Retail:	New York Retail (Retail order period) National Retail
Priority Orders Institutional:	Net designated Member
Liability Policy:	Senior Managers: MR Beal (30%) and Loop Capital Markets (29%) = 59% Co-Senior Managers: 5% for each of four firms = 20% Co-Managers: 3% for each of seven firms = 21%

[1] MWBE Firm.

$516,455,000 Mental Health Services Facilities Improvement Revenue Bonds
Series 2008 A, B, C, D and E

Date:	**2008**
S&P Rating:	**AA-/Stable**
Fitch Rating:	**A+/Positive**
Bond Insurance:	**Certain Maturities insured by FSA (AAA/AAA)**
Senior Managers:	JP Morgan and Lehman
Co-Senior Managers:	Goldman Sachs Merrill Lynch Ramirez Wachovia
Co-Managers:	Cain Brothers DEPFA First Albany Jackson Securities Morgan Stanley Raymond James Roosevelt and Cross Sterne, Agee & Leach
Selling Group:	BB&T Capital Markets Cabrera Capital Doley Securities Emmet & Co. Morgan Keegan & Company Oppenheimer & Co. Podesta & Co. Rice Derivatives Holdings Stone & Younberg
Designation Policy:	At least four firms must be designated. No firm may receive more than 30% of any designation. JP Morgan and Lehman must each be designated 30%. Selling group members may be designated in aggregate up to 10% of any allotment.
Priority Orders Retail:	New York Retail National Retail
Priority Orders Institutional:	Net designated Member
Liability Policy:	Senior Managers: JP Morgan (30%) and Lehman (29%) = 59% Co-Senior Managers: 5% for each of four firms = 20% Co-Managers: 3% for each of seven firms = 21%

$397,885,000 City University Consolidated Fifth General Resolution Revenue Bonds, Series 2008 A&B

Date:	**2008**
S&P Rating:	**AA-**
Fitch Rating:	**A+**
Bond Insurance:	**None**
Senior Manager:	Citi
Co-Senior Manager:	Merrill Lynch & Co. Ramirez & Co., Inc.[1] Siebert Brandford Shank & Co., LLC[1]
Co-Managers:	David Learner Associates, Inc. Goldman Sachs & Co. Janney Montgomery Scott LLC JB Hanauer & Co. JP Morgan Prager, Sealy & Co., LLC Raymond James & Associates, Inc. RBC Capital Markets Wachovia Bank, N.A.
Selling Group:	Charles Schwab Fidelity Capital Markets Services First American Municipals, Inc. [1] Advisors Asset Management Sandgrain Securities[1] SBK-Brooks Investment Corp[1]
Designation Policy:	At least 6 firms must be designated. No firm may receive more than 30% of any designation. Citi must receive no more or no less than 30% of any designated order. Each of the three Co-seniors must receive no more or no less than10% of any designated order. Selling group members may not enter priority orders but may be designated up to no more than 10% in the aggregate.
Priority Orders Retail:	Retail National Retail
Priority Orders Institutional:	Net designated Member

Liability Policy:	Senior Manager - Citi	= 31%
	Co-Senior Managers 3 firms at 11% each	= 33%
	Co-Managers 9 firms at 4% each	= 36%

[1] MWBE Firm.

$129,375,000 State University Dormitory Facilities Lease Revenue Bonds, Series 2008 A

Date:	**2008**
Moody's/S&P:	**Aa3/AA-**
Bond Insurance:	**None**
Senior Manager:	DEPFA First Albany
Co-Senior Manager:	Jackson Securities
Co-Managers:	Banc of America Securities Morgan Stanley M.R. Beal & Company Roosevelt & Cross, Incorporated
Selling Group:	None
Designation Policy:	No firm may receive more than 50% of any designation. A minimum of 10% must be designated to Co-Senior Manager, Jackson Securities.
Priority Orders	Retail
Priority Institutional:	Net designated Member

Liability Policy:	Senior Manager	= 60%
	Co-Senior Manager	= 10%
	Co-Managers 4 firms at 7.5% each	=30%

$54,080,000 Upstate Community Colleges Revenue Bonds, Series 2005C
(First Reoffering)

Date:	**2008**
S&P Rating:	**AAA/A-1**
Fitch Rating:	**AA+/F1+**
Enhancement:	**Letter of Credit DEPFA Bank plc**
Senior Manager:	Goldman, Sachs & Co.
Co-Senior Managers:	None
Co-Managers:	None
Selling Group:	None
Designation Policy:	None
Priority Orders Retail:	
Priority Orders Institutional:	Group Net
Liability Policy:	Senior Manager: = 100 %

$765,695,000 Personal Income Tax Revenue Bonds, Series 2008B (Education), Series 2008C (Education) and Series 2008C (Economic Development & Housing)

Date:	**2008**
S&P Rating:	**AAA**
Fitch Rating:	**AA-**
Bond Insurance:	**None**
Senior Manager:	Morgan Stanley
Co-Senior Managers:	Ramirez & Co., Inc.[1] Siebert Brandford Shank & Co., LLC[1]
Co-Managers:	Banc of America Securities LLC Citi Goldman, Sachs & Co. Janney Montgomery Scott LLC JP Morgan Merrill Lynch Piper Jaffray & Co. Raymond James & Associates, Inc. RBC Capital Markets Southwest Securities
Selling Group:	All[2]
Designation Policy:	At least 6 firms must be designated. No firm may receive more than 30% of any designation. Morgan Stanley must be designated 30%. The two Co-seniors must each be designated 10% The following Special Selling Group Bracket must be designated in aggregate a total of 10%. (Duncan-Williams, Inc., Grigsby & Associates, Inc., Doley Securities, LLC, Lebenthal & Co., Rice Financial Products) Non special selling group members may not be designated and may not place priority orders.
Priority Orders Retail:	Retail order period
Priority Orders	Institutional
Institutional:	Member
Liability Policy:	Senior Manager : = 30 % Co-Senior Managers - 2 firms at 10% each = 20% Co-Managers - 10 firms at 5% each = 50%

[1] MWBE Firm.
[2] There are multiple MWBE firms in the selling group.

$54,080,000 Upstate Community Colleges Revenue Bonds, Series 2005C (Second Reoffering)

Date:	**2008**
S&P Rating:	**AA-**
Fitch Rating:	**A+**
Bond Insurance:	**None**
Senior Manager:	Goldman, Sachs & Co.
Co-Senior Managers:	Morgan Stanley Jackson Securities[1]
Co-Managers:	None
Selling Group:	None
Designation Policy:	Group Net
Priority Orders Retail:	Retail
Priority Orders Institutional:	Institutional Member

Liability Policy:	Senior Manager:	=	70 %
	Co-Managers: 15% each two firms	=	30%

[1] MWBE Firm.

$487,575,000 City University Consolidated Fifth General Resolution Revenue Bonds, ($337,475,000) Series 2008C & ($150,100,000) Series 2008D

Date:	**2008**
S&P Rating:	**AAA/AA+/AA-**
Fitch Rating:	**A-1+/F1+/A+**
Enhancement:	**Letter of Credit - Bank of America N.A. - Series 2008C** **Letter of Credit - TD Bank, N.A. – Series 2008D**
Senior Manager:	Banc of America Securities LLC – Series 2008C Commerce Capital Markets, Inc. – Series 2008D
Co-Senior Manager:	None
Co-Managers:	None
Selling Group:	None
Designation Policy:	None
Priority Orders Institutional:	Net designated Member
Liability Policy:	Senior Manager Series 2008C - Banc of America Securities LLC = 100% Senior Manager Series 2008D- Commerce Capital Markets, Inc. = 100%

$107,095,000 City University Consolidated Fifth General Resolution Revenue Bonds, Series 2008E

Date:	**2008**
S&P Rating:	**AA-**
Fitch Rating:	**A+**
Bond Insurance:	**None**
Senior Manager:	Citi
Co-Senior Manager:	None
Co-Managers:	Banc of America Securities LLC Merrill Lynch & Co. Morgan Stanley Ramirez & Co., Inc.[1] Rice Financial Products Company[1] Wachovia Bank, N.A.
Selling Group:	None
Designation Policy:	None
Priority Orders Retail:	Retail National Retail
Priority Orders Institutional:	Net designated Member
Liability Policy:	Senior Manager - Citi = 58% Co-Managers 6 at 7% each = 42%

[1] MWBE Firm.

$169,515,000 Mental Health Services Facilities Improvement Revenue Bonds, Series 2008 F

Date:	**2008**
S&P Rating:	**AA-/Stable**
Fitch Rating:	**A+/Positive**
Bond Insurance:	**Certain Maturities insured by FSA (AAA/AAA)**
Senior Managers:	JP Morgan
Co-Senior Managers:	Jackson Securities[1] RBC Capital Markets Roosevelt and Cross
Co-Managers:	Bank of America securities Barclays Capital Citi Loop Capital Markets, LLC[1] Morgan Stanley M.R. Beal & Company[1] Piper Jaffrey
Selling Group:	All[2]
Designation Policy:	At least six firms must be designated. No firm may receive more than 30% of any designation. JP Morgan must be designated 30%. Each of the Co-senior managers must each be designated at least 10% for all designated orders. Selling group members may not place priority orders but may be designated in aggregate up to 10% of any allotment.
Priority Orders Retail:	None
Priority Orders Institutional:	Net designated Member

Liability Policy:	Senior Manager: JP Morgan	= 35%
	Co-Senior Managers: 10% for each of three firms	= 30%
	Co-Managers: 5% for each of seven firms	= 35%

[1] MWBE Firm.
[2] There are multiple MWBE firms in the selling group.

$209,650,000 Mental Health Services Facilities Improvement Revenue Bonds
Series 2007 A and B

Date:	**2007**
S&P Rating:	**AA-**
Fitch Rating:	**A+**
Bond Insurance:	**Certain Maturities insured by FSA (AAA/AAA)**

Lead Managers:	UBS Investment Bank
Co-Lead Managers:	Bear, Stearns & Co. Inc.
Co-Senior Managers:	Banc of America Securities LLC JPMorgan Morgan Stanley
Co-Managers:	Cain Brothers Citigroup First Albany Capital, Inc. M.R. Beal & Company[1] Raymond James & Associates, Inc. Siebert Brandford Shank & Co., LLC[1]
Selling Group:	Alta Securities Apex Pryor Securities[1] BB&T Capital Markets Cohmad Securities Corporation HSBC Securities (USA), Inc. SBK-Brooks Investment Corp.[1] Valubond Securities, Inc.
Designation Policy:	At least three firms must be designated. No firm may receive more than 50% of any designation. Bear Stearns must be designated 10%. Selling group members may not enter priority orders but may be designated in the aggregate up to 10% of each order.
Priority Orders Retail:	New York Retail – order period National Retail
Priority Orders Institutional:	Net designated Member

Liability Policy:	Senior Managers: UBS (50%) and Bear Stearns (20%)	= 70%
	Co-Senior Managers: 6% for each of three firms	= 18%
	Co-Managers: 2% for each of six firms	= 12%

[1] MWBE Firm.

$212,690,000 Mental Health Services Facilities Improvement Revenue Bonds
Series 2007 C and D

Date:	**2007**
S&P Rating:	**AA-**
Fitch Rating:	**A+**
Bond Insurance:	**Certain Maturities insured by FSA (AAA/AAA)**

Lead Managers:	Bear, Stearns & Co. Inc.
Co-Lead Managers:	UBS Investment Bank
Co-Senior Managers:	A.G. Edwards Goldman, Sachs & Co.
Co-Managers:	Lehman Brothers Merrill Lynch & Co. Ramirez & Co., Inc.[1] Roosevelt & Cross, Incorporated Sterne, Agee & Leach, Inc. Wachovia Bank, National Association
Selling Group:	Doley Securities Fidelity Capital Markets Services Grigsby & Associates, Inc.[1] KeyBanc Capital Markets LaSalle Financial Services Stone & Youngberg
Designation Policy:	At least three firms must be designated. No firm may receive more than 50% of any designation. UBS must be designated 10%. Selling group members may not enter priority orders but may be designated in the aggregate up to 10% of each order.
Priority Orders Retail:	New York Retail – order period National Retail
Priority Orders Institutional:	Net designated Member
Liability Policy:	Senior Managers: Bear Stearns (50%) and UBS (20%) = 70% Co-Senior Manager: 6% for each of two firms = 12% Co-Managers: 3% for each of six firms = 18%

[1] MWBE Firm.

$462,170,000 State Personal Income Tax Revenue Bonds, Series 2007A (Education), Series 2007B (Green Initiatives)

Date:	**2007**
S&P Rating:	**AAA**
Fitch Rating:	**AA-**
Bond Insurance:	**None**
Senior Managers:	JP Morgan
Co-Lead Managers:	Goldman, Sachs & Co.
Co-Senior Managers:	Lehman Brothers M.R. Beal & Company[1] RBC Capital Markets UBS Investment Bank
Co-Managers:	A.G. Edwards Banc of America Securities LLC Bear, Stearns & Co. Inc. Citi Merrill Lynch Siebert Brandford Shank & Co., LLC[1]
Selling Group:	BNY Capital Markets Fidelity Capital Markets Services First American Municipals, Inc.[1] KeyBanc Capital Markets Monarch Financial Corporation ValuBond Securities, Inc.
Designation Policy:	At least five firms must be designated. No firm may receive more than 30% of any designation. JP Morgan and Goldman must each be designated 30%. Selling group members may not enter priority orders and may not be designated.
Priority Orders Retail:	New York Retail (Retail order period) National Retail
Priority Orders Institutional:	Net designated Member
Liability Policy:	Senior Managers: JP Morgan (25%) and Lehman (25%) = 50% Co-Senior Managers: 8% for each of four firms = 32% Co-Managers: 3% for each of six firms = 18%

[1] MWBE Firm.

$105,890,000 State Personal Income Tax Revenue Bonds, Series 2007A (Economic Development and Housing) (Competitive) (Federally Taxable)

Date:	**2007**
S&P Rating:	**AAA**
Fitch Rating:	**AA-**
Bond Insurance:	**None**
Winning Bidder:	Citigroup Global Markets, Inc.
Other Bidders:	Goldman, Sachs & Co. J.P. Morgan Securities Inc. Banc of America Securities LLC UBS Securities LLC Merrill Lynch & Co. Lehman Brothers Morgan Stanley & Co. Inc. Raymond James & Associates, Inc. Bear, Stearns & Co., Inc.

$600,000,000 State Personal Income Tax Revenue Bonds, Series 2007C (Education) (Competitive)

Date:	**2008**
S&P Rating:	**AAA**
Fitch Rating:	**AA-**
Bond Insurance:	**None**
Winning Bidder:	Merrill Lynch
Other Bidders:	Goldman, Sachs & Co. Morgan Stanley & Co. Inc. Citigroup Global Markets, Inc. Lehman Brothers Banc of America Securities LLC J.P. Morgan Securities Inc. UBS Securities LLC

$145,405,000 State University Dormitory Facilities Lease Revenue Bonds, Series 2007

Date:	**2007**
Moody's Rating:	**Aa3**
S&P Rating:	**AA-**
Bond Insurance:	**None**
Senior Manager:	Morgan Stanley
Co-Senior Managers:	First Albany Capital, Inc. Loop Capital Markets, LLC[1]
Co-Managers:	Ramirez & Co., Inc. [1] Raymond James & Associates, Inc. Roosevelt & Cross, Incorporated Sterne, Agee & Leach, Inc.
Selling Group:	Alexandra & James Co. Edward Jones Hunter Securities Cabrera Capital Markets, Inc. [1]
Designation Policy:	At least three firms must be designated. No firm may receive more than 50% of any designation. Selling Group members may not enter priority orders, and may not be designated.
Priority Orders Retail:	New York Retail (Ran a retail order period) National Retail
Priority Orders Institutional:	Net designated
	Member

Liability Policy:	Senior Manager:	= 50%
	Co Senior Managers: 15% for each of two Firms	= 30%
	Co-Managers: 5% for each of four firms	= 20%

[1] MWBE Firm.

$50,115,000 New York Consolidated Service Contract Bonds, Series 2007

Date:	**2007**
Moody's Rating:	**None**
S&P Rating:	**AA-**
Fitch Rating:	**A+**
Bond Insurance:	**FSA (AAA/AAA)**
Senior Manager:	Citi
Co-Senior Managers:	None
Co-Managers:	RBC Capital Markets
Selling Group:	None
Designation Policy:	Group Net Citi 75%, RBC 25%
Priority Orders Retail:	New York Retail (2010-2015 & 2021-2025) National Retail
Priority Orders Institutional:	Group Net
	Member
Liability Policy:	Senior Manager: = 75% Co-Managers: = 25%

Dormitory Authority of the State of New York
MWBE Participation
Calendar Year 2009

Deal	Par Amount	All		Lead		Co-Senior		Co-Manager		Selling Group	
		Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations
PIT 2009A (Ed, Hc, SF&E & ED&H)	$ 551,900,000	$ 1,482,756.00	$ 449,997.00	444,832.00	0.00	444,832.00	444,832.00	551,213.00	0.00	41,885.00	5,165.00
Mental Health 2003D-2A (Reoffering)	$ 156,000,000	$ 78,000.00	$ -	78,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Mental Health 2009A-1	$ 443,495,000	$ 778,785.00	$ 166,089.00	311,526.00	0.00	155,794.00	77,897.00	202,073.00	57,442.00	109,392.00	30,750.00
PIT (GP) 2009A, B & C	$ 798,010,000	$ 2,199,587.44	$ 730,946.61	1,319,752.48	659,876.24 *	0.00	0.00	848,829.21	64,926.12	31,005.75	6,144.25
Mental Health 2003D-2E & 2H Reoffering	$ 149,700,000	$ 149,700.00	$ -	149,700.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PIT 2009F BAB's Federally Taxable	$ 755,810,000	$ 5,667,412.53	$ 1,983,594.38	2,833,706.26	1,416,853.13 *	566,741.25	0.00	2,266,965.02	566,741.25	0.00	0.00
PIT 2009D (GP)	$ 404,540,000	$ 852,713.00	$ 340,018.75	511,637.50	255,818.75 *	144,525.50	76,012.50	165,150.00	7,687.50	31,400.00	500.00
PIT 2009E (GP)	$ 101,210,000	$ 360,106.18	$ 157,934.34	216,063.74	108,031.87 *	51,089.99	29,700.62	80,432.49	14,316.87	12,519.96	5,884.98
Consolidated Service 2009A & B	$ 616,740,000	$ 937,137.71	$ 305,372.50	562,307.50	281,153.75 *	77,165.83	0.00	261,840.63	20,671.25	35,823.75	3,547.50
PIT Education 2009 (QSCB) Tax Credit	$ 58,560,000	$ 366,000.00	$ -	366,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PIT (GP) 2009G	$ 91,110,000	$ 388,926.26	$ 58,338.94	213,909.44	0.00	0.00	0.00	175,016.82	58,338.94	0.00	0.00
PIT (GP) 2009 H BAB's	$ 286,525,000	$ 2,005,673.00	$ 476,347.00	802,270.00	0.00	752,127.00	250,709.00	451,276.00	225,638.00	0.00	0.00
SUNY Dorms 2009A	$ 100,120,000	$ 271,737.50	$ 167,632.50	163,032.50	163,032.50	0.00	0.00	108,705.00	4,600.00	0.00	0.00
	$ 4,513,720,000	$ 15,538,534.62	$ 4,836,271.02	$ 7,972,737.42	$ 2,884,766.24	$ 2,192,275.57	$ 879,151.12	$ 5,111,501.17	$ 1,020,361.93	$ 262,026.46	$ 51,991.73
Percentage MWBE Participation			31.12%		36.18%		40.10%		19.96%		19.84%

* Co-Lead Managers
Multiple series under one issue with different management teams

Dormitory Authority of the State of New York
MWBE Participation
Calendar Year 2008

Deal	Par Amount	All		Lead		Co-Senior		Co-Manager		Selling Group	
		Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations
PIT 2008A&A	$ 176,535,000.00	$ 272,700.00	$ 179,765.62	$ 163,620.00	* $ 163,620.00	$ -	$ -	$ 109,080.00	$ 16,145.62	$ -	$ -
PIT 2008B	$ 94,270,000.00	$ 388,337.50	$ 233,002.50	$ 233,002.50	* $ 233,002.50	$ -	$ -	$ 155,335.00	$ -	$ -	$ -
PIT 2008A	$ 442,035,000.00	$ 1,381,850.00	$ 868,142.75	$ 829,110.00	* $ 829,110.00	$ 263,868.00	$ 39,032.75	$ 288,872.00	$ -	$ -	$ -
Mental Health 2008A-E	$ 516,455,000.00	$ 1,908,012.22	$ 57,835.11	$ 1,144,838.70	$ -	$ 439,095.64	$ 43,243.24	$ 312,077.88	$ 14,591.87	$ 12,000.00	$ -
CUNY 2008 A&B	$ 397,885,000.00	$ 1,490,356.21	$ 298,071.24	$ 447,106.87	$ -	$ 447,169.36	$ 298,071.24	$ 566,074.98	$ -	$ 30,005.00	$ -
SUNY 2008A	$ 129,375,000.00	$ 369,475.00	$ 49,452.50	$ 184,737.50	$ -	$ 36,957.50	$ 36,957.50	$ 147,780.00	$ 12,495.00	$ -	$ -
Upstate 2005C 1st Reoffering (Variable)	$ 54,080,000.00	$ 151,252.50	$ -	$ 151,252.50	$ -	$ -	$ -	$ -	$ -	$ -	$ -
PIT 2008B, C & C	$ 765,695,000.00	$ 2,520,307.80	$ 1,047,560.88	$ 752,031.00	$ -	$ 851,068.00	$ 851,068.00	$ 668,817.00	$ -	$ 248,391.80	$ 196,492.88
Upstate 2005C 2nd Reoffering	$ 54,080,000.00	$ 216,075.00	$ 32,411.25	$ 151,252.50	$ -	$ 64,822.50	$ 32,411.25	$ -	$ -	$ -	$ -
CUNY 2008 C&D (Variable)	$ 487,575,000.00	$ 318,838.00	$ -	$ 318,838.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CUNY 2008 E	$ 107,095,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Mental Health 2008F	$ 169,515,000.00	$ 107,250.00	$ 16,200.00	$ 32,175.00	$ -	$ 46,425.00	$ 15,975.00	$ 26,775.00	$ 225.00	$ 1,875.00	$ -
	$ 3,394,705,000.00	$ 9,124,454.23	$ 2,782,441.85	$ 4,407,964.57	$ 1,225,732.50	$ 2,149,406.00	$ 1,316,758.98	$ 2,274,811.86	$ 43,457.49	$ 292,271.80	$ 196,492.88
Percentage MWBE Participation			30.49%		27.81%		61.26%		1.91%		67.23%

* Co-Lead Managers

Dormitory Authority of the State of New York
MWBE Participation
Calendar Year 2007

Deal	Par Amount	All		Lead		Co-Senior		Co-Manager		Selling Group	
		Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations
Mental Health 2007 A&B	$ 209,650,000.00	$ 488,300.00	$ 19,532.00	$ 341,810.00	* $ -	$ 87,894.00	$ -	$ 58,596.00	$ 19,532.00	$ -	$ -
Mental Health 2007 C&D	$ 212,690,000.00	$ 478,988.75	$ 7,220.00	$ 298,201.25	* $ -	$ 48,290.00	$ -	$ 130,716.25	$ 7,220.00	$ 1,781.25	$ -
PIT 2007 A, B & A	$ 462,170,000.00	$ 1,631,250.00	$ 24,675.00	$ 978,750.00	* $ -	$ 212,143.00	$ 3,500.00	$ 440,357.00	$ 21,175.00	$ -	$ -
SUNY Dorms 2007	$ 145,405,000.00	$ 304,431.20	$ 38,903.65	$ 152,215.60	$ -	$ 68,635.30	$ 26,073.00	$ 83,580.30	$ 12,830.65	$ -	$ -
State Service Contract 2007	$ 50,115,000.00	$ 139,100.00	$ -	$ 104,325.00	$ -	$ -	$ -	$ 34,775.00	$ -	$ -	$ -
	$ 1,080,030,000.00	$ 3,042,069.95	$ 90,330.65	$ 1,875,301.85	$ -	$ 416,962.30	$ 29,573.00	$ 748,024.55	$ 60,757.65	$ 1,781.25	$ -
Percentage MWBE Participation			2.97%		0.00%		7.09%		8.12%		0.00%

* Co-Lead Managers

Underwriting Panel

Dormitory Authority of the State of New York
Management Team Based on 2008 Request for Proposals

Senior Managers (Public Programs)

Bank of America Merrill Lynch
Barclays Capital
Citi
Goldman, Sachs & Co.
Jefferies & Company (formerly DEFPA First Albany Securities LLC 3/30/09)
JPMorgan
Loop Capital Markets, LLC *
Morgan Stanley
MR Beal & Company *
Ramirez & Co., Inc.*
RBC Capital Markets
Siebert Brandford Shank & Co., LLC *
Wachovia Bank, NA

Co-Managers

BB&T Capital Markets
Cabrera Capital Markets LLC *
Duncan-Williams, Inc.**
Fidelity Capital Markets Services
George K. Baum & Company
Grigsby & Associates*
Jackson Securities*
Janney Montgomery Scott LLC
KeyBanc Capital Markets Inc.
Lebenthal & Co., LLC*
Morgan Keegan & Company, Inc.
Oppenheimer & Co., Inc.
Piper Jaffray & Co.
Prager, Sealy & Co., LLC
Raymond James & Associates, Inc.
Rice Financial Products Company *
Roosevelt & Cross, Incorporated
Southwest Securities, Inc.
Sterne, Agee & Leach, Inc.
Stifel, Nicolaus & Company, Inc.
Stone & Youngberg
TD Securities LLC

* MWBE firm
** MWBE Certification pending

Selling Group Members

Backstrom McCarley Berry & Co., LLC*
Blaylock Robert Van, LLC* (10/2/09)
Cain Brothers & Company, LLC
Charles Schwab & Co., Inc.
David Lerner Associates, Inc.
Doley Securities, LLC*
Edward Jones
Estrada Hinojosa & Company, Inc.*
Gardner Rich, LLC* (2/4/10)
Gates Capital Corporation (6/18/09)
(The) GMS Group L.L.C. (6/19/09)
Hapoalim Securities USA, Inc. (2/4/10)
Herbert J. Sims & Co., Inc.
Jesup & Lamont Securities Corp., Inc.
Kaufman Brothers, L.P.* (2/4/10)
Kiley Partners, Inc. (7/29/09)
Knight BondPoint, Inc.
Lighthouse Financial Group LLC (12/7/09)
M&T Securities, Inc.
Mesirow Financial, Inc.
MFR Securities, Inc. (6/15/09) *
Northeast Securities Inc. (6/8/09)
Pershing LLC
Powell Capital Markets, Inc. (10/8/09) *
Ross, Sinclaire & Associates, LLC (9/8/09)
Sandgrain Securities Inc.*
~~SBK Brooks Investment Corp.*~~ (no longer doing underwriting Sept 09)
Stern Brothers & Co. (6/1/09) *
Toussaint Capital Partners, LLC
The Williams Capital Group, L.P.* (8/24/09)
Ziegler Capital Markets Group

* MWBE firm
** MWBE Certification pending

Overview of Individual Bond Detail of State-Supported Debt Transactions

January 1, 2007 through December 31, 2009

New York State Enviornmental Facilities Corporation

Overview of State-Supported Debt Transactions

January 1, 2007 through December 31, 2009

Bond Issue	Par Amount
Calendar Year 2009	
◆ State Personal Income Tax Revenue Bonds, Series 2009 A & B	$279,355,000
Calendar Year 2008	
◆ State Personal Income Tax Revenue Bonds, Series 2008 A[1]	$121,160,000
◆ State Personal Income Tax Revenue Bonds, Series 2008 B (Federally Taxable)[1]	$38,525,000
Calendar Year 2007	
◆ State Personal Income Tax Revenue Bonds, Series 2007 A	$162,900,000
◆ State Personal Income Tax Revenue Bonds, Series 2007 B (Federally Taxable)	$18,285,000
◆ State Personal Income Tax Revenue Bonds, Series 2007[1]	$38,575,000

[1] Competitive Issue.

$279,355,000 State Personal Income Tax Revenue Bonds
Series 2009 A&B

Date:	**2009**
S&P Rating:	**AAA**
Fitch Rating:	**AA-**
Bond Insurance:	**None**
Senior Managers:	Citi and Ramirez & Co
Co-Managers:	Banc of America Securities DEPFA First Albany Goldman Sachs J.P. Morgan Securities Merrill Lynch Morgan Stanley M.R. Beal & Co. Roosevelt & Cross Wachovia
Selling Group:	Barclays Capital BB&T Capital Markets Douglas & Co. Municipals, Inc. Fidelity Capital Markets Grigsby & Associates, Inc. Lebenthal & Company LLC Rice Financial Products Company Siebert Brandford Shank & Co.
Designation Policy:	Senior 50%*, Co-Senior 20%,* At least 4 firms must be designated A minimum of 10% of each designation must be designated amount the MWBE Co-Manager of MWBE Selling Group Members Selling Group Members may not be designated more then 10% in aggregate. Selling Group Members may not enter priority orders, but may be designated. *70% Aggregate split 50/50 between senior and co-senior.
Priority Orders Retail:	New York Retail National Retail
Priority Orders Institutional:	Net designated Member
Liability Policy:	Senior Managers: Citi (35%) Ramirez & Co (35%) = 70% Co-Managers: 2% for each of fifteen firms = 30%

$121,160,000
State Personal Income Tax Revenue Bonds
Series 2008A (Tax-Exempt)

$38,525,000
Series 2008B (Federally Taxable)

(Competitive Sales)

Date:	**2008**
S&P Rating:	**AAA**
Fitch Rating:	**AA-**
Enhancement:	**N/A**

Senior Manager:	UBS Securities LLC – Series 2008A JP Morgan Securities Inc., Series 2008B
Co-Senior Manager:	None
Co-Managers:	None
Selling Group:	None
Designation Policy:	None
Priority Orders Institutional:	Net designated Member
Liability Policy:	Senior Manager Series 2008A – UBS Securities LLC = 100% Senior Manager Series 2008B- JP Morgan Securities Inc. = 100%

$162,900,000 State Personal Income Tax Revenue Bonds
Series 2007 A

Date:	**2007**
S&P Rating:	**AAA**
Fitch Rating:	**AA-**
Bond Insurance:	**None**
Senior Managers:	First Albany Capital Inc. and Merrill Lynch & Co.
Co-Managers:	A.G. Edwards Banc of America Securities LLC Bear Stearns & Co. Citigroup Goldman Sachs & Co. JPMorgan Lehman Brothers M.R. Beal & Company Morgan Stanley & Co. Piper Jaffrey & Co. Ramirez & Co., Inc. Raymond James & Associates, Inc. Roosevelt and Cross, Incorporated UBS Investment Bank Wachovia Bank, NA
Selling Group:	None
Designation Policy:	At least three firms must be designated. No firm may receive more than 50% of any designation. Selling group members may be designated.
Priority Orders Retail:	New York Retail National Retail
Priority Orders Institutional:	Net designated Member
Liability Policy:	Senior Managers: First Albany Capital (40%) and Merrill Lynch (30%) = 70% Co-Managers: 2% for each of fifteen firms = 30%

$18,285,000 State Personal Income Tax Revenue Bonds
Series 2007 B (Federally Taxable)

Date:	**2007**
S&P Rating:	**AAA**
Fitch Rating:	**AA-**
Bond Insurance:	**None**
Senior Managers:	First Albany Capital Inc. and Merrill Lynch & Co.
Co-Managers:	None
Selling Group:	None
Designation Policy:	At least three firms must be designated. No firm may receive more than 50% of any designation. Selling group members may be designated.
Priority Orders Retail:	None
Priority Orders Institutional:	Group designated Member
Liability Policy:	Senior Managers: First Albany Capital and Merrill Lynch - 50% each

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$38,575,000
State Personal Income Tax Revenue Bonds
Series 2007 (Competitive Issue)

Date:	**2007**
S&P Rating:	**AA-**
Fitch Rating:	**A+**
Enhancement:	**AAA/AAA CIFG Assurance North America, Inc.**

Senior Manager:	Citigroup Global Markets Inc – Series 2007
Co-Senior Manager:	None
Co-Managers:	None
Selling Group:	None
Designation Policy:	None
Priority Orders Institutional:	Net designated Member
Liability Policy:	Senior Manager Series 2007 – Citigroup Global Markets Inc = 100%

New York State Environmental Facilities Corporation

MWBE Participation by Bond Issue for State-Support Debt for Calendar Year 2009

	Deal	Par Amount	All		Lead		Co-Senior		Co-Manager		Selling Group	
			Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations
None	PiT Series 2009A&B	$ 279,355,000	$ 427,731.21	$ 194,481.56	$ 299,884.38	$ 149,942.19	$ -	$ -	$ 89,086.72	$ 5,896.25	$ 38,760.12	$ 38,643.12
		$ 279,355,000	$ 427,731.21	$ 194,481.56	$ 299,884.38	$ 149,942.19	$ -	$ -	$ 89,086.72	$ 5,896.25	$ 38,760.12	$ 38,643.12
Percentage MWBE Participation				45.47%		50.00%		0.00%		6.62%		99.70%

New York State Environmental Facilities Corporation
MWBE Participation by Bond Issue for State-Support Debt for Calendar Year 2008

Deal	Par Amount	All		Lead		Co-Senior		Co-Manager		Selling Group	
		Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations
None	-	$ -	$ -	-	$ -	-	$ -	-	$ -	$ -	$ -
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Percentage MWBE Participation			0.00%		0.00%		0.00%		0.00%		0.00%

New York State Environmental Facilities Corporation

MWBE Participation by Bond Issue for State-Support Debt for Calendar Year 2007

			All		Lead		Co-Senior		Co-Manager		Selling Group	
	Deal	Par Amount	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations
None	PIT Series 2007A&B	$ 181,185,000	$ 585,518.75	$ 8,375.00	$ 300,725.00	$ -	$ 41,713.75	$ -	$ 243,080.00	$ 8,375.00	$ -	$ -
		$ 181,185,000	$ 585,518.75	$ 8,375.00	$ 300,725.00	$ -	$ 41,713.75	$ -	$ 243,080.00	$ 8,375.00	$ -	$ -
Percentage MWBE Participation				1.43%		0.00%		0.00%		3.45%		0.00%

Underwriting Panel

New York State Environmental Facilities Corporation
Underwriting Firms

Senior Managers

Bank of America Merrill Lynch
Citigroup Global Markets, Inc.
Goldman Sachs & Co.
Jefferies & Company, Inc.
Loop Capital Markets *
Morgan Stanley & Co., Inc.
Ramirez & Co. *
Seibert Brandford Shank *

Co-Managers

Fidelity Capital Markets
Grigsby & Associates *
J.P. Morgan & Co., Inc.
Lebenthal & Co., LLC *
M.R. Beal & Company *
Raymond James & Associates, Inc.
RBC Capital Markets
Rice Financial Products Company *
Roosevelt & Cross, Incorporated
Wachovia Bank, NA

Selling Group Members

BB&T Capital Markets
Cabrera Capital Markets *
Edward Jones
George K. Baum & Co.
Jackson Securities *
KeyBanc Capital Markets
Mesirow Financial
Morgan Keegan & Co.
Stifel, Nicolaus & Co.
TD Securities

* MWBE Firm.

3/1/2010

Overview of Individual Bond Detail of State-Supported Debt Transactions

January 1, 2007 through December 31, 2009

Empire State Development Corporation
Overview of State-Supported Debt Transactions
January 1, 2007 through December 31, 2009

Bond Issue	Par Amount
Calendar Year 2009	
◆ State Personal Income Tax Revenue Bonds, Series 2009A (Economic Development and Housing) and Series 2009B (State Facilities and Equipment)	$1,079,225,000
◆ State Personal Income Tax Revenue Bonds, Series 2009 CDE (General Purpose)	$1,471,935,000
Calendar Year 2008	
◆ State Personal Income Tax Revenue Bonds, Series 2008 A-1 (Tax-Exempt) (Economic Development and Housing) and Series 2008 A-2 (Federally Taxable)	$520,135,000
◆ Correctional & Youth Facilities Service Contract Revenue Refunding Bonds, Series 2008A (Conversion of ARS to VRDN)	$420,000,000
◆ Correctional & Youth Facilities Service Contract Revenue Refunding Bonds, Series 2008B	$450,365,000
◆ Correctional & Youth Facilities Service Contract Revenue Refunding Bonds, Series 2008C	$123,585,000
◆ Service Contract Revenue Refunding Bonds, Series 2008D	$672,100,000
Calendar Year 2007	
◆ State Personal Income Tax Revenue Bonds, Series 2007A (Economic Development and Housing) and Series B (State Facilities and Equipment)	$356,750,000
◆ Service Contract Revenue Refunding Bonds, Series 2007A	$273,210,000
◆ State Personal Income Tax Revenue Bonds, Series 2007C (State Facilities and Equipment)[1]	$321,710,000

[1] Competitive Issue.

$1,079,225,000
State Personal Income Tax Revenue Bonds
Series 2009A (Economic Development & Housing) &
Series 2009B (State Facilities & Equipment)

Date:	**2009**
S&P Rating:	**AAA/Stable**
Fitch Rating:	**AA-/Stable**
Bond Insurance:	**None**

Senior Managers:
Citi
Morgan Stanley
Loop Capital Markets, LLC[1]
Merrill Lynch & Co.

Co-Senior Managers:
Banc of America Securities LLC
Goldman, Sachs & Co.
J.P. Morgan

Co-Managers:
DEPFA First Albany Securities LLC
Key Banc Capital Markets
M.R. Beal & Company[1]
Prager, Sealy & Co., LLC
Ramirez & Co., Inc.[1]
Raymond James & Associates, Inc.
RBC Capital Markets
Roosevelt & Cross Incorporated
Siebert Brandford Shank & Co., LLC[1]
Wachovia Bank, National Association

Selling Group:
Alta Vista Financial Inc.
Barclays Capital
BB&T Capital Markets
Blaylock Robert Van, LLC[1]
Cabrera Capital Markets[1]
Charles Schwab
Fidelity Capital Market Services
Jackson Securities, LLC[1]
Janney Montgomery Scott LLC
Jesup & Lamont Securities Corporation
Lebenthal & Co.
Mesirow Financial, Inc
Rice Financial Products[1]
Sandgrain Securities Inc.[1]
Sterne Agee & Leach, Inc.
Stifel Nicolaus & Co.
Toussaint
ValuBond

[1] MWBE Firm.

$1,079,225,000
State Personal Income Tax Revenue Bonds
Series 2009A (Economic Development & Housing) &
Series 2009B (State Facilities & Equipment)
(continued)

Designation Policy:	No firm may receive more than 50% of any designation. Each of the four co-seniors must receive at least 10% of every designation. Designations received by the four co-seniors will be split equally among them.	
Priority Orders Retail:	New York Retail National Retail	
Priority Orders Institutional:	Net designated New York Retail National Retail Member	
Liability Policy:	Co-Senior Managers: 17.5% for each of four firms	= 70%
	Senior Co-Managers: 5% for each of three firms	= 15%
	Co-Managers: 1.5% for each of ten firms	= 15%

$1,471,935,000 State Personal Income Tax Revenue Bonds (General Purpose) Series 2009 C (Tax Exempt); Series 2009D (Federally Taxable) Series 2009E (Federally Taxable - Build America Bonds)

Date:	**2009**
S&P Rating:	**AAA**
Fitch Rating:	**AA-**
Bond Insurance:	**None**

Senior Managers:	Goldman Sachs Barclay's Capital J. P. Morgan Ramirez & Co., Inc.[1] Rice Financial Products[1]
Co-Senior Managers:	Citigroup Loop Capital Markets[1] Merrill Lynch Morgan Stanley Siebert Brandford Shank & Co.[1] Wachovia Bank, N.A.
Co-Managers:	M. R. Beal & Co.[1] BB&T Capital Markets Cabrera Capital Markets[1] Fidelity Markets Jackson Securities[1] Janney Montgomery Scott Jeffries & Company Lebenthal & Co.[1] Mesirow Financial Morgan Keegan Piper Jaffray & Co. Raymond James & Associates RBC Capital Markets Roosevelt & Cross Sterne, Agee & Leach Stone Youngberg
Selling Group:	Backstrom McCarley Berry[1] BNY Mellon Capital Markets Duncan-Williams, Inc.[1] Edward Jones Estrada Hinojosa and Company[1] First Southwest Gates Capital Corporation George K. Baum

[1] MWBE Firm.

Grigsby & Associates[1]
Herbert J. Sims, Inc.
Jessup & Lamont
Key Banc Capital Markets
Knight Bondpoint, Inc.
M&T Securities
Magna Securities[1]
MFR Securities[1]
Northeast Securities
Oppenheimer & Co.
Prager, Sealy & Co.
SBK Brooks investment Corp.[1]
Southwest Securities
Stern Brothers & Company
TD Securities (USA)
Toussaint Capital Partners[1]

Series 2009C

Priority of Orders:

1. New York Retail
2. National Retail

Retail Order Period Rules:

Retailed defined as an order placed for the account of an individual and includes orders entered on behalf of individuals from Trust Departments and Investment Advisors for amounts up to $1,000M. Larger orders will be accepted at the discretion of the Senior Manager and the Corporation.

New York Retail will get priority over National Retail.

1. The Corporation retains the right to reprice bonds for which orders were taken during the Retail Order Period.
2. If more orders are received than bonds are available for a maturity, the orders will be allocated pro-rata against the available bonds for that maturity.
3. The Corporation will close maturities which are fully subscribed.
4. The status of the retail orders will be communicated via Dalnet at the end of the Retail Order Period.
5. The Corporation may have its staff or its agents audit orders during or after the order period to verify that such orders represent legitimate retail buyers. Full disclosure of information relevant to any audit must be provided by the firm submitting orders. Firms must immediately provide zip codes and account numbers of retail buyers placing orders if requested.

Series 2009 D & E (Taxable & Build America Bonds)

Priority of Orders:

1. Group Net
2. Member

Priority Policy: The Senior Manager requests the identification of all priority orders at the time the orders are entered.

Priority Policy (Cont'd.): All priority orders will be done for the benefit of the group to be split as follows:

Senior Managers: 5 @ 17.1%:	= 85.50%
Co-Senior Managers: 6 @ 1%:	= 6.00%
Co-Managers: 17@ 0.5%:	= 8.50%

The compliance addendum MSRB Rule G-11 will apply.

Delivery is firm for December 1, 2009.

This issue is book entry through DTC.

$520,135,000
State Personal Income Tax Revenue Bonds
Series 2008A-1 (Economic Development & Housing)
Series 2008A-2 (Economic Development & Housing) - Taxable

Date:	**2008**
S&P Rating:	**AAA/Stable**
Fitch Rating:	**AA-/Stable**
Bond Insurance:	**None**

Senior Managers:
Citi
Merrill Lynch & Co.
M.R. Beal & Company[1]
Siebert Brandford Shank & Co., LLC[1]

Co- Senior Managers:
Banc of America Securities LLC
Bear, Stearns & Co., Inc.
Goldman, Sachs & Co.
Lehman Brothers
Morgan Stanley
UBS Investment Bank

Co-Managers:
DEPFA First Albany Securities LLC
JPMorgan
Key Banc Capital Markets
Loop Capital Markets, LLC[1]
Prager, Sealy & Co., LLC
Ramirez & Co., Inc. [1]
Raymond James & Associates, Inc.
RBC Capital Markets
Roosevelt & Cross Incorporated
Wachovia Bank, National Association

Selling Group:
Alexandra & James
Alta Vista Financial Inc.
BB&T Capital Markets
Cabrera Capital Markets[1]
Fidelity Capital Market Services
Jackson Securities, LLC[1]
Janney Montgomery Scott LLC
Rice Financial Products[1]
Sterne Agee & Leach, Inc.
Toussaint Capital Partners LLC
ValuBond

Designation Policy:
No firm may receive more than 50% of any designation.
Each of the four co-seniors must receive at least 10% of every designation.
Designations received by the four co-seniors will be split equally among them.

[1] MWBE Firm.

$520,135,000
State Personal Income Tax Revenue Bonds
Series 2008A-1 (Economic Development & Housing)
Series 2008A-2 (Economic Development & Housing) – Taxable
(continued)

Priority Orders Retail:	New York Retail	
	National Retail	
Priority Orders Institutional:	Net designated	
	New York Retail	
	National Retail	
	Member	
Liability Policy:	Co-Senior Managers: 15% for each of four firms	= 60%
	Senior Co-Managers: 5% for each of six firms	= 30%
	Co-Managers: 1% for each of ten firms	= 10%

$420,000,000
Correctional & Youth Facilities Service Contract Revenue Refunding Bonds, Series 2008A

Date:	**2008**
Enhancement:	**Letter of Credit – Wachovia Bank, N.A. - Series 2008 A-1** **Standby Purchase Agreement – JPMorgan Chase Bank – Series 2008 A-2, A-3, & A-4** **Letter of Credit - TD Bank, N.A. – Series 2008 A-5**
Senior Manager:	J.P. Morgan Securities Inc – Series 2008 A-1 & A-5 Goldman, Sachs & Co. – Series 2008 A-2 & A-4 Ramirez & Co. Inc.[1] – Series 2008 A-3
Co-Senior Manager:	None
Co-Managers:	None
Selling Group:	None
Designation Policy:	None

[1] MWBE Firm.

$450,365,000
Empire State Development Corporation
New York State Urban Development Corporation
Service Contract Revenue Refunding Bonds
Series 2008 B

Date:	**2008**
S&P Rating:	**AA-**
Fitch Rating:	**A+/Stable**
Bond Insurance:	**N/A**

Senior Managers:
Goldman, Sachs & Co.
JPMorgan
Ramirez & Co. Inc. [1]

Co-Senior Managers:
Banc of America Securities LLC
Citi
Lehman Brothers
Merrill Lynch & Co.
Morgan Stanley

Co-Managers:
DEPFA First Albany Securities LLC
KeyBanc Capital Markets
Loop Capital Markets, LLC[1]
MR Beal & Company[1]
Prager Sealy & Co., LLC
Raymond James & Associates, Inc.
RBC Capital markets
Roosevelt & Cross Incorporated
Siebert Brandford Shank & Co. LLC[1]
Wachovia Bank NA

Selling Group:
Alta Vista
BB&T Capital Markets
Cabrera Capital Markets Inc. [1]
Fidelity Capital Market Services
Jackson Securities[1]
Janney Montgomery Smith LLC
Knight Bond Point, LLC
Lebenthal & Company LLC
Rice Financial Products [1]
Sterne, Agee & Leach
Toussaint Capital Partners LLC

Designation Policy:
No firm may receive more than 50% of any designation.
Each of the three co-seniors (GS, JPM, Ramirez) must receive at least 10% of every designation.
Designations received by the three co-seniors will be split equally among them.
Selling group members may not enter priority orders, and may not be designated.

[1] MWBE Firm.

$450,365,000
Empire State Development Corporation
New York State Urban Development Corporation
Service Contract Revenue Refunding Bonds
Series 2008 B
(continued)

Priority Orders Retail:	New York Retail National Retail Member
Priority Orders Institutional:	Net designated Member
Liability Policy:	Senior Managers: Goldman (18%), JPMorgan (18%), and Ramirez (18%) = 54% Co-Senior Managers: 6% for each of five firms = 30% Co-Managers: 1.6% for each of ten firms = 16%

$123,585,000
Empire State Development Corporation
New York State Urban Development Corporation
Service Contract Revenue Refunding Bonds
Series 2008 C

Date:	**2008**
S&P Rating:	**AA-**
Fitch Rating:	**A+/Stable**
Bond Insurance:	**N/A**

Senior Managers:	Goldman Sachs JPMorgan Ramirez & Co., Inc. [1]
Co-Senior Managers:	Banc of America Securities LLC Citi Lehman Brothers Merrill Lynch & Co. Morgan Stanley
Co-Managers:	DEPFA First Albany Securities LLC KeyBanc Capital Markets Loop Capital Markets, LLC[1] MR Beal & Company[1] Prager Sealy & Co., LLC Raymond James & Associates, Inc. RBC Capital markets Roosevelt & Cross Incorporated Siebert Brandford Shank & Co. LLC[1] Wachovia Bank NA
Selling Group:	Alta Vista BB&T Capital Markets Cabrera Capital Markets Inc. [1] Fidelity Capital Market Services Jackson Securities[1] Janney Montgomery Smith LLC Knight Bond Point, LLC Lebenthal & Company LLC Rice Financial Products [1] Sterne, Agee & Leach Toussaint Capital Partners LLC

[1] MWBE Firm.

$123,585,000
Empire State Development Corporation
New York State Urban Development Corporation
Service Contract Revenue Refunding Bonds
Series 2008 C
(continued)

Designation Policy:	No firm may receive more than 50% of any designation. Each of the three co-seniors (GS, JPM, Ramirez) must receive at least 10% of every designation. Designations received by the three co-seniors will be split equally among them. Selling group members may not enter priority orders, and may not be designated.
Priority Orders Retail:	New York Retail National Retail Member
Priority Orders Institutional:	Net designated Member
Liability Policy:	Senior Managers: Goldman (18%), JPMorgan (18%), and Ramirez (18%) = 54% Co-Senior Managers: 6% for each of five firms = 30% Co-Managers: 1.6% for each of ten firms = 16%

$672,100,000
New York State Urban Development Corporation
Service Contract Revenue Refunding Bonds, Series 2008D

Date:	**2008**
S&P Rating:	**AA-/Stable**
Fitch Rating:	**A+/Positive**

Senior Lead Managers: Merrill Lynch & Co., Banc of America Securities LLC, and Siebert Brandford Shank & Co., LLC[1]

Co-Senior Managers:
Citi
Goldman, Sachs & Co.
JP Morgan
Morgan Stanley

Co-Managers:
DEPFA First Albany Securities LLC
KeyBanc Capital Markets
Loop Capital Markets, LLC[1]
M.R. Beal & Company[1]
Prager, Sealy & Co., LLC
Ramirez & Co., Inc.[1]
Raymond James & Associates, Inc.
RBC Capital Markets
Roosevelt & Cross Incorporated
Wachovia Bank National Association

Selling Group:
Alta Vista
Apex-Pryor Securities[1]
BB&T Capital Markets
Blaylock Robert Van, LLC[1]
Cabrera Capital Markets, LLC[1]
Charles Schwab
Fidelity Investments
Jackson Securities[1]
Janney Montgomery Scott
Jessup & Lamont Securities Corporation
Lebenthal & Co., LLC
Sandgrain Securities Inc.[1]
Stern Agee
Toussaint Capital Partners, LLC
ValuBond

[1] MWBE Firm.

$672,100,000
New York State Urban Development Corporation
Service Contract Revenue Refunding Bonds, Series 2008D
(continued)

Designation Policy:	No firm may receive more than 50% of any designation. Each of the Senior Lead Managers must receive at least 10% of every designation. Designations received by the Senior Lead Managers will be split equally among them. The Senior Manager will pay out all designations. The Senior Manager requests the identification of all priority orders at the time the orders are entered. There will not be any clearance fee taken from designated sales in accordance with MSRB Rule G-17. There are to be no soft-dollar designations. Selling group members may not enter priority orders, and may not be designated.
Priority Orders Retail:	New York Retail National Retail
Priority Orders Institutional:	Net designated Member

Liability Policy:	Senior Managers:	20.0%
	Co-Senior Managers:	6.0%
	Co-Managers:	1.6%

$356,750,000 State Personal Income Tax Revenue Bonds
Series 2007 A (Econ Dev't & Housing), Series 2007 B (State Facilities & Equip't)

Date:	**2007**
S&P Rating:	**AAA**
Fitch Rating:	**AA-**
Bond Insurance:	**None**

Senior Managers:
Morgan Stanley
Bear Stearns
Lehman Brothers
Merrill Lynch

Co-Senior Managers:
Citigroup
Goldman Sachs
UBS Securities

Co-Managers:
DEPFA First Albany
J. P. Morgan
M. R. Beal & Co.[1]
Roosevelt & Cross
A. G. Edwards & Sons
Jackson Securities[1]
Banc of America
Siebert Brandford Shank[1]

Selling Group:
BB&T Capital Markets
Commerce Capital Markets
Doley Securities[1]
J. B. Hanauer & Co
Janney Montgomery Smith LLC
Loop Capital Markets[1]
Prager, Sealy & Co
RBC Capital Markets
Sterne, Agee & Leach
ValuBond
Wachovia Bank

Designation Policy:
At least three firms must be designated.
No firm may receive more than 50% of any designation.
Designation received by the co-seniors will be split equally among them.

Priority of Orders:
1. Net Designated
2. New York Retail
3. Member

Liability Policy:

Senior Managers: Morgan Stanley	= 26%
Senior Managers: 14% for each senior	= 42%
Co-Senior Managers: 4% for each co-senior	= 12%
Co-Managers: Eight firms receive 1% or 2% depending on the firm	= 20%

[1] MWBE Firm.

$273,210,000
Empire State Development Corporation
New York State Urban Development Corporation
Service Contract Revenue Refunding Bonds
Series 2007A

Date:	**2007**
S&P Rating:	**AA-**
Fitch Rating:	**A+**
Bond Insurance:	**FSA Insured 2017 - 2029**

Lead Senior Managers: RBC Capital Markets and Loop Capital Markets[1]

Co-Senior Managers:
Bank of America
Bear Stearns
Citigroup
Goldman Sachs
Lehman Brothers
Merrill Lynch
Morgan Stanley
UBS Securities

Co-Managers:
A.G. Edwards & Sons
J.P. Morgan
LaSalle Financial
Prager, Sealy & Co.
Raymond James
Siebert, Brandford & Shank[1]
DEPFA First Albany
KeyBanc Capital
M.R. Beal & Co.[1]
Ramirez[1]
Roosevelt & Cross
Wachovia

Selling Group:
Alexandra James
Alta Capital
AltaVista
Apex Pryor[1]
BB&T Capital Markets
Fidelity Capital Markets
Jackson Securities[1]
Janney Montgomery
Sterne, Agee & Leach
Toussaint
Valubond

[1] MWBE Firm.

$273,210,000
Empire State Development Corporation
New York State Urban Development Corporation
Service Contract Revenue Refunding Bonds
Series 2007A
(continued)

Designation Policy: At least 3 firms must be designated.

No firm may receive more than 50% of any designation.

RBC Capital Markets and Loop Capital Markets will be combining their designations and splitting them 50/50.

Priority Orders Retail:

1) New York Retail
2) National Retail

Priority Orders Institutional:

1) Net Designated
2) New York Retail
3) National Retail
4) Member

Liability Policy:

Lead Senior Manager: RBC Capital Markets	= 28%
Senior Manager: Loop Capital Markets	= 20%
Co-Senior Managers: 5% for each of 8 firms	= 40%
Second Tier Co-managers: 1% for each of 12 firms	= 12%

$321,710,000
State Personal Income Tax Revenue Bonds, Series 2007C
(State Facilities & Equipment) (Competitive)

Date:	**2007**
S&P Rating:	**AAA**
Fitch Rating:	**AA-**
Bond Insurance:	**None**
Winning Bidder:	Merrill Lynch
Other Bidders:	Goldman, Sachs & Co. Morgan Stanley & Co. Inc. Citigroup Global Markets, Inc. Lehman Brothers Banc of America Securities LLC J.P. Morgan Securities Inc. UBS Securities LLC Bear, Stearns & Co., Inc.

Empire State Development Corporation
MWBE Participation by Bond Issue for State-Supported Debt for Calendar Year 2009

Deal	Par Amount	All		Lead		Co-Senior		Co-Manager		Selling Group	
		Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations
2009 PIT A & B	$ 1,079,225,000	$ 2,522,900	$ 628,401	2,153,795 *	538,449	96,993	0.00	272,112	89,952	0.00	0.00
2009 PIT CDE	$ 1,471,935,000	$ 6,442,771	$ 2,451,769	5,620,112 *	2,248,045	424,608	$ 107,462.00	398,051	96,262	0.00	0.00
Totals	$ 2,551,160,000	$ 8,965,671	$ 3,080,170	7,773,907	2,786,494	521,601	$ 107,462.00	670,163	186,214	$ -	$ -
Percentage MWBE Participation			34%		36%		21%		28%		NA

* Co-Lead Managers

Empire State Development Corporation

MWBE Participation by Bond Issue for State-Supported Debt for Calendar Year 2008

Deal	Par Amount	All		Lead		Co-Senior		Co-Manager	
		Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations
PIT 2008 A-1, A-2	$ 520,135,000	$ 1,597,496	$ 677,472	1,339,660 *	669,830	153,250	0.00	104,586	7,642
2008 B Service Contract Refunding	$ 450,365,000	$ 1,127,050	$ 277,856	808,705 *	269,568	246,988	0.00	71,357	8,288
2008C Service Contract Refunding	$ 123,585,000	$ 221,975	$ 59,713	168,783	56,261	30,885	0.00	22,308	3,453
2008D Service Contract Refunding	$ 672,100,000	$ 1,473,150	$ 411,538	901,732 *	300,577	299,639	0.00	271,779	110,961
	$ 1,766,185,000	$ 4,419,671	$ 1,426,580	3,218,879	1,296,236	730,762	0.00	470,030	130,343
Percentage MWBE Participation			32%		40%		0%		28%

Empire State Development Corporation
MWBE Participation by Bond Issue for State-Supported Debt for Calendar Year 2007

Deal	Par Amount	All		Lead		Co-Senior		Co-Manager		Selling Group	
		Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations
PIT 2007 A&B	$ 356,750,000	908,100	28,296	594,491 *	0	196,337	0	117,273	28,296	0	0
2007 A Service Contract Refunding	$ 273,210,000	572,200	206,167	374,532 *	187,266	123,518	0	74,151	18,902	0	0
	$ 629,960,000	$ 1,480,300	$ 234,463	969,022	187,266	319,855	$ -	191,424	47,198	$ -	$ -
Percentage MWBE Participation			16%		19%		0%		25%		0%

Underwriting Panel

Senior Managers (Public Programs)

Bank of America Merrill Lynch
Barclays Capital
Citigroup Global Markets, Inc.
Goldman, Sachs & Co.
J.P. Morgan Securities Inc.
Loop Capital Markets, LLC *
Morgan Stanley
Ramirez & Co., Inc. *
Rice Financial Products Company *
Siebert Brandford Shank & Co., LLC *
Wachovia Bank, NA

Co-Managers

BB&T Capital Markets
Cabrera Capital Markets LLC *
Fidelity Capital Markets Services
Jackson Securities *
Janney Montgomery Scott LLC
Jefferies & Company
Lebenthal & Co., LLC *
Mesirow Financial, Inc.
Morgan Keegan & Company, Inc.
MR Beal & Company *
Piper Jaffray & Co.
Raymond James & Associates, Inc.
RBC Capital Markets
Roosevelt & Cross, Incorporated
Sterne, Agee & Leach, Inc.
Stifel, Nicolaus & Company, Inc.
Stone & Youngberg

Selling Group Members

Backstrom McCarley Berry & Co., LLC *
BNY Mellon Capital Markets, LLC
Castle Oak Securities *
Duncan-Williams, Inc. *
Edward Jones
Estrada Hinojosa & Company, Inc.*
First Southwest Company
Gates Capital Corporation
George K. Baum & Company
Grigsby & Associates *
Herbert J. Sims & Co., Inc.
Jesup & Lamont Securities Corp., Inc.
KeyBanc Capital Markets Inc.
Knight BondPoint, Inc.
M&T Securities, Inc.
Magna Securities Corp. *
MFR Securities, Inc. *
Northeast Securities Inc.
Oppenheimer & Co., Inc.
Prager, Sealy & Co., LLC
SBK Brooks Investment Corp. *
Southwest Securities, Inc.
Stern Brothers & Co.
TD Securities LLC
Toussaint Capital Partners, LLC *

* MWBE Firm.

Overview of Individual Bond Detail of State-Supported Debt Transactions

January 1, 2007 through December 31, 2009

New York State Housing Finance Agency

Overview of State-Supported Debt Transactions

January 1, 2007 through December 31, 2009

Bond Issue	Par Amount
Calendar Year 2009	
◆ Service Contract Revenue Bonds, 2003 Series L Refunding, 2003 Series M Refunding, Sub-series M-1 and 2003 Series M Refunding, Sub-series M-2	$177,500,000
◆ State Personal Income Tax Revenue Bonds, Series 2009A and B	$200,000,000
Calendar Year 2008	
◆ State Personal Income Tax Revenue Bonds, Series 2008A and B	$150,000,000
◆ State Personal Income Tax Revenue Bonds, 2005 Series C (Remarketing)	$80,000,000
Calendar Year 2007	
◆ State Personal Income Tax Revenue Bonds, Series 2007A, B and C	$135,990,000

$177,500,000 New York State Housing Finance Agency Service Contract Revenue Bonds, 2003 Series L Refunding, 2003 Series M Refunding, Sub-Series M-1 and 2003 Series M Refunding, Sub-Series M-2

Date:	**2009**
S&P Rating:	**AAA**
Fitch Rating:	**AA+**
Bond Insurance:	**None**
Senior Manager/s:	None
Co-Senior Managers:	Citigroup Samuel A. Ramirez & Co.[1]
Co-Managers:	None
Selling Group:	None
Designation Policy:	Not Applicable
Priority Orders Institutional:	Not Applicable
Liability Policy:	Co-Senior Manager: Citigroup (Sole Remarketing Agent for 2003 Series L Refunding and 2003 Series M Refunding, Sub-Series M-1) = 85.92% Co-Senior Manager: Samuel A. Ramirez & Co. (Sole Remarketing Agent for 2003 Series M Refunding Sub-Series M-2) = 14.08%

[1] MWBE Firm.

$200,000,000 New York State Housing Finance Agency Personal Income Tax Bonds, 2009 Series A and Series B

Date:	**2009**
S&P Rating:	**AAA**
Fitch Rating:	**AA+**
Bond Insurance:	**None**

Senior Manager/s: Samuel A. Ramirez & Co.[1]

Co-Senior Managers: None

Co-Managers:
Citi
Jefferies & Company
J.P. Morgan
Merrill Lynch & Co.
Roosevelt & Cross Incorporated
Siebert Brandford Shank & Co., LLC[1]

Selling Group:

BNY Capital	M&T Bank
Goldman Sachs	Morgan Keegan
Janney Montgomery Scott	Morgan Stanley
KeyBanc	Raymond James
Lebenthal[1]	RBC Capital
Loop Capital Markets[1]	Sterne Agee & Leach
M.R. Beal[1]	Wachovia

Designation Policy:
At least three firms must be designated.
No firm may receive more that 50% of any designation
The Senior Manager requests the identification of all priority orders at the time the orders are entered
Selling Group members may not enter priority orders and may not be designated.
There will not be any clearance fee taken from designated sales in accordance with MSRB Rule G-17
There are no soft dollar designations
The Senior Manager will pay out all designations.
Priority provisions and designated terms as set forth are subject to change at the issuer's discretion at any time without prior notification

Priority Orders
Institutional: Net Designated
Member

[1] MWBE Firm

Liability Policy: Senior Manager: Samuel A. Ramirez & Co. = 52%
Co-Managers: 8% for each of six firms = 48%

$150,000,000 New York State Housing Finance Agency State Personal Income Tax Revenue Bonds (Economic Development and Housing), 2008 Series A and B

Date:	**2008**
S&P Rating:	**AAA**
Fitch Rating:	**AA-**
Bond Insurance:	**None**
Senior Manager/s:	Citigroup
Co-Senior Managers:	None
Co-Managers:	JP Morgan Ramirez & Co., Inc.[1] RBC Capital Markets Roosevelt & Cross Incorporated
Selling Group:	None
Designation Policy:	At least 3 firms must be designated, at least one of which must be a Minority or Women-Owned Business Enterprise. No firm may receive more than 50% of any designation. The Senior Manager will pay out all designations. The Senior Manager requests the identification of all priority orders at the time the orders are entered. All Managers may enter priority orders and may be designated. There are to be no soft dollar designations. There will not be any clearance fee taken from designated sales in accordance with MSRB Rule G-17. Priority provisions and designated terms as set forth are subject to change at the issuer's discretion at any time without prior notification.
Priority Orders	Net designated
Institutional:	Member
Liability Policy:	Senior Manager: Citigroup = 50% Co-Managers: 12.5% for each of four firms = 50%

[1] MWBE Firm.

$80,000,000 New York State Housing Finance Agency
State Personal Income Tax Revenue Bonds,
2005 Series C (Remarketing)

Date:	**2008**
S&P Rating:	**AAA**
Fitch Rating:	**AA-**
Bond Insurance:	**None**
Senior Manager/s:	JPMorgan
Co-Senior Managers:	None
Co-Managers:	None
Selling Group:	None
Designation Policy:	Not Applicable
Priority Orders Institutional:	Not Applicable
Liability Policy:	Senior Manager: JPMorgan = 100%

$135,990,000 New York State Housing Finance Agency State Personal Income Tax Revenue Bonds (Economic Development and Housing), 2007 Series A, B and C

Date:	**2007**
S&P Rating:	**AAA**
Fitch Rating:	**AA-**
Bond Insurance:	**None**
Senior Manager/s:	Citigroup
Co-Senior Managers:	None
Co-Managers:	George K. Baum & Company Goldman, Sachs & Co. JP Morgan Merrill Lynch & Co. Roosevelt & Cross Incorporated Samuel A. Ramirez & Co., Inc.[1] UBS Investment Bank
Selling Group:	None
Designation Policy:	At least 3 firms must be designated. No firm may receive more than 50% of any designation. The Senior Manager will pay out all designations. The Senior Manager requests the identification of all priority orders at the time the orders are entered. There will not be any clearance fee taken from designated sales in accordance with MSRB Rule G-17. All Managers may enter priority orders and may be designated. There are no soft dollar designations. Priority provisions and designated terms as set forth are subject to change at the issuer's discretion at any time without prior notification.
Priority Orders	Net designated
Institutional:	Member
Liability Policy:	Senior Manager: Citigroup = 51% Co-Managers: 7% for each of seven firms = 49%

[1] MWBE Firm.

nyhomes

New York State Housing Finance Agency
MWBE Participation by Bond Issue for State-Support Debt for Calendar Year 2009

Deal	Par Amount	All		Lead		Co-Senior		Co-Manager		Selling Group	
		Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations
SCR 2003 Series L, M-1 and M-2	$ 177,500,000	$ 177,500.00	$ 25,000.00			$ 177,500.00	$ 25,000.00	0	0	0	0
PIT 2009 A & B	$200,000,000	$ 444,959.00	$ 236,166.00	$ 215,424.00	$ 215,424.00			$ 229,535.00	$ 20,742.00		
Percentage MWBE Participation			41.96%		100.00%		14.08%		9.04%		0.00%

nyhomes

New York State Housing Finance Agency
MWBE Participation by Bond Issue for State-Support Debt for Calendar Year 2008

Deal	Par Amount	All		Lead		Co-Senior		Co-Manager		Selling Group	
		Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations
PIT 2008A&B	$ 150,000,000	$ 566,187.00	$ 57,643.00	$ 283,093.73	$ -	$ -	$ -	$ 283,094.00	$ 57,643.00	0.00	0.00
PIT 2005C (Remarketing)	$ 80,000,000	$ 40,000.00	$ -	$ 40,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total	$ 230,000,000	$ 606,187.00	$ 57,643.00	$ 323,093.73	$ -	$ -	$ -	$ 283,094.00	$ 57,643.00	$ -	$ -
Percentage MWBE Participation			9.51%		0.00%				20.36%		

nyhomes

New York State Housing Finance Agency
MWBE Participation by Bond Issue for State-Support Debt for Calendar Year 2007

Deal	Par Amount	All		Lead		Co-Senior		Co-Manager		Selling Group	
		Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations
PIT 2007 A, B & C	$ 135,990,000	$ 350,912.00	$ 20,189.00	$ 174,443.00	0.00	0.00	0.00	176,469.00	20,189.00	0.00	0.00
Total	$ 135,990,000	$ 350,912.00	$ 20,189.00	$ 174,443.00	$ -	$ -	$ -	$ 176,469.00	$ 20,189.00	$ -	$ -
Percentage MWBE Participation			5.75%		0.00%				11.44%		

Underwriting Panel

New York State Housing Finance Agency
Underwriting Firms

Senior Managers

Bank of America Merrill Lynch
Barclay's Capital
Citigroup Global Markets
George K. Baum
Goldman Sachs
Jefferies & Company, Inc.
JP Morgan
Morgan Stanley
Ramirez & Co. *
Raymond James
RBC Capital Markets
Siebert, Branford & Shank *

Co-Managers

Janney Montgomery Scott
KeyBanc Capital Markets
Lebenthal & Co., LLC *
Loop Capital Markets *
M&T Securities
M.R. Beal & Company *
Morgan Keegan
Roosevelt & Cross
The Bank of New York Mellon
Wachovia Bank, NA

Selling Group Members

Apex Securities, Inc. d/b/a Rice Financial *
BB&T Capital Markets
Cabrera Capital Markets, LLC *
Edward Jones
Fidelity Capital Markets Services
Grigsby & Associates, Inc. *
Jackson Securities, LLC *
Merchant Capital, L.L.C.
Mesirow Financial, Inc.
Northeast Securities, Inc.
Prager, Sealy & Co., LLC
SBK Brooks Investment Corp. *
Sterne, Agee & Leach, Inc.
Stifel, Nicolaus & Company, Incorporated
TD Securities (USA) LLC

* MWBE Firm.

12/31/2009

Overview of Individual Bond Detail of State-Supported Debt Transactions

January 1, 2007 through December 31, 2009

Thruway Authority

Overview of State-Supported Debt Transactions

January 1, 2007 through December 31, 2009

Bond Issue	Par Amount
Calendar Year 2009	
◆ Second General Highway & Bridge Trust Fund Bonds Series 2009A	$237,980,000
◆ State Personal Income Tax Revenue Bonds (Transportation) Series 2009A	$431,030,000
◆ Second General Highway & Bridge Trust Fund Bonds Series 2009B	$300,000,000
◆ Local Highway & Bridge Service Contract Bonds Series 2009	$529,595,000
Calendar Year 2008	
◆ Local Highway & Bridge Service Contract Bonds Series 2008	$247,045,000
◆ Second General Highway & Bridge Trust Fund Bonds Series 2008A	$493,720,000
◆ Second General Highway & Bridge Trust Fund Bonds Series 2008B	$658,855,000
◆ State Personal Income Tax Revenue Bonds (Transportation) Series 2008A	$466,905,000
Calendar Year 2007	
◆ Second General Highway & Bridge Trust Fund Bonds Series 2007A	$356,390,000
◆ Second General Highway & Bridge Trust Fund Bonds Series 2007B	$360,115,000
◆ State Personal Income Tax Revenue Bonds (Tranaportation) Series 2007A	$325,160,000
◆ State Personal Income Tax Revenue Bonds (Transportation) Series 2007A (Refunding)	$171,070,000
◆ Local Highway & Bridge Service Contract Bonds Series 2007	$203,760,000

Thruway Authority
Individual Bond Issue Detail

$237,980,000 Second General Highway and Bridge Trust Fund Bonds Series 2009A

Date:	**2009**
S&P Rating:	**AA/Stable**
Fitch Rating:	**AA-/Stable**
Bond Insurance:	**None**

Senior Managers: Banc of America Securities

Co-Coordinating Senior Manger: **Jackson Securities**

Co-Senior Managers:
Goldman, Sachs & Co
RBC Capital Markets
Siebert Branford Shank

Co-Managers:
Citi
JP Morgan
Morgan Stanley
DEPFA First Albany Securities
M.R. Beal & Company
Southwest Securities

Selling Group:
Alexandra & James Co.
BB&T Capital Markets
Belle Haven Investments, L P
Butler Wick & Co.
Cabrera Capital Markets Inc.
Cantor, Weiss & Friedner, Inc.
David Lerner Associates, Inc.
Douglas & Co.
Duncan-Williams, Inc.
Edward Jones
Estrada Hinojosa & Company
Fidelity Capital Markets Services
First American Municipal, Inc.
Fixed Income Securities, LLC
Gates Capital Corporation
George K. Baum & Company
The GMS Group LLC
Grigsby & Associates, Inc.
Chester Harris & Co., Inc.
JBHanauer & Co.
Janney Montgomery Scott LLC
KeyBanc Capital Markets
Loop Capital Markets, LLC
Magna Securities Corp.
Merrill Lynch & Co.
Mesirow Financial
Morgan Keegan
Oppenheimer & Co., Inc.
Pershing Trading Services
Piper Jaffray & Co.
Podesta & Company
Prager, Sealy & Co., LLC
Ramirez & Co., Inc.
Raymond James & Assoc., Inc.
Rice Financial
Roosevelt & Cross, Inc.
Samco Capital Markets
Sterne, Agee & Leach, Inc.
Stifel, Nicolaus & Co., Inc.
Stone & Youngberg LLC
Toussaint Capital Partners, LLC
Valubond Securities Inc.
W. H. Mell Associates, Inc.
Wachovia Bank, National Assoc..

MWBE Firms Are In Bold

Designation Policy:
At least three firms must be designated.
No firm may receive more than 50% of any designation.
Jackson Securities must receive 20% of all designations
Selling group members may not enter priority orders, but may be designated.

Priority Orders Retail:
New York Retail
National Retail

Priority Orders Institutional:
Net designated
New York Retail
National Retail

$237,980,000 Second General Highway and Bridge Trust Fund Bonds
Series 2009A
(continued)

Member

Liability Policy:	Senior Manager: Banc of America Securities	= 30%
	Co-Coordinating Senior Manger: Jackson (10%)	= 10%
	Co-Senior Managers: 10% for each of three firms	= 30%
	Co-Managers: 5% for each of six firms	= 30%

Thruway Authority
Individual Bond Issue Detail

$431,030,000 State Personal Income Tax Revenue Bonds (Transportation) Series 2009A

Date:	**2009**
S&P Rating:	**AAA/Stable**
Fitch Rating:	**AA-/Stable**
Bond Insurance:	**None**

Senior Manager: RBC Capital Markets

Co-Coordinating Senior Manager: **Loop Capital Markets**

Co-Senior Managers:
Merrill Lynch
Morgan Stanley
Siebert Branford Shank

Co-Managers:
M.R. Beal & Company
JP Morgan
Southwest Securities
Goldman, Sachs & Co
Roosevelt & Cross
Wachovia Bank

Selling Group:
Advisors Asset Management
BB&T Capital markets
Banc of America Securities LLC
Beech Hill Securities
Belle Haven Investments, L P
Butler Wick & Co.
Cabrera Capital Markets Inc.
Charles Schwab Corporation
Citi
David Lerner Associates, Inc.
Douglas & Co.
Edward Jones
Estrada Hinojosa & Company, Inc.
Fidelity Capital Markets Services
First American Municipal, Inc.
Gates Capital Corporation
George K. Baum & Company
The GMS Group LLC
Grigsby & Associates, Inc.
Chester Harris & Co., Inc.
Jackson Securities, LLC
Janney Montgomery Scott LLC
Jefferies & Company, Inc.
KeyBanc Capital Markets
Knight BondPoint, Inc.
Lebanthal & Company LLC
Magna Securities Corp.
MFR
Morgan Keegan
Northeast Securities, Inc.
Oppenheimer & Co., Inc.
Pershing Trading Services
Piper Jaffray & Co.
Podesta & Company
Prager, Sealy & Co., LLC
Ramirez & Co., Inc.
Raymond James & Assoc.., Inc.
Rice Financial Products
Samco Capital Markets
Sterne, Agee & Leach, Inc.
Stifel, Nicolaus & Co., Inc.
Stone & Youngberg LLC
Toussaint Capital Partners, LLC
W. H. Mell Associates, Inc.

MWBE Firms Are In Bold

Designation Policy:
At least three firms must be designated.
No firm may receive more than 50% of any designation.
Loop Capital Markets must receive at least 20% of all designations.
Selling group members may not enter priority orders, but may be designated.

Priority Orders Retail:
New York Retail
National Retail

Priority Orders Institutional:
Net designated
New York Retail
National Retail

$431,030,000 State Personal Income Tax Revenue Bonds (Transportation)
Series 2009A
(continued)

	Member	
Liability Policy:	Senior Manager: RBC Capital Markets (30%)	= 30%
	Co-Coordinating Senior Manager: Loop Capital (10%)	= 10%
	Co-Senior Managers: 10 for each of three firms	= 30%
	Co-Managers: 5% for each of six firms	= 30%

Thruway Authority
Individual Bond Issue Detail

$300,000,000 Second General Highway and Bridge Trust Fund Bonds
Series 2009B

Date:	**2009**
S&P Rating:	**AA/Stable**
Fitch Rating:	**AA-**
Bond Insurance:	**None**

Senior Manager: Goldman, Sachs & Co.

Co-Coordinating Senior Manger: **Siebert Brandford Shank & Co.**

Co-Senior Managers:
JP Morgan
Merrill Lynch
Raymond James and Associates

Co-Managers:

Citigroup	**Jackson Securities**
KeyBanc Capital Markets	Southwest Securities
Stern, Agee & Leach	Wachovia Bank

Selling Group:

Advisor Asset Management	**First American Municipals**	Northeast Securities
BB&T Capital Markets	Gates Capital Corporation	Oppenheimer & Co
Banc of America Securities	George K. Baum & Company	Pershing Trading Services
M.R. Beal & Company	The GMS Group	Piper Jaffray & Co
Beech Hill Securities	**Grigsby & Associates**	**Podesta & Company**
Belle Haven Investments	Chester Harris & Co	Prager, Sealy & Co
Butler Wick & Co	Janney Montgomery Scott	**Ramirez & Co**
Cabrera Capital Markets	Jefferies & Company	**Rice Financial Products**
Charles Schwab Corporation	Knight Bondpoint	Roosevelt & Cross
David Lerner Associates	Lebenthal & Company	**Samco Capital Markets**
Douglas & Co.	**Loop Capital Markets**	Sandgrain Securities
Duncan Williams	Magna Securities Corp	Stifel, Nicolaus & Company
Edward Jones	MFR	Stone & Youngberg
Estrada Hinojosa & Company	Morgan Keegan	**Toussaint Capital Partners**
Fidelity Capital Markets Services	Morgan Stanley Smith Barney	W. H. Mell Associates

MWBE Firms Are In Bold

Designation Policy:
At least three firms must be designated.
No firm may receive more than 50% of any designation.
Siebert Brandford Shank must receive 20% of all designations.
Selling group members may not enter priority orders, but may be designated.

Priority Orders Retail:
New York Retail
National Retail

Priority Orders Institutional:
Net designated
New York Retail
National Retail
Member

Liability Policy:
Senior Manager: Goldman (30%) = 30%

$300,000,000 Second General Highway and Bridge Trust Fund Bonds
Series 2009B
(continued)

Co-Coordinating Senior Manger: Siebert (10%)	= 10%	
Co-Senior Managers: 10% for each of three firms		= 30%
Co-Managers: 5% for each of six firms		= 30%

Thruway Authority
Individual Bond Issue Detail

$529,595,000 Local Highway and Bridge Service Contract Bonds
Series 2009

Date:	**2009**
S&P Rating:	**AA-/Stable**
Fitch Rating:	**A+/Stable**
Bond Insurance:	**None**

Senior Manager: Citi

Co-Coordinating Senior Manger: **Loop Capital Markets**

Co-Senior Managers:
Jefferies & Company
Morgan Stanley
RBC Capital Markets

Co-Managers:
JP Morgan
Keybanc Capital Markets
Merrill Lynch & Co
Raymond James & Associates
Roosevelt & Cross
Stern, Agee & Leach

Selling Group:
Advisor Asset Management
BB&T Capital Markets
M.R. Beal & Company
Beech Hill Securities
Belle Haven Investments
Cabrera Capital Markets
Charles Schwab Corporation
David Lerner Associates
Douglas & Co.
Duncan Williams
Edward Jones
Estrada Hinojosa & Company
Fidelity Capital Markets Services
First American Municipals
Gates Capital Corporation
George K. Baum & Company
The GMS Group
Goldman, Sachs & Co
Grigsby & Associates
Chester Harris & Co
Jackson Securities
Janney Montgomery Scott
Knight Bondpoint
Lebenthal & Company
Magna Securities Corp
MFR
Morgan Keegan
Northeast Securities
Oppenheimer & Co
Pershing Trading Services
Piper Jaffray & Co
Podesta & Company
Prager, Sealy & Co
Ramirez & Co
Rice Financial Products
SAMCO Capital Markets
Sandgrain Securities
Siebert Branford Shank
Southwest Securities
Stifel, Nicolaus & Company
Stone & Youngberg
Toussaint Capital Partners
W. H. Mell Associates
Wachovia Bank

MWBE Firms Are In Bold

Designation Policy:
At least three firms must be designated.
No firm may receive more than 50% of any designation.
Loop Capital Markets must receive 20% of all designations.
Selling group members may not enter priority orders, but may be designated.

Priority Orders Retail:
New York Retail
National Retail

Priority Orders Institutional:
Net designated
New York Retail

$529,595,000 Local Highway and Bridge Service Contract Bonds
Series 2009
(continued)

	National Retail Member	
Liability Policy:	Senior Manager: Citi (30%)	= 30%
	Co-Coordinating Senior Manger: Loop (10%)	= 10%
	Co-Senior Managers: 10% for each of three firms	= 30%
	Co-Managers: 5% for each of six firms	= 30%

Thruway Authority
Individual Bond Issue Detail

$247,045,000 Local Highway and Bridge Service Contract Bonds
Series 2008

Date:	**2008**
S&P Rating:	**AA-/Stable**
Fitch Rating:	**A+/Positive**
Bond Insurance:	**None**

Senior Manager: Morgan Stanley

Co-Senior Managers:
Goldman, Sachs
Lehman Brothers
RBC Capital Markets

Co-Managers:
M. R. Beal[1]
Jackson Securities[1]
Loop Capital Markets[1]
Siebert Brandford Shank[1]
Southwest Securities
UBS Investment Bank

Selling Group:
Alta Capital Group[1]
BB&T Capital Markets
Banc of America
Bear, Stearns
Belle Haven
Butler Wick
Cabrera Capital Markets[1]
Cantor, Weiss & Friedner
Citigroup
David Lerner
Douglas & Co.
Edward Jones
Fixed Income Securities
Gates Capital Corporation
George K. Baum
The GMS Group
Grigsby & Associates[1]
Chester Harris
Janney Montgomery Scott
J. B. Hanauer
JPMorgan
KeyBanc Capital Markets
Magna Securities[1]
Merrill Lynch
National Financial Markets Group
Oppenheimer
Pershing
Piper Jaffray
Prager, Sealy
Ramirez[1]
Raymond James
Rice Financial[1]
Roosevelt & Cross
Samco Capital Markets
Sterne, Agee & Leach
Stone & Youngberg
US Bank
Valubond Securities
Wachovia Bank
W. H. Mell

Designation Policy:
At least three firms must be designated.
No firm may receive more than 50% of any designation.
Selling group members may not enter priority orders, but may be designated.

Priority Orders
Retail:
New York Retail
National Retail

[1] MWBE Firm.

$247,045,000 Local Highway and Bridge Service Contract Bonds
Series 2008
(continued)

Priority Orders
Institutional:

Net designated
New York Retail
National Retail
Member

Liability Policy:
UNKNOWN

Senior Manager:	= xx%
Co-Senior Managers: xx% for each of three firms	= xx%
Co-Managers: x% for each of six firms	= xx%

Thruway Authority
Individual Bond Issue Detail

$493,720,000 Second General Highway and Bridge Trust Fund Bonds
Series 2008A

Date:	**2008**
S&P Rating:	**AA/Stable**
Fitch Rating:	**AA-/Positive**
Bond Insurance:	**None**

Senior Managers: Goldman Sachs

Co-Senior Managers:
Bear, Stearns
JPMorgan
UBS Investment Bank

Co-Managers:
Banc of America Securities
Jackson Securities [1]
KeyBanc Capital Markets
Lehman Brothers
Loop Capital Markets[1]
Sterne, Agee & Leach

Selling Group:
Alta Capital Group[1]
BB&T Capital Markets
M. R. Beal[1]
Belle Haven Investments
Butler Wick
Cabrera Capital Markets[1]
Cantor, Weiss, Freidner
Citigroup
David Lerner
Douglas & Co.
Edward Jones
Estrada Hinojosa [1]
First American Municipals[1]
Fixed Income Securities
Gates Capital Corporation
George K. Baum
The GMS Group
Grigsby & Associates[1]
Chester Harris
J. B. Hanauer
Janney Montgomery Scott
Magna Securities[1]
Merrill Lynch
Morgan Stanley
National Financial Markets Group
(formerly Fidelity Capital Markets)
Oppenheimer
Pershing
Piper Jaffray
Podesta & Company[1]
Prager, Sealy
Ramirez[1]
Raymond James
RBC Capital Markets
Rice Financial[1]
Roosevelt & Cross
Samco Capital Markets
Siebert Brandford Shank[1]
Southwest Securities
Stone & Youngberg
Toussaint Capital Partners[1]
ValuBond
W. H. Mell
Wachovia Bank

Designation Policy:
At least three firms must be designated.
No firm may receive more than 50% of any designation.
Selling group members may not enter priority orders, but may be designated.

Priority Orders
Retail:
New York Retail
National Retail

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[1] MWBE Firm.

$493,720,000 Second General Highway and Bridge Trust Fund Bonds
Series 2008A
(continued)

Priority Orders

Institutional:

Net designated
New York Retail
National Retail
Member

Liability Policy:

Senior Manager:	= 40%
Co-Senior Managers: 10% for each of three firms	= 30%
Co-Managers: 5% for each of six firms	= 30%

Thruway Authority
Individual Bond Issue Detail

$658,855,000 Second General Highway and Bridge Trust Fund Bonds
Series 2008B

Date:	**2008**
S&P Rating:	**AA/Stable**
Fitch Rating:	**AA-**
Bond Insurance:	**None**

Senior Manager:	Goldman Sachs	
Co-Coordinating Senior Manger:	Siebert Brandford Shank[1]	
Co-Senior Managers:	Citi JPMorgan Morgan Stanley	
Co-Managers:	Banc of America Securities M. R. Beal[1] Jackson Securities[1]	Raymond James Southwest Securities Wachovia Bank
Selling Group:	BB&T Capital Markets Belle Haven Investments Butler Wick Cabrera Capital Markets[1] Cantor, Weiss, Friedner David Lerner DEPFA First Albany Douglas & Co. Edward Jones Estrada Hinojosa[1] First American Municipals[1] Fixed Income Securities Gates Capital Corporation George K. Baum The GMS Group Grigsby & Associates[1] Chester Harris J. B. Hanauer Janney Montgomery Scott KeyBanc Capital Markets	Lehman Brothers Loop Capital Markets[1] Magna Securities[1] Merrill Lynch National Financial Markets Group/Fidelity Oppenheimer Pershing Piper Jaffray Podesta & Company[1] Prager, Sealy Ramirez[1] RBC Capital Marktets Rice Financial[1] Roosevelt & Cross Samco Capital Markets Sterne, Agee & Leach Stone & Youngberg Toussaint Capital Partners ValuBond W. H. Mell
Designation Policy:	At least three firms must be designated. No firm may receive more than 50% of any designation. Siebert Brandford Shank must receive 20% of all designations. Selling group members may not enter priority orders, but may be designated.	
Priority Orders Retail:	New York Retail National Retail	

[1] MWBE Firm.

$658,855,000 Second General Highway and Bridge Trust Fund Bonds
Series 2008B
(continued)

Priority Orders
Institutional:

Net designated
New York Retail
National Retail
Member

Liability Policy:

Senior Manager: Goldman (30%)	= 30%
Co-Coordinating Senior Manger: Siebert (10%)	= 10%
Co-Senior Managers: 10% for each of three firms	= 30%
Co-Managers: 5% for each of six firms	= 30%

$466,905,000 State Personal Income Tax Revenue Bonds (Transportation) Series 2008A

Date:	**2008**
S&P Rating:	**AAA/Stable**
Fitch Rating:	**AA-/Positive**
Bond Insurance:	**None**
Senior Manager:	Merrill Lynch
Co-Coordinating Senior Manager:	Loop Capital Markets[1]
Co-Senior Managers:	Banc of America Lehman Brothers Raymond James
Co-Managers:	Citi DEPFA First Albany JPMorgan RBC Capital Markets Roosevelt & Cross Siebert Brandford Shank[1]
Selling Group:	BB&T Capital Markets M. R. Beal[1] Belle Haven Investments Butler Wick Cabrera Capital Markets[1] Cantor, Weiss & Friedner, Inc. David Lerner Douglas & Co. Edward Jones Estrada Hinojosa & Company[1] First American[1] Fixed Income Securities Gates Capital Corporation George K. Baum The GMS Group Goldman, Sachs Grigsby & Associates[1] Chester Harris Jackson Securities[1] J. B. Hanauer Janney Montgomery Scott KeyBanc Capital Markets Magna Securities[1] Morgan Stanley National Financial Markets Group/Fidelity Oppenheimer Pershing Piper Jaffray Podesta & Company[1] Prager, Sealy Ramirez[1] Rice Financial Products[1] SAMCO Capital Markets Southwest Securities Sterne, Agee & Leach Stone & Youngberg Toussaint Capital Partners Valubond Securities W. H. Mell Wachovia Bank
Designation Policy:	At least three firms must be designated. No firm may receive more than 50% of any designation. Loop Capital Markets must receive at least 20% of all designations. Selling group members may not enter priority orders, but may be designated.

[1] MWBE Firm.

$466,905,000 State Personal Income Tax Revenue Bonds (Transportation)
Series 2008A
(continued)

Priority Orders Retail:	New York Retail	
	National Retail	
Priority Orders Institutional:	Net designated	
	New York Retail	
	National Retail	
	Member	
Liability Policy:	Senior Manager: Merrill Lynch (30%)	= 30%
	Co-Coordinating Senior Manager: Loop Capital (10%)	= 10%
	Co-Senior Managers: 10 for each of three firms	= 30%
	Co-Managers: 5% for each of six firms	= 30%

$356,390,000 Second General Highway and Bridge Trust Fund Bonds
Series 2007A

Date:	**2007**
S&P Rating:	**AA/Stable**
Fitch Rating:	**AA-/Stable**
Bond Insurance:	**None**

Senior Manager: Goldman, Sachs

Co-Senior Managers:
Banc of America Securities
Citigroup
JPMorgan

Co-Managers:
KeyBanc Capital Markets
Loop Capital Markets[1]
Roosevelt & Cross
Southwest Securities
Sterne, Agee & Leach
Wachovia Bank

Selling Group:
A. G. Edwards
Alta Capital Group[1]
Apex Pryor Securities[1]
BB&T Capital Markets
M. R. Beal[1]
Bear Stearns
Belle Haven Investments
Butler Wick
Cabrera Capital Markets[1]
David Lerner
Douglas & Co.
Edward Jones
First Albany Capital
Fixed Income Securities
Gates Capital Corporation
George K. Baum
The GMS Group
Grigsby & Associates[1]
Chester Harris
J. B. Hanauer
Hunter Securities
Jackson Securities[1]
Janney Montgomery Scott
LaSalle Financial Services
Lehman Brothers
Magna Securities[1]
Merrill Lynch
Morgan Stanley
National Financial Markets Group
Oppenheimer
Pershing
Piper Jaffray
Popular Securities[1]
Prager, Sealy
Ramirez[1]
Raymond James
RBC Capital Markets
Samco Capital Markets
Seasongood & Mayer
Siebert Brandford Shank[1]
Stone & Youngberg
UBS Securities
Valubond Securities
W. H. Mell

Designation Policy:
At least three firms must be designated.
No firm may receive more than 50% of any designation.
Selling group members may not enter priority orders, but may be designated.

[1] MWBE Firm.

$356,390,000 Second General Highway and Bridge Trust Fund Bonds
Series 2007A
(continued)

Priority Orders Retail:	New York Retail	
	National Retail	
Priority Orders Institutional:	Net designated	
	Member	
Liability Policy:	Senior Manager:	= 25%
	Co-Senior Managers: 15% for each of three firms	= 45%
	Co-Managers: 5% for each of six firms	= 30%

Thruway Authority
Individual Bond Issue Detail

$360,115,000 Second General Highway and Bridge Trust Fund Bonds
Series 2007B

Date:	**2007**
S&P Rating:	**AA/Stable**
Fitch Rating:	**AA-/Positive**
Bond Insurance:	**None**

Senior Managers: Merrill Lynch

Co-Senior Managers:
Lehman Brother
Morgan Stanley
RBC Capital Markets

Co-Managers:
Bear, Stearns
Loop Capital Markets[1]
Roosevelt & Cross
Siebert Brandford Shank[1]
UBS Investment Bank
Wachovia Bank

Selling Group:
A. G. Edwards
Alta Capital Group[1]
Banc of America Securities
BB&T Capital Markets
Citigroup
David Lerner
Douglas & Co.
Edward Jones
First Albany Capital
Fixed Income Securities
George K. Baum
The GMS Group
Goldman Sachs
Grigsby & Associates[1]
Chester Harris
Jackson Securities[1]
Janney Montgomery Scott
KeyBanc Capital Markets
JPMorgan
National Financial Markets Group
Oppenheimer
Piper Jaffray
Prager, Sealy
Ramirez[1]
Raymond James
Rice Financial[1]
Southwest Securities
Stone & Youngberg
Valubond Securities

Designation Policy:
At least three firms must be designated.
No firm may receive more than 50% of any designation.
Selling group members may not enter priority orders, but may be designated.

Priority Orders Retail:
New York Retail
National Retail

Priority Orders Institutional:
Net designated
New York Retail
National Retail
Member

Liability Policy:

Senior Manager:	= 37%
Co-Senior Managers: 10% for each of three firms	= 30%
Co-Managers: 5.5% for each of six firms	= 33%

[1] MWBE Firm.

Thruway Authority
Individual Bond Issue Detail

$325,160,000 State Personal Income Tax Revenue Bonds (Transportation) Series 2007A

Date:	**2007**
S&P Rating:	**AAA/Stable**
Fitch Rating:	**AA-/Positive**
Bond Insurance:	**None**

Senior Managers: Bear, Stearns

Co-Senior Managers:
Banc of America
Raymond James
UBS Investment Bank

Co-Managers:
Citi
Merrill Lynch
Popular Securities[1]
RBC Capital Markets
Roosevelt & Cross
Sterne, Agee & Leach

Selling Group:
A. G. Edwards
Alexandra & James[1]
BB&T Capital Markets
Cabrera Capital Markets[1]
David Lerner
Douglas & Co.
Edward Jones
First Albany Capital
Fixed Income Securities
The GMS Group
Goldman, Sachs
Grigsby & Associates[1]
Chester Harris
Jackson Securities [1]
Janney Montgomery Scott
JPMorgan
KeyBanc Capital Markets
Loop Capital Markets[1]
Morgan Stanley
National Financial Markets Group/Fidelity
Oppenheimer
Pershing
Ramirez[1]
Rice Financial Products[1]
Siebert Brandford Shank[1]
Southwest Securities
Stone & Youngberg
US Bank
Valubond
Wachovia Bank

Designation Policy:
At least three firms must be designated.
No firm may receive more than 50% of any designation.
Selling group members may not enter priority orders, but may be designated.

Priority Orders Retail:
New York Retail
National Retail

Priority Orders Institutional:
Net designated
New York Retail
National Retail
Member

Liability Policy:

Senior Manager:	= 40%
Co-Senior Managers: 10% for each of three firms	= 30%
Co-Managers: 5% for each of six firms	= 30%

[1] MWBE Firm.

$171,070,000 State Personal Income Tax Revenue Bonds (Transportation) Series 2007A (Refunding)

Date:	**2007**
S&P Rating:	**AAA/Stable**
Fitch Rating:	**AA-/Positive**
Bond Insurance:	**None**
Senior Managers:	Bear, Stearns
Co-Senior Managers:	Banc of America Raymond James UBS Investment Bank
Co-Managers:	Citi Merrill Lynch Popular Securities[1] RBC Capital Markets Roosevelt & Cross Sterne, Agee & Leach
Selling Group:	None
Designation Policy:	At least three firms must be designated. No firm may receive more than 50% of any designation. Selling group members may not enter priority orders, but may be designated.
Priority Orders Retail:	New York Retail National Retail
Priority Orders Institutional:	Net designated/In-State Retail Member
Liability Policy:	Senior Manager: = 40% Co-Senior Managers: 10% for each of three firms = 30% Co-Managers: 5% for each of six firms = 30%

[1] MWBE Firm.

Thruway Authority
Individual Bond Issue Detail

$203,760,000 Local Highway and Bridge Service Contract Bonds
Series 2007

Date:	**2007**
S&P Rating:	**AA-/Stable**
Fitch Rating:	**A+/Positive**
Bond Insurance:	**None**

Senior Manager: Morgan Stanley

Co-Senior Managers:
Goldman, Sachs
Lehman Brothers
RBC Capital Markets

Co-Managers:
A. G. Edwards
M. R. Beal[1]
First Albany Capital
Jackson Securities[1]
Popular Securities
Siebert Brandford Shank[1]

Selling Group:
Alta Capital Group[1]
Apex Pryor[1]
Banc of America
Bear, Stearns
Butler Wick
Citigroup
David Lerner
Douglas & Co.
Fixed Income Securities
Gates Capital Corporation
The GMS Group
Grigsby & Associates[1]
Chester Harris
Janney Montgomery Scott
J. B. Hanauer
JPMorgan
KeyBanc Capital Markets
LaSalle Financial Services
Loop Capital Markets[1]
Merrill Lynch
National Financial Markets Group
Oppenheimer
Pershing
Piper Jaffray
Prager, Sealy
Ramirez
Raymond James
Roosevelt & Cross
Southwest Securities
Sterne, Agee & Leach
Stone & Youngberg
UBS Investment Bank
Valubond Securities
Wachovia Bank
W. H. Mell

Designation Policy:
At least three firms must be designated.
No firm may receive more than 50% of any designation.
Selling group members may not enter priority orders, but may be designated.

Priority Orders Retail: New York Retail, National Retail

Priority Orders Institutional:
Net Designated
New York Retail
National Retail
Member

Liability Policy:
UNKNOWN

Senior Manager:	= xx%
Co-Senior Managers: xx% for each of three firms	= xx%
Co-Managers: x% for each of six firms	= xx%

[1] MWBE Firm.

New York State Thruway Authority
MWBE Participation
MWBE Participation by Bond Issue for State-Supported Debt for Calendar Year 2009

Deal	Par Amount	All		Lead		Co-Senior		Co-Manager		Selling Group	
		Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations
CHIPs 2009	$ 529,595,000	$ 2,442,227.39	$ 396,455.27	$ 1,465,797.56	$ 290,280.09	$ 360,540.90	$ -	$ 301,020.28	$ -	$ 314,868.65	$ 106,175.18
Trust Fund 2009B	$ 300,000,000	$ 1,324,711.21	$ 132,168.28	$ 549,431.58	$ 97,184.76	$ 291,916.72	$ -	$ 248,175.63	$ 15,624.35	$ 235,187.29	$ 19,359.17
PIT 2009A	$ 431,030,000	$ 1,921,617.95	$ 313,919.69	$ 872,549.98	$ 223,543.06	$ 216,458.98	$ 14,627.35	$ 377,529.29	$ 29,013.97	$ 455,079.67	$ 46,735.31
Trust Fund 2009A-1, A-2	$ 237,980,000	$ 1,117,292.30	$ 156,973.99	$ 407,808.40	$ 81,911.92	$ 149,152.28	$ 26,375.95	$ 326,924.66	$ 2,347.45	$ 233,406.97	$ 46,338.67
	$ 1,498,605,000	$ 6,805,848.85	$ 999,517.23	$ 3,295,587.52	$ 692,919.83	$ 1,018,068.88	$ 41,003.30	$ 1,253,649.86	$ 46,985.77	$ 1,238,542.58	$ 218,608.33
Percentage MWBE Participation			14.69%		21.03%		4.03%		3.75%		17.65%

New York State Thruway Authority
MWBE Participation by Bond Issue for State-Supported Debt for Calendar Year 2008

Deal	Par Amount	All		Lead		Co-Senior		Co-Manager		Selling Group	
		Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations
PIT 2008A	$ 466,905,000	$ 2,112,275.96	$ 377,972.28	$ 1,379,164.02	$ 315,843.06	$ 97,633.58	$ -	$ 437,035.37	$ 42,049.45	$ 198,443.00	$ 20,079.77
Trust Fund 2008B	$ 658,855,000	$ 2,941,698.06	$ 520,391.02	$ 1,778,003.59	$ 381,829.56	$ 488,123.59	$ -	$ 265,984.70	$ 47,009.43	$ 409,586.19	$ 91,552.03
Trust Fund 2008A	$ 493,720,000	$ 1,983,722.27	$ 49,764.02	$ 730,595.48	$ -	$ 325,260.40	$ -	$ 147,051.03	$ 16,940.44	$ 780,815.37	$ 32,823.58
CHIPs 2008	$ 247,045,000	$ 697,062.17	$ 23,729.66	$ 456,633.64	$ -	$ 26,466.61	$ -	$ 31,672.46	$ 11,286.40	$ 182,289.47	$ 12,443.26
	$ 1,866,525,000	$ 7,734,758.47	$ 971,856.98	$ 4,344,396.72	$ 697,672.62	$ 937,484.17	$ -	$ 881,743.55	$ 117,285.72	$ 1,571,134.03	$ 156,898.63
Percentage MWBE Participation			12.56%		16.06%		0.00%		13.30%		9.99%

New York State Thruway Authority
MWBE Participation by Bond Issue for State-Supported Debt for Calendar Year 2007

Deal	Par Amount	All		Lead		Co-Senior		Co-Manager		Selling Group	
		Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations	Total Designations	Total MWBE Designations
PIT 2007A (Refunding)	$ 171,070,000	$ 845,836.80	$ -	$ 396,354.66	$ -	$ 209,475.26	$ -	$ 240,006.87	$ -	$ -	$ -
PIT 2007A	$ 325,160,000	$ 1,473,521.20	$ 21,684.09	$ 591,480.54	$ -	$ 165,707.86	$ -	$ 487,369.68	$ -	$ 228,963.13	$ 21,684.09
Trust Fund 2007B	$ 360,115,000	$ 1,647,763.80	$ 23,198.60	$ 759,124.87	$ -	$ 354,490.11	$ -	$ 274,120.93	$ 12,297.09	$ 260,027.89	$ 10,901.51
CHIPs 2007	$ 203,760,000	$ 751,466.61	$ 46,588.54	$ 177,669.39	$ -	$ 111,165.30	$ -	$ 55,978.53	$ 14,198.79	$ 406,653.39	$ 32,389.75
Trust Fund 2007A	$ 356,390,000	$ 1,621,492.53	$ 62,201.04	$ 620,656.87	$ -	$ 389,963.06	$ -	$ 161,304.13	$ 18,995.29	$ 449,568.46	$ 43,205.75
	$ 1,416,495,000	$ 6,340,080.94	$ 153,672.27	$ 2,545,286.34	$ -	$ 1,230,801.59	$ -	$ 1,218,780.14	$ 45,491.16	$ 1,345,212.88	$ 108,181.10
Percentage MWBE Participation			2.42%		0.00%		0.00%		3.73%		8.04%

Underwriting Panel

Senior Managers

Bank Of America Merrill Lynch
Barclays Capital
Citi
Goldman, Sachs and Co.
J.P.Morgan
Jefferies & Company
Morgan Keegan & Company Inc.
Morgan Stanley
Raymond James & Associates
RBC Capital Markets
Wachovia Bank, NA

Co-Managers

BB&T Capital Markets
Fidelity Capital Markets Services
Jackson Securities *
Janney Montgomery Scott LLC
KeyBanc Capital Markets Inc.
Loop Capital Markets LLC *
M.R. Beal *
Ramirez & Co., Inc. *
Roosevelt & Cross, Incorporated
Siebert Brandford Shank & Co., LLC *
Southwest Securities, Inc.
Stifel, Nicolaus & Company, Inc.
Stone & Youngberg

Selling Group Members

Advisors Asset Management
Beech Hill Securities
Belle Haven Investments, LP
Blaylock Robert Van, LLC *
Cabrera Capital Markets LLC *
Charles Schwab & Co., Inc.
David Lerner Associates, Inc.
Douglas & Co.
Duncan-Williams, Inc.
Edward Jones
Estrada Hinojosa & Company, Inc. *
First American Municipal, inc. *
Gates Capital Corporation
George K. Baum & Company
(The) GMS Group L.L.C.
Grigsby & Associates *
Herbert J. Sims & Co., Inc.
Chester Harris & Co., Inc.
Knight BondPoint, Inc.
Lebenthal & Co., LLC *
Magna Securities Corp.
MFR Securities, Inc. *
Northeast Securities Inc.
Oppenheimer & Co., Inc.
Pershing LLC
Piper Jaffray & Co.
Podesta & Company *
Prager, Sealy & Co., LLC
Ramirez & Co., Inc. *
Rice Financial Products Company *
SAMCO Capital Markets
Sandgrain Securities Inc. *
Sterne, Agee & Leach, Inc.
Stern Brothers & Co. **
Toussaint Capital Partners, LLC *
W.H. Mell Associates, Inc.

* MWBE Firm.
** MWBE Certification pending

as of 01/01/2010

Overview of Individual Bond Detail of State-Supported Debt Transactions

January 1, 2007 through December 31, 2009

New York Local Government Assistance Corporation

Overview of State-Supported Debt Transactions

January 1, 2007 through December 31, 2009

Bond Issue	Par Amount
Calendar Year 2009	
◆ Series 2008 B-C/D Refunding Bonds (Senior Lien) and Series 2003A-5/6 Subordinate Lien Refunding Bonds (Conversion to Fixed Rate)	$284,995,000
◆ Series 2003A-8V Subordinate Lien Refunding Bonds (Substitution of Liquidity Facility and Cancellation of Bond Insurance Policy – Conversion)	$40,885,000
Calendar Year 2008	
◆ Series 2008A Refunding Bonds (Senior & Subordinate Lien)*	$392,610,000
◆ Series 2008B-AV, BV, CV, DV and BV2 Variable Interest Rate Refunding Bonds (Senior Lien) and Series 2008B-3V and 7V Variable Interest Rate Subordinate Lien Refunding Bonds	$588,325,000
◆ Series 2008C Refunding Bonds (Senior Lien)*	$203,550,000
Calendar Year 2007	
◆ Series 2007A Refunding Bonds (Senior Lien)*	$387,320,000

* Competitive Issue.

New York Local Government Assistance Corporation
Individual Bond Issue Detail

$284,995,000 New York Local Government Assistance Corporation, Series 2008B-C/D Refunding Bonds (Senior Lien) and Series 2003A-5/6 Subordinate Lien Refunding Bonds (Conversion to Fixed Rate via a refunding)

Date:	**2009**
S&P Long Term Rating:	**AAA**
Moody's Long Term Rating:	**Aa3**
Fitch Rating:	**AA-**
Bond Insurance:	**None**

Senior Manager:	Morgan Stanley & Co., Incorporated
Co-Managers:	None
Selling Group:	None
Designation Policy:	N/A
Priority Orders Retail:	New York Retail National Retail
Priority Orders Institutional:	Member
Liability Policy:	Morgan Stanley & Co., Incorporated - 100%

New York Local Governemnt Assistance Corporation
Individual Bond Issue Detail

$40,885,000 New York Local Government Assistance Corporation, Series 2003A-8V Subordinate Lien Refunding Bonds (Substitution of Liquidity Facility and Cancellation of Bond Insurance Policy – Conversion)

Date:	**2009**
S&P Long Term Rating:	**AAA**
S&P Short Term Rating*:	**A-1+**
Fitch Long Term Rating:	**AA-**
Fitch Short Term Rating*:	**F-1+**
Bond Insurance:	**None**
Enhancement:	**Standby Bond Purchase Agreement – JPMorgan Chase Bank, National Association – Series 2003A-8V**
Senior Manager:	JPMorgan - Series 2003A-8V Bonds
Co-Managers:	None
Selling Group:	None
Designation Policy:	N/A
Liability Policy:	JPMorgan - Series 2003A-8V Bonds 100%

*Short Term rating is based on the issuance of the Standby Bond Purchase Agreements (SBPAs) and the creditworthiness of the Banks issuing the SBPAs.

New York Local Government Assistance Corporation
Individual Bond Issue Detail

$392,610,000 New York Local Government Assistance Corporation, Series 2008A Refunding Bonds (Senior Lien) (Competitive)

Date:	**2008**
S&P Rating:	**AAA**
Moody's Rating:	**Aa3**
Fitch Rating:	**AA-**
Bond Insurance:	**None**

Winning Bidder:	Merrill Lynch & Co.
Other Bidders:	Banc of America Securities LLC Citigroup Global Markets Inc. UBS Securities LLC Lehman Brothers, Inc Goldman, Sachs & Co. Morgan Stanley & Co Inc

New York Local Government Assistance Corporation
Individual Bond Issue Detail

$588,325,000 New York Local Government Assistance Corporation Variable Interest Rate Refunding Bonds:
$52,730,000 Series 2008B-AV Variable Interest Rate Refunding Bonds (Senior Lien)
$52,755,000 Series 2008B-BV Variable Interest Rate Refunding Bonds (Senior Lien)
$188,705,000 Series 2008B-BV2 Variable Interest Rate Refunding Bonds (Senior Lien)
$52,730,000 Series 2008B-CV Variable Interest Rate Refunding Bonds (Senior Lien)
$52,755,000 Series 2008B-DV Variable Interest Rate Refunding Bonds (Senior Lien)
$137,765,000 Series 2008B-3V Variable Interest Rate Subordinate Lien Refunding Bonds
$50,885,000 Series 2008B-7V Variable Interest Rate Subordinate Lien Refunding Bonds

Date:	**2008**
S&P Long Term Rating:	**AAA**
S&P Short Term Rating*:	**A-1+**
Moody's Long Term Rating:	**Aa3**
Moody's Short Term Rating*:	**VMIG 1**
Bond Insurance:	**None**
Enhancement:	**Standby Bond Purchase Agreement – JPMorgan Chase Bank, National Association – Series 2008B-AV and Series 2008B-BV**
	Standby Bond Purchase Agreement – Dexia Credit Local, acting through its New York Branch – Series 2008B-BV2
	Standby Bond Purchase Agreement – Royal Bank of Canada – Series 2008B-CV and Series 2008B-DV
	Standby Bond Purchase Agreement – JPMorgan Chase Bank, National Association – Series 2008B-3V and Series 2008B-7V

Senior Managers:	Goldman, Sachs & Co. - Series 2008B-AV and Series 2008B-BV Bonds
	JPMorgan - Series 2008B-3V Bonds and Series 2008B-7V Bonds
	Merrill Lynch - Series 2008B-BV2 Bonds
	Morgan Stanley & Co., Incorporated - Series 2008B-CV and Series 2008B-DV Bonds
Co-Managers:	None
Selling Group:	None
Designation Policy:	N/A

*Short Term rating is based on the issuance of the Standby Bond Purchase Agreements (SBPAs) and the creditworthiness of the Banks issuing the SBPAs.

Liability Policy:

Goldman, Sachs & Co. - Series 2008B-AV & Series 2008B-BV Bonds – 100%

JPMorgan - Series 2008B-3V Bonds & Series 2008B-7V Bonds – 100%

Merrill Lynch - Series 2008B-BV2 Bonds – 100%

Morgan Stanley & Co., Incorporated - Series 2008B-CV & Series 2008B-DV Bonds – 100%

New York Local Government Assistance Corporation
Individual Bond Issue Detail

$203,550,000 New York Local Government Assistance Corporation, Series 2008C Refunding Bonds (Senior Lien) (Competitive)

Date:	**2008**
S&P Rating:	**AAA**
Fitch Rating:	**AA-**
Bond Insurance:	**None**

Winning Bidder:	Lehman Brothers, Inc
Other Bidders:	Merrill Lynch & Co. Goldman, Sachs & Co. DEPFA First Albany Securities LLC J.P. Morgan Securities Inc. Wachovia Bank, National Association Banc of America Securities LLC Citigroup Global Markets Inc. Morgan Stanley & Co Inc

New York Local Government Assistance Corporation
Individual Bond Issue Detail

$387,320,000 New York Local Government Assistance Corporation, Series 2007A Refunding Bonds (Senior Lien) (Competitive)

Date:	**2007**
S&P Rating:	**AAA**
Moody's Rating:	**Aa3**
Fitch Rating:	**AA-**
Bond Insurance:	**None**

Winning Bidder:	Banc of America Securities LLC
Other Bidders:	Lehman Brothers, Inc Citigroup Global Markets Inc. UBS Securities LLC Merrill Lynch & Co. Morgan Stanley & Co Inc. Goldman, Sachs & Co. J.P. Morgan Securities Inc.

Underwriting Panel

New York Local Government Assistance Corporation (LGAC)
Underwriting Firms

Senior Managers

Bear Stearns & Co., Inc. (out of business 5/08)

Barclays Capital (formerly Lehman Brothers)

Morgan Stanley & Co., Inc.

Co-Managers

Bank of America Merrill Lynch & Co.

Citi

Goldman Sachs & Co

Jeffries & Company, Inc. (formerly DEPFA First Albany Securities LLC)

JP Morgan

Loop Capital Markets, LLC *

MR Beal & Co. *

Prudential Securities Incorporated (no longer underwriting municipal bonds)

Ramirez & Co. *

RBC Capital Markets (formerly Dain Rauscher)

Rice Financial Products Company * (formerly Apex Pryor Securities)

Roosevelt & Cross, Inc.

Siebert Brandford Shank & Co.*

UBS (no longer underwriting municipal bonds)

William E. Simon & Sons Municipal Securities (no longer underwriting municipal bonds)

Selling Group Members

None

* MWBE Firm.

Governor David A. Paterson's
E.O. 10 MWBE Task Force presents:

"Supporting Diversity in Government Contracting of Outside Legal Services: Challenges and Opportunities"

Friday, January 30, 2009

The Association of the Bar of the City of New York
42 West 44th Street
New York, NY 10036

Governor David A. Paterson's E.O. 10 MWBE Task Force presents:

"Supporting Diversity in Government Contracting of Outside Legal Services: Challenges and Opportunities"

Friday, January 30, 2009

The Association of the Bar of the City of New York
42 West 44th Street
New York, NY 10036

Program Agenda

Welcome **2:00 PM**

Paul T. Williams, Jr. Task Force Chairman and
Executive Director of the Dormitory Authority – State of New York

Panel 1 **2:15 – 3:15 PM**

"In New York State, has government provided adequate support for minority- and women-owned firms and attorneys?"

Moderator: **Paul T. Williams, Jr.**

Speakers

- **B. Seth Bryant**, Partner – Bryant and Partners LLP
- **Joseph C. Reid** – Law Offices of Joseph C. Reid
- **Carmen A. Pacheco**, Founding Partner – Pacheco & Lugo PLLC
- **Alphonso E. Tindall, Jr.** Partner – Edwards Angell Palmer & Dodge LLP
- **JoLinda L. Herring**, Partner – Bryant Miller Olive
- **Elizabeth D. Moore,** Partner – Nixon Peabody LLP

Stretch Break **3:15 – 3:30 PM**

Panel 2 **3:30 – 4:30 PM**

"Best practices of corporate in-house law departments and law firms in support of minorities and women in the profession"

Moderator: **Andrew T. Hahn, Sr.** President – National Asian Pacific American Bar Association (NAPABA)
Partner, Seyfarth Shaw LLP

Speakers

- **Richard E. Meade**, Chief Legal Officer – Prudential Financial Inc.
- **Paul G. Cellupica**, Chief Counsel of Securities Regulation and Corporate Services – MetLife Inc.
- **Frank R. Adams**, Partner and Co-Chair of Diversity Committee – Dewey LeBoeuf LLP
- **Ackneil M. "Trey" Muldrow**, III, Partner – Akin Gump Strauss Hauer & Feld LLP
- **Kim D. Hogrefe,** Senior Vice President – Chubb & Son; Member of American Bar Association 's Commission on Racial and Ethnic Diversity in the Profession
- **Veta T. Richardson**, Executive Director – Minority Corporate Counsel Association (MCCA)

Panel 3 4:30 – 5:00 PM

Legal Services Procurement Opportunities in the State of New York

Moderator: **Anita Webb Laremont, Esq.** Vice President Legal and General Counsel – Empire State Development Corporation

Speakers

- **Jeffrey M. Pohl, Esq.,** General Counsel – Dormitory Authority of the State of New York
- **Joy F. Willig, Esq.,** Senior Vice President and Counsel – New York State Housing Finance Agency/SONYMA
- **Katherine A. McCartney, Esq.,** Deputy Counsel – New York State Thruway Authority
- **James R. Levine, Esq.,** General Counsel – Environmental Facilities Corporation
- **J. Marc Hannibal, Esq.,** Assistant Counsel – Office of the State Comptroller

Networking Reception 5:00 – 7:00 PM

Legal Services Forum
January 30, 2009 - 284 Attendees

Private Sector

Adorno & Yoss
Akin Strauss Hauer & Feld LLP
Arent Fox, LLP
Arnold & Porter, LLP
Auzenne & Associates
Bank of America
Black Enterprise Magazine
Blank Rome, LLP
Bradford Construction Company
Brown Hutchinson
Bryan Cave, LLP
Bryant and Partners
Bryant Miller Olive
Buckston McCartney Berry, SF
ButcherMark Financial Advisors, LLC
Cahill/Wink, LLP
CB Richard Ellis
Citigroup
d'Arcambal Levine U Ousley LLP
David J. Hernandez & Associates
Dewey LeBoeuf LLP
Diversityforce, LLC
Edwards Angell Palmer & Dodge, LLP
Epstein Becker & Green, PC
Espinosa & Espinosa, LLP
Excaliber I
First American Title Company of New York
Foster & Lynch, LLC
Fox Rothschild, LLP
Frink-Hamlett Legal Solutions
Fulbright & Jaworski, LLP
Gibbons, PC
Gonzalez Saggio & Harlan, LLP
Greene and Letts
Hamid & Wang, PC
Hardwick Law Firm, LLC
Harris Beach, PLLC
Hawkins Delafield & Wood, LLP
Hinman Howard & Kattell
Hiscock & Barclay, LLP
Hodgson Russ, LLP
Hoguet Newman Regal & Kenny, LLP
Holland + Knight, LLP
Jackson and Associates
Jackson Lewis LLP
Jamaica Business Resource
Joseph Fleming, Esq.
JP Morgan Chase &Co.
Kaye Scholer, LLP
Kirkland & Ellis, LLP
Knox Seaton
Lateral Link, LLC
Law Center
Law Office of Janet Alvarez
Law Office of Joseph C. Reid
Law Office of Lisa C. Averyhart
Lebanthal & Co.
Lebow Malecki & Tasch
Leressa Crockett Attorney at Law, LLC
Lewis & Munday, PC
Loop Capital
M.R. Beal & Company
Marous & Marous, PC
Matthews Wilson Hunter, LLP
Mayer Brown, LLP
MBEC
McCarter & English, LLP
McKenzie + Associates
Merrill Lynch
MetLife Inc.
Mintz Levin
Morgan Lewis & Bockius, LLP
MRJ LLC
Nixon Peabody LLP
Noble Strategy
Norris McLaughlin & Marcus
Orrick Harrington & Sutcliffe
Pacheco & Lugo, LLP
Patras Williams & Johnson, LLC
Paul Weiss Rifkind Wharton & Garrison, LLP
Pecker & Abramson, PC
Pershing
Phillips Lytle, LLP
Prager Sealy & Co.
Prudential Financial Inc.
RBC Capital Markets
Rivera Driscoll & Carey, LLP
Rivkin Radler, LLP
Robert J. McLaughlin, PC
Schoeman Updike & Kaufman, LLP
Scripps Networks (ret.)
SDD Global Solutions
Sedgwick Detert Moran & Arnold, LLP
Seibert Branford Shank & Co.,LLC
Sidley Austin, LLP
Sonnonschein Nath & Rosenthal, LLP
Squire Sanders & Dempse, LLP
Stroock & Stroock & Lavan, LLP
Sullivan & Cromwell, LLP
Susan Y. Chin, Attorney at law
The Prout Group
The Sun Communication Group
Trespasz & Marquardt, LLP
Troutman Sanders LLP
Vault.com, Inc
Verizon Business
Walker Bowman, PC
Whiteman Osterman & Hanna, LLP
Willkie Farr & Gallagher, LLP
Wilson & Chan, LLP
Wilson Elser
Winston & Strawn, LLP
Wong Fleming, PC
Yorkson Legal, Inc.

Public Sector

Battery Park City Authority
City of Atlanta Law Department
City University of New York
Dormitory Authority – State of New York
Empire State Development Corporation
Environmental Facilities Corporation
Housing Finance Authority/State of New York Mortgage Authority
Housing Preservation and Development
Long Island Power Authority
Medgar Evers College
Metropolitan Transportation Authority
Minority Corporate Counsel Association
National Asian Pacific Bar Association
New York City Human Resources Administration
New York Power Authority
New York State Division of Human Rights
New York State Division of Parole
New York State Insurance Fund
New York State Office of Children and Family Services
New York State Senate
New York State Thruway Authority
New York State Unified Court System
NY FITEC
Office of the Governor
Office of the Attorney General
Office of the State Comptroller
State University of New York
US Department of Commerce

Executive Order No. 10 Task Force

INCREASING THE UTILIZATION OF MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISE (MWBE) IN STATE DEBT OFFERINGS

Recommendations Regarding Best Practices in Procurements for Legal Services

May 11, 2009

Paul T. Williams, Jr.
Chair, Task Force
Executive Director, Dormitory Authority

Members: Charlotte Hitchcock, Chief of Staff and Director of Financial Regulations, Governor's Office; Raudline Etienne, Deputy Comptroller, Office of the New York State Comptroller; Dr. Celia Gonzalez, Deputy Comptroller, Office of the New York State Comptroller; Marisa Lago, President and Chief Executive Officer, Empire State Development Corporation; Matthew Millea, Acting President, Environmental Facilities Corporation; Priscilla Almodovar, President and Chief Executive Officer, Housing Finance Agency/SONYMA; Michael Fleischer, Esq., Executive Director, Thruway Authority

Overview

In June 2008 Governor Paterson signed Executive Order No. 10 which established a Task Force to increase the utilization of Minority and Women-Owned Business Enterprise ("MWBE") underwriters in State debt offerings ("Task Force"). The Task Force was charged with making recommendations with regard to the development and issuance of new solicitations for underwriting services as well as underwriting performance measures to evaluate all investment banks. The Task Force issued its *Underwriter Recommendations* on October 30, 2008.

Having completed the process in relation to underwriters, the Task Force has turned its attention to increasing the utilization of MWBE law firms that serve as legal counsel to the issuers of State supported debt and other public authorities, a majority of whose members are appointed by the Governor (collectively referred to as "State Public Authorities"). Accordingly, the Task Force has developed a set of Recommendations for Best Practices ("Best Practices") to be utilized in the Request for Proposals ("RFP") process in an attempt to remove any barriers to participation by qualified MWBE law firms and to utilize other law firms that have sound diversity practices and programs and that provide meaningful opportunities for the advancement of minority and women attorneys.

These Best Practices seek to promote the utilization of law firms that have demonstrated a history of hiring, training, developing, promoting and retaining minority and women attorneys and advocate an aspirational goal for participation of MWBE law firms in the total legal fees paid by State Public Authorities for outside legal services. Such firms will be expected to demonstrate their commitment to diversity by assigning minority and women attorneys to work on transactions for State Public Authorities and by training such staff to assume greater responsibility on these matters.

Furthermore, it is incumbent on State Public Authorities to ensure that the RFPs are widely distributed and made available to as many MWBE and other qualified law firms as possible. The Best Practices recommend, *inter alia*, that the State Public Authority develop a bidder's mailing list that includes qualified MWBE law firms and engage in direct solicitation of MWBE law firms from that list. The State Public Authority should also reach out to appropriate professional organizations that serve women and minority attorneys so that members of these organizations are apprised of the availability/issuance of the RFP. These Best Practices also recommend that each State Public Authority solicit information intended to assess the effectiveness of each law firm's diversity practices and programs, as well as the law firm's track record regarding the hiring and promotion of minority and women attorneys.

The Task Force believes that State Public Authorities will receive an enhanced quality of legal services from law firms that have a diverse workforce. Law firms with a diverse workforce are more likely to have the best talent and spark innovation.[1] Moreover, the retention of law firms with a demonstrated commitment to women and minority partners and associates is consistent with the spirit and intent of Article 15-A of the New York State Executive Law.

It bears noting, however, that there is significant under-representation of women and minorities within the ranks of law firm associates and partners.[2] Minorities in law firms continue to suffer from a lack of access to clients and business networks outside of the firm. Among partners, minorities continue to be clustered at the bottom of the law firm's financial and status pecking order.[3] Accordingly, the diversity of a proposer's workforce, its past and proposed use of subcontracting and/or joint venture arrangements and its utilization plan regarding the use of certified MWBE law firms to perform the services described in RFPs should be important criteria of the State Public Authority's evaluation process.

Executive Order No. 10, by its terms, applies to State Public Authorities. The Task Force, however, believes these Best Practices should also be utilized by State agencies in their procurements for legal services. Therefore, the Task Force encourages State agencies to implement, to the fullest extent permitted by law, the principles and recommendations embodied in these Best Practices.

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[1] *See The Business Case for Diversity*, Chicago Lawyer, July 2006, and *Embracing Diversity: Your Business Depends on It*, Texas Bar Journal, November 2005.

[2] *See Executive Summary, Miles to Go: Progress of Minorities in the Legal Profession,* ABA Commission on Racial and Ethnic Diversity in the Profession, 2004; *Miles to Go in New York: Measuring Racial and Ethnic Diversity Among New York Lawyers,* Report of the New York State Bar Association Committee on Minorities in the Profession, September 2007; and Call to Action White Paper, www.clocalltoaction.com, April 2008.

[3] *Id*.

MWBE Task Force Recommendations regarding Best Practices in Procurements for Legal Services

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1. Legal Department Evaluation for Outside Counsel
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Request for Proposals

The RFP is a document that, coupled with an advertisement in the New York State Contract Reporter, initiates a competitive procurement process whereby an award is based upon a set of criteria which typically includes technical evaluation of the qualifications of the firm and the fees to be charged for the required services. RFPs are commonly issued by State Public Authorities for the procurement of legal services. RFPs outline the terms and conditions and all applicable information required for submission of a proposal. The selection and award among responsible proposers is based on the evaluation factors set forth in the RFP.

The State Public Authority in each RFP generally sets forth the basis upon which proposals will be evaluated, all of the evaluation factors, including technical merit and price. However, while the RFP contains the general evaluation and selection methodology, the procuring entity may also develop a more detailed evaluation instrument to assist it in objectively evaluating the responses of the proposers against these criteria. The evaluation instrument developed by the State Public Authority can include things such as price, experience, staff availability and ability to perform. It may also include a point system with weighting or ranking of certain criteria.

The purpose of the RFP is to ensure that the State Public Authority engage in a comprehensive/fair solicitation process, a fair evaluation or rating process and an equitable negotiation process. While this process must ensure a level playing field for all law firms, including MWBE law firms, the ultimate goal is to have access to the best service possible and at the most economic levels.

I. Outreach

The State Public Authority should, prior to issuance of the RFP, actively reach out to MWBE law firms and other qualified law firms that may be able to provide the legal services required by the State Public Authority.

A. **Notification of Professional Organizations:** The State Public Authority should provide notice of any RFP for legal services to appropriate professional organizations that serve women and/or minority attorneys so that members of these organizations are apprised of these potential opportunities to work with the State Public Authority and the schedule for issuing the RFP.

B. **Consult DED Database:** The State Public Authority should consult the New York State Department of Economic Development's ("DED") database and other sources that maintain information regarding certified MWBE law firms in order to provide notice to such firms of any RFP for legal services.

C. **Maintain Government Database**: Each State Public Authority should maintain a database of MWBE and other law firms that have expressed interest in doing business with the State Public Authority to ensure that these law firms receive direct notice of any RFP for legal services issued by the State Public Authority.

II. The Request for Proposals Process

A. **Statement of Intent**: Every RFP issued by a State Public Authority for the procurement of legal services shall include the following Statement of Intent:

"It is a goal of the State Public Authority to utilize qualified law firms that have a demonstrated history of hiring, training, developing, promoting and retaining minority and women attorneys and to encourage participation by qualified certified MWBE law firms."

B. **Proof of MWBE Status:** Any MWBE law firms responding to the RFP seeking MWBE status for purposes of the RFP process must submit proof that the law firm is certified as an MWBE with DED.

C. **Geographic Participation Goals:** The RFP may establish participation goals for law firms having offices in different geographic locations of the State if appropriate to the nature of the engagement.

D. **Compliance with Article 15-A of the Executive Law:** Each State Public Authority shall require law firms responding to the RFP to submit a utilization plan in accordance with 5 NYCRR Section 143.3,[4] indicating the certified MWBE law firms, if any, the proposer intends to use to perform the services described in the RFP.

E. **Joint Ventures with MWBE Firms:** The RFP should encourage partnering arrangements among responding law firms, thereby giving MWBE law firms the opportunity to partner with other law firms, if feasible. As such, the Task Force recommends as follows:

1. *Submission of Joint Proposals*: The RFP should encourage certified MWBE law firms and other qualified law firms to submit joint proposals in response to the RFP.

2. *Division of Services and Allocation of Fees*: Any such joint proposal must describe the legal relationship between the law firms submitting the proposal and demonstrate how the law firms propose to provide the legal services required under the RFP and how the fees will be allocated among the law firms.

3. *Submittal of Forms*: When submitting a joint proposal, all applicable items must be submitted as to all law firms that are participants in the proposal.

4. *Prior Partnering Arrangements*: Every law firm responding to the RFP shall be required to specifically identify those instances, if any, in which the law firm has worked with MWBE law firms on previous transactions by engaging in joint ventures or other partnering or subcontracting arrangements.

   - Responses should include the nature of the engagement, how such arrangement was structured, and a description of how the services and fees were allocated.

[4] Part 143 addresses the "Requirements and Procedures regarding Business Participation Opportunities for Certified Minorities and Women on State Contracts." Section 143.3 provides that "[S]tate agencies shall require contractors to submit utilization plans for achieving goals established for the participation of certified minority and women-owned businesses in relation to a State contract..."

5. *Suggestions for Joint Venture Arrangements*: Each law firm shall state its willingness, if any, to engage in future partnering, co-counsel or mentoring arrangements with either a law firm of its choosing or with another law firm empanelled by the State Public Authority. Such statement should include, *inter alia*, an explanation of how the law firm would suggest structuring such an arrangement and allocating services and fees among the law firms participating in the partnering, co-counsel or mentoring arrangement.

6. *Direct Contracting*: The State Public Authority shall reserve the right to contract directly with each individual law firm submitting a joint proposal, when appropriate, and to allocate work in a manner that ensures that partnered MWBE law firms receive appropriate credit and compensation for the services they provide.

F. Diversity Questionnaire: Every RFP issued for legal services shall include a *Diversity Questionnaire* as a standard attachment (see Section VI. below).

1. *Submission of Diversity Questionnaire*: Law firms responding to the RFP shall be required to complete and submit the Diversity Questionnaire set forth in these Best Practices.

2. *Purpose of Diversity Questionnaire*: The information requested in the Diversity Questionnaire is designed to elicit appropriate information about the law firm in order to verify that its work environment demonstrates a strong commitment to diversity.

3. *Types of Information Requested*: The required information includes information on the demographics of the proposer's upper level management, recent promotion statistics, and diversity and equal opportunity initiatives.

4. *MWBE Firms Not Certified in New York*: The RFP shall request each proposer to indicate whether: (i) it is certified as an MWBE firm by any other federal, state or local government and if so attach a copy of such certification; and/or (ii) it has an application pending before DED for certification as an MWBE and if so, the date on which such application was submitted.

5. *Certification Requirement*: A person authorized to bind the law firm contractually must submit with the law firm's proposal a certification outlining the law firm's continued commitment to its diversity initiatives.

G. Revise Assessment Criteria to Eliminate Barriers to Entry:

1. *RFP Criteria:* Criteria in the RFP should take into account not only experience with the State Public Authority or other New York State Public Authorities but all relevant experience that would enable a law firm to successfully provide the required services.

2. *Selection by Size and Geographic Location*: A State Public Authority should not utilize evaluation criteria that might discourage participation by law firms of different sizes and from different geographic areas of the State of New York unless such criteria are in furtherance of the legitimate business purposes of the State Public Authority.

H. Require Shorter RFP Cycles to Ensure Reasonable Access: RFPs issued for legal services typically have a five-year cycle. This generally includes a three-year standard contract term with up to two one-year renewals. These Best Practices recommend that State Public Authorities issue RFPs for legal services frequently enough to permit new qualified law firms to have an opportunity to compete for work for the State Public Authority. At the same time, these Best Practices acknowledge that a State Public Authority must have flexibility to utilize a longer RFP cycle for engagements that require limited or infrequent work by members of the panel. Therefore, the Task Force recommends as follows:

State Public Authorities shall undertake RFPs for legal services at least every two years and firms selected under an RFP shall be engaged for an initial period of two years with the opportunity for two six-month extensions in appropriate instances. Notwithstanding the foregoing requirement, a State Public Authority may: (1) for engagements involving work of a limited or infrequent nature, undertake an RFP for such engagements less frequently than every two years but at least every five years; or (2) as an alternative to conducting RFPs every two years, choose to issue an RFP at least every five years provided that not later than the second anniversary thereof, the State Public Authority conducts a supplemental RFP pursuant to which additional qualified law firms may be added to the panel in question.

III. Evaluation of Responses

A. Evaluation Criteria: Proposals should be evaluated based on the following criteria:

1. The law firm's expertise in relevant practice areas;

2. The qualifications of the staff to be assigned to work on engagements for the State Public Authority;

3. The fees proposed to be charged by the law firm;

4. The law firm's diversity and equal employment record, including, as allowed by law: (i) recognition of the law firm's equal employment opportunity and its diversity policies, programs and initiatives; (ii) the diversity of the staff that will be substantially involved in work performed for the State Public Authority; (iii) the law firm's status as a DED certified MWBE; and (iv) the law firm's utilization plan or any partnering or joint venture arrangements proposed by the law firm; and

5. Such other factors as the State Public Authority deems relevant and set forth in the RFP.

B. Evaluation Committee:

1. *Establish Evaluation Committee*: The State Public Authority shall establish an Evaluation Committee to score each proposal in accordance with the evaluation criteria set forth in Section III.A of these Best Practices. At least one member of the Evaluation Committee shall have job responsibilities involving the MWBE and diversity programs of the State Public Authority or must be familiar with these Best Practices.

2. *Establish Weighting Factor*: The weighting factor assigned to each criterion shall be established by the State Public Authority prior to the receipt of proposals and shall be applied in accordance with procedures established by the State Public Authority to determine the final rankings of the proposers.

3. *Negotiation of Fees*: The State Public Authority may reserve the right to negotiate fees with any law firm that is otherwise qualified

but which has submitted a fee proposal that the State Public Authority deems too high based upon the other proposals.

4. *Documentation*: The Evaluation Committee shall be responsible for documenting in writing its evaluation of each law firm, the score assigned to each law firm and its rationale for recommending the law firm to be empanelled by the State Public Authority.

IV. Allocation of Work among Empanelled Law Firms

A. Establishment of MWBE Goal: Each State Public Authority shall establish an overall aspirational goal for participation by certified MWBE law firms in legal fees paid by the State Public Authority for outside legal services. The Task Force recommends that the aspirational goal be at least 10% of the total amount of legal fees paid by the State Public Authority or such other goal as is determined in accordance with State and federal law, including Section 15-A of the New York State Executive Law, but further recognizes that each State Public Authority must establish its own goal after taking into account the following factors: (1) the number and types of matters for which the State Public Authority expects to use outside legal services; and (2) the ability of the State Public Authority to allocate work among different law firms for these engagements.

B. Equitable Allocation of Work: It shall be the responsibility of the State Public Authority to equitably allocate work among the firms on the panel taking into account the following:

- Amount of prior work assigned to each law firm on the panel;
- Expertise of a law firm with respect to a specific engagement or transaction;
- Each law firm's past performance on other transactions for the State Public Authority;
- Reasonableness of fees charged by the law firm for its prior work for the issuing State Public Authority or any other governmental entity, including other State Public Authorities; and
- Fulfillment of the aspirational goal established pursuant to Section IV.A hereof for participation by certified MWBE firms.

C. Utilization of Co-Counsel: The State Public Authority shall endeavor to meet its goals for equitable participation by giving all law firms the

opportunity to acquire familiarity and expertise in the State Public Authority's programs. Each State Public Authority shall, therefore, consider utilizing a co-counsel program or dividing work for specific transactions or programs among different law firms on the panel.

D. **Allocation of Work:** The State Public Authority is responsible for allocating work among co-counsel, reviewing the fees payable to each law firm and helping ensure that each co-counsel receives appropriate acknowledgement, credit and compensation for the work it performs.

E. **Tracking of Legal Fees:** Each State Public Authority shall track legal fees paid to each law firm on the panel to assist it in assessing whether work is being equitably allocated among the firms, taking into consideration the quality of work being performed, the cost effectiveness of the work and compliance with the aspirational goals established in accordance with these Best Practices. Each State Public Authority shall require firms to include as part of each bill for legal services a statement showing: (1) a breakdown of how much of such fees were charged for services performed by each of the following: equity partners, non-equity partners, counsels and associates; (2) a description of the services performed by each person; and (3) the total fees charged for services performed by women and minority attorneys, respectively.

V. Evaluation of Empanelled Law Firms

Existing RFPs for legal services contemplate a static pool for the duration of the RFP cycle. In order to ensure that the State Public Authority continues to receive the services for which it contracted in accordance with the requirements of the RFP, the Task Force recommends the following:

A. **Periodic Review of Empanelled Law Firms**: Each law firm empanelled by the State Public Authority will be reviewed by the State Public Authority after the completion of each assignment/engagement or periodically as determined by the State Public Authority to assess the quality and cost-effectiveness of their work. The evaluation of each firm shall be documented on a standardized evaluation form attached to these Best Practices.

B. **Content of Review**: The review contemplated in Section V.A above shall include the law firm's adherence to the representations it made regarding its

diversity practices, as well as adherence to its utilization plan, and the actual percentage and allocation of work performed by women and minority attorneys assigned to engagements for the State Public Authority. The State Public Authority may request such information from each firm as it deems necessary to perform such periodic review.

C. **Removal of Empanelled Law Firms:** A law firm that does not adhere to its representations or 15-A utilization plan, or that otherwise fails to perform in a satisfactory manner based upon the criteria contained in the RFP or the contract may be removed from the panel at the sole discretion of the State Public Authority.

VI. Diversity Questionnaire

A. Law Firm Demographic Profile:

	Year 1	Year 2	Year 3
1. Number of attorneys			
Total Minority attorneys[5]			
African-American/Black			
Hispanic/Latino			
Alaska Native/American Indian			
Asian/ Pacific Islander			
Women attorneys			
2. Number of equity partners			
Total Minorities equity partners			
African-American/Black			
Hispanic/Latino			
Alaska Native/American Indian			
Asian/ Pacific Islander			
Women equity partners			
3. Number of non-equity salary partners			
Total Minority non-equity partners			
African-American/Black			
Hispanic/Latino			
Alaska Native/American Indian			
Asian/ Pacific Islander			
Women non-equity salary partners			
4. Number of counsel/senior associates			
Total Minority senior associates			
African-American/Black			
Hispanic/Latino			
Alaska Native/American Indian			
Asian/ Pacific Islander			
Women counsel/senior associates			
5. Number of associates			
Total Minority associates			
African-American/Black			
Hispanic/Latino			
Alaska Native/American Indian			
Asian/ Pacific Islander			
Women associates			

[5] For purposes of this Diversity Questionnaire "minority attorney" shall mean an attorney who is and can demonstrate membership in one of the following groups: (1) Black persons having origins in any of the Black African racial group; (2) Hispanic persons of Mexican, Puerto Rican, Dominican, Cuban, Central or South American of either Indian or Hispanic Origin, regardless of race; (3) Native American or Alaskan native persons having origins in any of the original peoples of North America; or (4) Asian and Pacific Islander persons having origins in any of the Far East countries, South East Asia, the Indian subcontinent or the Pacific Islands.

	Year 1	Year 2	Year 3
6. Number of new hires			
Total Number of minority new hires			
African-American/Black			
Hispanic/Latino			
Alaska Native/American Indian			
Asian/Native Hawaiian/Pacific Islander			
Number of women new hires			
7. Number of para-professionals			
Total Number of minority para-professionals			
African-American/Black			
Hispanic/Latino			
Alaska Native/American Indian			
Asian/Native Hawaiian/Pacific Islander			
Number of women para-professionals			

B. Demographic Profile of Staff Proposed to be Assigned to the State Public Authority's Engagements:

	Location(s) of Principal Office(s) of Engagement Attorneys and Number of Attorneys in each Location
1. Number of partners	
Total Minority partners	
African-American/Black	
Hispanic/Latino	
Alaska Native/American Indian	
Asian/ Pacific Islander	
Women partners	
2. Number of equity partners	
Total Minorities equity partners	
African-American/Black	
Hispanic/Latino	
Alaska Native/American Indian	
Asian/ Pacific Islander	
Women equity partners	
3. Number of guaranteed salary partners	
Total Minority non-equity partners	
African-American/Black	
Hispanic/Latino	
Alaska Native/American Indian	
Asian/ Pacific Islander	
Women guaranteed salary partners	

4. Number of counsel/senior associates	
Total Minority counsel/senior associates	
African-American/Black	
Hispanic/Latino	
Alaska Native/American Indian	
Asian/ Pacific Islander	
Women counsel/senior associates	
5. Number of associates	
Total Minority associates	
African-American/Black	
Hispanic/Latino	
Alaska Native/American Indian	
Asian/ Pacific Islander	
Women associates	

C. Employment Practices Information:

Please provide the following information:

1. List the titles of all (i) minority attorneys and (ii) women attorneys that have received promotions in the past two years.

2. A copy of your law firm's equal opportunity and affirmative action policy, if any.

D. MWBE Certification Status:

1. Is your law firm certified as a Minority and/or Women-owned business enterprise with the New York State Department of Economic Development? Yes or No

2. If yes, please provide a copy of your certification.

3. If No, please list all other jurisdictions and/or certifying bodies that have deemed your law firm Minority and/or Women-owned. Also, please provide a copy of each certification.

4. If your law firm has applied for but has not, as of the issuance of the RFP, been certified as a Minority or Women-owned business enterprise by the New York State Department of Economic Development, you must submit proof of a pending application, including the filing date. Such law firms may also, if applicable, submit proof of certification by a comparable certifying entity located in a state other than New York.

E. Strategic Plan and Diversity Initiatives:

1. Who has primary responsibility for leading diversity initiatives at your law firm? Name of person and his/her title.

2. Does your law firm currently have a diversity committee? Yes or No

3. If yes, does the diversity committee's representation include one or more members of the law firm's Management/Executive Committee (or the equivalent)? Yes or No

4. If yes, how many are on the diversity committee?

5. Set forth any diversity initiatives/activities of your law firm and the actual results, if any, which have been achieved by such initiatives.

Governor David A. Paterson's
E. O. # 10 Task Force Presents:

"Supporting Diversity in Government Contracting of Legal Services: Partnering Opportunities"

Friday, October 16, 2009
One Penn Plaza, 52nd Floor
New York, NY 10119

Governor David A. Paterson's E.O. 10 MWBE Task Force presents:

"Supporting Diversity in Government Contracting of Legal Services: Partnering Opportunities"

Friday, October 16, 2009

One Penn Plaza
New York, NY 10119

Program Agenda

Welcome **4:00 – 4:10 PM**

Taffi Woolward – Director, Opportunity Programs Group
Financial & Professional Services Diversity Programs
Dormitory Authority – State of New York

Paul T. Williams, Jr. – Task Force Chairman
Executive Director, Dormitory Authority – State of New York

General Counsel Introductions **4:10 – 4:40 PM**

William Estes – Thruway Authority
Anita Laremont – Empire State Development Corporation
James Levine – Environmental Facilities Corporation
Jeffrey Pohl – Dormitory Authority – State of New York
Joy Willig – Housing Finance Authority

Public Finance Breakout Session **4:50 – 6:00 PM**

Moderators: **Doron M. Bar-Levav,** Member – Harris Beach PLLC
Susan Pease Langford, Partner – Peck Shaffer
Gabriel Marous, Partner – Marous & Marous P.C.

Litigation and Other Legal Services Breakout Session **4:50 – 6:00 PM**

Moderators: **Angela Dorn,** Partner – Gonzalez Saggio & Harlan LLP
Darrell S. Gay, Partner – Arent Fox LLP
Gregory Weston, Partner – Nixon Peabody LLP

Networking Reception **6:15 – 7:00 PM**

Legal Services Forum
October 16, 2009 - 85 Attendees

Private Sector

Aent Fox
Akerman Senterfitt LLP
Arent Fox LLP
Bailey Law Group, PC
Bond, Schoeneck & King, PLLC
Brill & Associates, P.C.
Bruce A. Hubbard, P. C.
Bryan Cave LLP
C.F. Brock and Associates, LLC
Carter Ledyard & Milburn LLP
Drohan Lee LLP
Edwards Angell Palmer & Dodge LLP
Golden & Associates
Harris Beach
Hawkins Delafield & Wood LLP
Hiscock & Barclay LLP
Hogan & Hartson LLP
Hoguet Newman Regal & Kenney, LLP
Holland & Knight LLP
Jefferies & Company
KnoxSeaton
Law Offices of G. Alexander Jenkins, Esq.
Law Offices of Joseph C. Reid, P.A.
Lee Anav Chung LLP
Lewis & Munday, P.C.
McDonald Law Group, LLC
McKenzie & Associates
Milberg LLP
Moran Karamouzis LLP
Nixon Peabody LLP
Orrick, Herrington & Sutcliffe LLP
Peck Shaffer
Rivera Driscoll & Carey, LLP
Sidley Austin LLP
Squire, Sanders & Dempsey L.L.P.
Thompson & Thompson, PLLC
Wilson & Chan, LLP
Winston & Strawn LLP
Wood, Rafalsky & Wood, LLP

Public Sector

Dormitory Authority – State of New York
Empire State Development Corporation
Environmental Facilities Corporation
New York State Thruway Authority
Housing Finance Authority

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Request for Information for Legal Services

Public profiles of law firms that are interested in state public Authority engagements.

Overview:

In June 2008 Governor David A. Paterson signed Executive Order No. 10, which established a Task Force to increase the utilization of Minority and Women-Owned Business Enterprises ("MWBE") in State debt offerings. Subsequent to adopting recommendations in relation to underwriters, the Task Force adopted a comprehensive set of recommendations ("Best Practices") aimed at increasing opportunities for minority- and women-owned law firms to participate in the procurement of legal services by State public authorities. The Best Practices also promotes the utilization of law firms that have a history of hiring, training, promoting and retaining minority and women attorneys.

The Best Practices provide, among other things, that State Public Authorities ensure that notices for procurements are widely distributed and made available to as many qualified law firms as possible, including MWBE law firms. This may be achieved by providing notice of potential opportunities to appropriate professional organizations that serve women and/or minority attorneys so that members of these organizations may be notified. The best practices also encourage law firms to consider entering into joint ventures or other partnering arrangements. Therefore, in an attempt to determine the availability and willingness of law firms to engage in such partnering arrangements, the Task Force has developed this Request for Information ("RFI") to be completed by all law firms interested in pursuing work with the State public authorities. Your law firm's profile will remain posted on this website and may be assessed by State Public Authorities as well as law firms seeking to locate potential strategic alliances and/or joint venture partners.

NOTE: **All firms that wish to attend the networking event and panel discussion hosted by the Task Force on Friday, October 16th, 2009 in New York City will be required to complete the RFI prior to registering for the event.**

To Add Your Firm click here. (Limit one profile per law firm)

To Search Active Firm Profiles, click here.

Firm Name	MWBE Certified	Office in NY State	Areas of Practice	Prior Joint Venture Experience
Adorno & Yoss LLP	Eligible for Certification	Yes	Public Finance,Construction,Litigation,Real Estate,Environmental,Labor and Employment Law,Bankruptcy / Workouts, Other	Yes
Akerman Senterfitt LLP	No	Yes	Public Finance,Construction,Litigation,Real Estate,Environmental,Labor and Employment Law,Bankruptcy / Workouts, Other	Yes
Arent Fox LLP	No	Yes	Public Finance,Construction,Litigation,Real Estate,Environmental,Labor and Employment Law,Bankruptcy / Workouts, Other	No
Bailey Law Group, PC	Eligible for Certification	No	Litigation,Real Estate,Environmental,Labor and Employment Law, Other	Yes
Bond, Schoeneck & King, PLLC	No	Yes	Public Finance,Construction,Litigation,Real Estate,Environmental,Labor and Employment Law,Bankruptcy / Workouts, Other	Yes
Brill & Associates, P.C.	No	Yes	Construction,Litigation,Environmental,Labor and Employment Law	No
Bruce A. Hubbard, P. C.	Eligible for Certification	Yes	Public Finance,Construction,Litigation,Real Estate,Environmental,Labor and Employment Law,Bankruptcy / Workouts, Other	Yes

Bryan Cave LLP	No	Yes	Public Finance,Construction,Litigation,Real Estate,Environmental,Labor and Employment Law,Bankruptcy / Workouts	Yes
Bryant Burgher Jaffe & Roberts LLP	NYS Certified	Yes	Public Finance,Real Estate,Bankruptcy / Workouts, Other	Yes
Bryant Miller Olive P.A.	No	No	Public Finance,Litigation,Real Estate,Labor and Employment Law, Other	Yes
C.F. Brock and Associates, LLC	Eligible for Certification	No	Litigation,Real Estate,Environmental	Yes
Carter Ledyard & Milburn LLP	No	Yes	Litigation,Real Estate,Environmental,Labor and Employment Law,Bankruptcy / Workouts, Other	Yes
Dorsey & Whitney LLP	No	Yes	Public Finance,Construction,Litigation,Real Estate,Environmental,Labor and Employment Law,Bankruptcy / Workouts	No
Drinker Biddle & Reath LLP	No	Yes	Public Finance,Litigation,Real Estate,Environmental,Labor and Employment Law,Bankruptcy / Workouts, Other	No
Drohan Lee LLP	NYS Certified	Yes	Construction,Litigation,Real Estate,Labor and Employment Law, Other	No
Edwards Angell Palmer & Dodge LLP	No	Yes	Public Finance,Construction,Litigation,Real Estate,Environmental,Labor and Employment Law,Bankruptcy / Workouts, Other	Yes
Enterprise Steward LLC	NYS Certified	Yes	, Other	No
Epstein Becker & Green, P.C.	No	Yes	Construction,Litigation,Real Estate,Environmental,Labor and Employment Law,Bankruptcy / Workouts, Other	Yes
Foley & Lardner LLP	No	Yes	Public Finance,Construction,Litigation,Real Estate,Environmental,Labor and Employment Law,Bankruptcy / Workouts, Other	Yes
Gibbons P.C.	No	Yes	Public Finance,Construction,Litigation,Real Estate,Environmental,Labor and Employment Law,Bankruptcy / Workouts, Other	No
Golden & Associates	NYS Certified	Yes	Public Finance,Real Estate	Yes
Gonzalez Saggio & Harlan LLP	NYS Certified	Yes	Public Finance,Construction,Litigation,Real Estate,Labor and Employment Law,Bankruptcy / Workouts, Other	Yes
Graves, Horton, Askew & Johns, LLC	Eligible for Certification	No	Public Finance,Construction,Litigation,Real Estate,Labor and Employment Law, Other	Yes
Hardwick Law Firm, LLC	Eligible for Certification	Yes	Public Finance,Real Estate	Yes
Harris Beach PLLC	No	Yes	Public Finance,Construction,Litigation,Real Estate,Environmental,Labor and Employment Law,Bankruptcy / Workouts, Other	Yes
Hawkins Delafield & Wood LLP	No	Yes	Public Finance	Yes
Hiscock &	No	Yes	Public Finance,Construction,Litigation,Real Estate,Environmental,Labor and Employment	Yes

Barclay, LLP			Law,Bankruptcy / Workouts, Other	
Hodgson Russ LLP	No	Yes	Public Finance,Construction,Litigation,Real Estate,Environmental,Labor and Employment Law,Bankruptcy / Workouts, Other	Yes
Hogan & Hartson LLP	No	Yes	Public Finance,Construction,Litigation,Real Estate,Environmental,Labor and Employment Law,Bankruptcy / Workouts, Other	Yes
Hoguet Newman Regal & Kenney, LLP	NYS Certified	Yes	Construction,Litigation,Environmental,Labor and Employment Law, Other	Yes
Holland & Knight LLP	No	Yes	Public Finance,Construction,Litigation,Real Estate,Environmental,Labor and Employment Law,Bankruptcy / Workouts, Other	Yes
Jackson Lewis LLP	No	Yes	Litigation,Labor and Employment Law, Other	Yes
JONES DAY	No	Yes	Public Finance,Construction,Litigation,Real Estate,Labor and Employment Law,Bankruptcy / Workouts, Other	No
KnoxSeaton	NYS Certified	Yes	Public Finance, Other	Yes
Law Office of Lauren P. Raysor, Esq.	Eligible for Certification	Yes	Litigation,Bankruptcy / Workouts, Other	No
Law Offices of G. Alexander Jenkins, Esq.	Eligible for Certification	Yes	Litigation,Real Estate, Other	No
Law Offices of Joseph C. Reid, PA	NYS Certified	Yes	Public Finance,Real Estate,Bankruptcy / Workouts, Other	Yes
Lebow, Malecki & Tasch	Eligible for Certification	No	Litigation,Real Estate,Bankruptcy / Workouts, Other	Yes
Lee Anav Chung LLP	NYS Certified	Yes	Litigation,Real Estate,Environmental,Labor and Employment Law,Bankruptcy / Workouts	Yes
Lewis & Munday, P.C.	Eligible for Certification	No	Public Finance,Construction,Litigation,Real Estate,Environmental,Labor and Employment Law,Bankruptcy / Workouts	Yes
Loeb & Loeb, LLP	No	Yes	Public Finance,Construction,Litigation,Real Estate,Labor and Employment Law,Bankruptcy / Workouts, Other	Yes
Lori S. C. Yokoyama & Asso., P.C.	No	No	Construction,Litigation,Real Estate,Labor and Employment Law, Other	No
Marous & Marous, P.C.	Eligible for Certification	Yes	Public Finance,Litigation,Real Estate,Labor and Employment Law, Other	Yes
McDonald Law Group, LLC	Eligible for Certification	No	Litigation,Real Estate,Labor and Employment Law,Bankruptcy / Workouts, Other	Yes
McKenzie & Associates	No	No	Public Finance,Real Estate	Yes
Moran Karamouzis LLP	NYS Certified	Yes	Litigation,Real Estate,Labor and Employment Law,Bankruptcy / Workouts	Yes
Newman Myers			Construction,Litigation,Environmental,Labor and	

Kreines Gross Harris, P.C.	No	Yes	Employment Law, Other	No
Nixon Peabody LLP	No	Yes	Public Finance,Construction,Litigation,Real Estate,Environmental,Labor and Employment Law,Bankruptcy / Workouts, Other	Yes
Orrick, Herrington & Sutcliffe LLP	No	Yes	Public Finance,Construction,Litigation,Real Estate,Environmental,Labor and Employment Law,Bankruptcy / Workouts, Other	Yes
Pacheco & Lugo, PLLC	NYS Certified	Yes	Construction,Litigation,Real Estate,Environmental,Labor and Employment Law,Bankruptcy / Workouts, Other	Yes
Patras Williams & Johnson, LLC	Eligible for Certification	No	Construction,Litigation,Real Estate, Other	Yes
Peck Shaffer	No	No	Public Finance	Yes
Rivera Driscoll & Carey, LLP	NYS Certified	Yes	Public Finance,Construction,Litigation,Real Estate,Labor and Employment Law	Yes
Schiff Hardin LLP	No	Yes	Public Finance,Construction,Litigation,Real Estate,Environmental,Labor and Employment Law,Bankruptcy / Workouts, Other	Yes
Schoeman Updike & Kaufman	NYS Certified	Yes	Public Finance,Litigation,Real Estate,Environmental,Labor and Employment Law,Bankruptcy / Workouts, Other	Yes
Schroder, Joseph & Assocs LLP	NYS Certified	Yes	Litigation,Labor and Employment Law, Other	Yes
Squire, Sanders & Dempsey L.L.P.	No	Yes	Public Finance,Construction,Litigation,Real Estate,Environmental,Labor and Employment Law,Bankruptcy / Workouts, Other	Yes
The Kinch Law Group	Eligible for Certification	Yes	Construction,Litigation,Real Estate, Other	No
Thomas M. Bona, P.C.	No	Yes	Construction,Litigation,Real Estate,Labor and Employment Law	Yes
Thompson & Thompson, PLLC	Eligible for Certification	Yes	Public Finance,Litigation,Real Estate, Other	Yes
Trespasz & Marquardt, LLP	No	Yes	Public Finance	Yes
Wilson & Chan, LLP	NYS Certified	Yes	Construction,Litigation, Other	No
Winston & Strawn LLP	No	Yes	Public Finance,Construction,Litigation,Real Estate,Environmental,Labor and Employment Law,Bankruptcy / Workouts, Other	Yes
Wong Fleming, PC	NYS Certified	Yes	Litigation,Real Estate,Environmental,Labor and Employment Law,Bankruptcy / Workouts, Other	No
Wood,Rafalsky &Wood,LLP	NYS Certified	Yes	Construction,Litigation,Real Estate,Labor and Employment Law, Other	No
Yoon & Kim LLP	Eligible for Certification	Yes	Litigation,Real Estate, Other	No
Younkins & Schecter LLP	NYS Certified	No	Construction,Real Estate,Bankruptcy / Workouts, Other	No

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About DASNY

Create or Edit Your Profile

Fill in all fields on this form and press the Submit button. All fields are required. Upon completing the form an email will be sent to your email address in order to verify your identity. Your email account will become associated with your firm profile and allow you to make edits in the future.

Email:

Company Name:

Primary Contact:

Title:

Company Address: Street:

City: State: Zip:

Phone: ( ) -

Fax: ( ) -

Website:

Is your firm certified as minority or woman-owned (MWBE) in the State of New York?
- (•) No
- ( ) Yes

Is your firm certified as an MWBE in any other jurisdictions?
- (•) No
- ( ) Yes

If not a certified MWBE, would your firm be eligible to apply for status as an MWBE in New York?
- (•) No
- ( ) Yes

Break down the number of full-time partners, counsel, associates, paralegals and support staff in your firm by office location:

Location City:

Full-Time Partners:

Counsel:

Associates:

Paralegals:

Support Staff:

Enter More Locations

Is the firm's place of business/Executive Office in New York State?
- (•) No
- ( ) Yes

If not, does the firm maintain an office in New York State?
- (•) No
- ( ) Yes

How many years has your firm been in existence and engaged in the practice of law?

Does your firm have expertise in one or more of the following areas?
- [ ] Public Finance
- [ ] Construction
- [ ] Litigation
- [ ] Real Estate
- [ ] Environmental
- [ ] Labor and Employment Law
- [ ] Bankruptcy / Workouts

Other area of expertise:

Other area of expertise:

Other area of expertise:

Other area of expertise:

Other area of expertise:

Has your firm provided legal services to any public entities (both within New York State and elsewhere) within the last two years?

- (•) No
- ( ) Yes

If Yes, please list all public entities (both within the State of New York and elsewhere) for which your firm provides legal services or has provided legal services within the last two years. **

If your firm does not currently have an office in New York State what arrangements has your firm made to establish a presence in New York State? **

Please provide the number of attorneys that are currently admitted to practice law in New York State, if any:

Has your firm ever engaged in any joint venture or other co-counsel arrangements?

- (•) No
- ( ) Yes

If so, please describe: **

Does your firm have malpractice insurance? **

- (•) No
- ( ) Yes

Within the past five years, has any individual or the firm been involved in any criminal, civil or disciplinary proceedings (including bankrupty proceedings?) **

- (•) No
- ( ) Yes

If Yes, please describe: **

Submit

**** field is for internal DASNY use and will not be made public.**

Dormitory Authority of the State of New York
Legal Services
Calendar Year 2009

Area of Practice: Bond Counsel

Request for Proposal:

Date RFP Issued:	October 2004
Date Firms Selected:	April 2005
RFP Cycle:	Services through 12/31/06 with right to extend up to 3 additional years

Empaneled Firm	MWBE Firm Y/N	Date Engaged	Date of Contract Expiration	2009 Total Fees Paid	Non-empaneled MWBE Firm Participation Y/N and #
Harris Beach, LLP	N	4/27/2005	12/31/2009	$592,295.46	N
Hawkins Delafield & Wood LLP	N	4/27/2005	12/31/2009	$888,695.83	N
Hiscock & Barclay LLP	N	4/27/2005	12/31/2009	$589,891.07	N
Nixon Peabody LLP	N	4/27/2005	12/31/2009	$983,723.46	N
Orrick Herrington & Sutcliffe LLP	N	4/27/2005	12/31/2009	$1,067,648.60	N
Sidley Austin LLP	N	4/27/2005	12/31/2009	$811,747.45	N
Squire Sanders & Dempsey LLP	N	4/27/2005	12/31/2009	$589,375.59	N
Winston & Strawn LLP	N	4/27/2005	12/31/2009	$732,187.44	N

Total MWBE Participation:

Year	Total Fees Paid	Total Fees Paid to MWBE Firms	# of MWBE Firms Utilized (Empaneled & Non-empaneled)	% of Total Fees Paid to MWBE Firms
2009	$6,255,564.90	$0.00	0	0.00%

Dormitory Authority of the State of New York
Legal Services
Calendar Year 2009

Area of Practice: Underwriter's Counsel

Request for Proposal:

Date RFP Issued:	N/A
Date Firms Selected:	N/A
RFP Cycle:	N/A

Empaneled Firm	MWBE Firm Y/N	Date Engaged	Date of Contract Expiration	2009 Total Fees Paid	Non-empaneled MWBE Firm Participation Y/N and #
Arent Fox LLP	N	N/A	N/A	$ 99,097.00	N/A
Bond Schoeneck & King, LLP	N	N/A	N/A	$ 185,000.00	N/A
Bryant Burgher Jaffe & Roberts LLP	Y	N/A	N/A	$ 3,029.00	N/A
Gonzales Saggio & Harlan LLP	Y	N/A	N/A	$ 105,000.00	N/A
Harris Beach PLLC	N	N/A	N/A	$ 197,501.00	N/A
Hawkins Delafield & Wood LLP	N	N/A	N/A	$ 380,000.00	N/A
Hiscock & Barclay	N	N/A	N/A	$ 130,000.00	N/A
Hodgson Russ LLP	N	N/A	N/A	$ 60,000.00	N/A
Law Offices of Joseph Reid	Y	N/A	N/A	$ 47,500.00	N/A
Marous & Marous, PC	Y	N/A	N/A	$ 33,250.00	N/A
Mintz Levin Cohn Ferris Glovsky & Popeo, PC	N	N/A	N/A	$ 235,178.00	N/A
Nixon Peabody LLP	N	N/A	N/A	$ 225,000.00	N/A
Orrick Herrington & Sutcliffe LLP	N	N/A	N/A	$ 197,405.00	N/A
Phillips Lytle	N	N/A	N/A	$ 61,750.00	N/A
Squire Sanders & Dempsy, LLP	N	N/A	N/A	$ 180,000.00	N/A
Trespasz & Marquardt, LLP	N	N/A	N/A	$ 99,250.00	N/A
Winston & Strawn LLP	N	N/A	N/A	$ 124,501.00	N/A

Total MWBE Participation:

Year	Total Fees Paid	Total Fees Paid to MWBE Firms	# of MWBE Firms Utilized (Empaneled & Non-empaneled)	% of Total Fees Paid to MWBE Firms
2009	$2,363,461.00	$188,779.00	4	7.99%

Dormitory Authority of the State of New York
Legal Services
Calendar Year 2009

Area of Practice: Real Estate / Environmental

Request for Proposal:

Date RFP Issued:	July 1997
Date Firms Selected:	April 1998
RFP Cycle:	Open

Empaneled Firm	MWBE Firm Y/N	Date Engaged	Date of Contract Expiration	2009 Total Fees Paid	Non-empaneled MWBE Firm Participation Y/N and #
Carter Ledyard & Milburn	N	4/29/1998	N/A	$0.00	N
Wachtell & Masyr LLP	N	4/29/1998	N/A	$0.00	N
Rosenman & Colin LLP	N	4/29/1998	N/A	$0.00	N
Bryan Cave (Formerly Robinson Silverman Pearce Aronshohn & Berman, LLP)	N	4/29/1998	N/A	$3,952.80	N
Berger & Webb	N	4/29/1998	N/A	$79,013.06	N
Farrell Fritz Caemmerer Cleary Baronsky & Arementano	N	4/29/1998	N/A	$0.00	N
Jaspan Schlesinger Silverman & Hoffman	N	4/29/1998	N/A	$0.00	N
McMilan Rather Bennett & Rigano	N	4/29/1998	N/A	$0.00	N
Harris Beach PLLC	N	4/29/1998	N/A	$0.00	N
Cooper Erving Savage Nolan & Heller	N	4/29/1998	N/A	$0.00	N
Bond Schoeneck & King	N	4/29/1998	N/A	$0.00	N
Leboeuf Lamb Greene & Macrae	N	4/29/1998	N/A	$0.00	N
Whiteman Osterman & Hanna	N	4/29/1998	N/A	$0.00	N
Wilson Elser Moskowitz Edleman & Dicker	N	4/29/1998	N/A	$0.00	N

Total MWBE Participation:

Year	Total Fees Paid	Total Fees Paid to MWBE Firms	# of MWBE Firms Utilized (Empaneled & Non-empaneled)	% of Total Fees Paid to MWBE Firms
2009	$82,965.86	$0.00	0	0.00%

Dormitory Authority of the State of New York
Legal Services
Calendar Year 2009

Area of Practice: Construction / Litigation

Request for Proposal:

Date RFP Issued:	December 2005
Date Firms Selected:	March 2006
RFP Cycle:	3 years with ability to extend up to two 1-year terms

Empaneled Firm	MWBE Firm Y/N	Date Engaged	Date of Contract Expiration	2009 Total Fees Paid	Non-empaneled MWBE Firm Participation Y/N and #
Akiin Gumps Strauss Hauer Feld LLP	N	3/29/2006	3/29/2011	$1,174,882.00	N
Bond Schoeneck & King PLLC	N	3/1/2906	3/29/2011	$0.00	N
DelBello Donnellan Weingarten Wise & Wiederkehr LLP	N	3/29/2006	3/29/2011	$97,998.50	N
Holland & Knight LLP	N	3/29/2006	3/29/2011	$3,385,780.25	N
Harris Beach PLLC	N	3/29/2006	3/29/2011	$0.00	N
Manatt Phelps & Phillips LLP	N	3/29/2006	3/29/2011	$0.00	N
Thacher Proffitt & Wood LLP	N	3/29/2006	3/29/2011	$0.00	N

Total MWBE Participation:

Year	Total Fees Paid	Total Fees Paid to MWBE Firms	# of MWBE Firms Utilized (Empaneled & Non-empaneled)	% of Total Fees Paid to MWBE Firms
2009	$4,658,660.75	$0.00	0	0.00%

Dormitory Authority of the State of New York
Legal Services
Calendar Year 2009

Area of Practice: Labor and Employment Law

Request for Proposal:

Date RFP Issued:	February 1999
Date Firms Selected:	February 1999
RFP Cycle:	Open

Empaneled Firm	MWBE Firm Y/N	Date Engaged	Date of Contract Expiration	2009 Total Fees Paid	Non-empaneled MWBE Firm Participation Y/N and #
Bond Schoeneck & King LLP	N	2/24/1999	N/A	$325.30	N
Clifton Budd & DeMaria	N	2/24/1999	N/A	$0.00	N
Featherstonhaugh Conway Wiley & Clyne, LLP	N	2/24/1999	N/A	$0.00	N
Nixon Peabody LLP	N	10/29/2008	N/A	$66,976.00	N
Ruberti Girvin & Ferlazzo PC	N	2/24/1999	N/A	$0.00	N
Whiteman Osterman & Hanna	N	2/24/1999	N/A	$54,896.00	N

Total MWBE Participation:

Year	Total Fees Paid	Total Fees Paid to MWBE Firms	# of MWBE Firms Utilized (Empaneled & Non-empaneled)	% of Total Fees Paid to MWBE Firms
2009	$122,197.30	$0.00	0	0.00%

New York State Environmental Facilities Corporation
Legal Services
Calendar Year 2009

Area of Practice: Bond Counsel

Request for Proposal:

Date RFP Issued:	May 2007
Date Firms Selected:	September 2007
RFP Cycle:	3-5 years

Empaneled Firm	MWBE Firm Y/N	Date Engaged	Date of Contract Expiration	2009 Total Fees Paid	Non-empaneled MWBE Firm Participation Y/N and #
Hawkins Delafield & Wood	N	9/12/2007	9/11/2010	$316,466.00	N
Mintz Levin Cohn	N	9/12/2007	9/11/2010	$110,000.00	N
Squire Sanders & Dempsey	N	9/12/2007	9/11/2010	$50,865.00	N

Total MWBE Participation:

Year	Total Fees Paid	Total Fees Paid to MWBE Firms	# of MWBE Firms Utilized (Empaneled & Non-empaneled)	% of Total Fees Paid to MWBE Firms
2009	$477,331.00	$0.00	0	0.00%

During the RFP process for Legal Advisory Services, the Corporation focused on M/WBE participation and sought out firms to distribute the RFP to. The Corporation's M/WBE Manager was consulted for input, as well as M/WBE trade publications and organizations such as the National Association of Minority & Women Owned Law Firms (NAMWOLF), and the NYS Office of General Services (OGS) M/WBE database. One M/WBE firm responded to the RFP and did not have the experience required in the scope of services and was missing required components in their submission.

New York State Environmental Facilities Corporation
Legal Services
Calendar Year 2009

Area of Practice: Underwriter's Counsel

Request for Proposal:

Date RFP Issued:	May 2007
Date Firms Selected:	September 2007
RFP Cycle:	3-5 years

Empaneled Firm	MWBE Firm Y/N	Date Engaged	Date of Contract Expiration	2009 Total Fees Paid	Non-empaneled MWBE Firm Participation Y/N and #
Harris Beach	N	9/12/2007	9/11/2010	$ 60,000.00	N
Nixon Peabody	N	9/12/2007	9/11/2010	$ 60,000.00	N

Total MWBE Participation:

Year	Total Fees Paid	Total Fees Paid to MWBE Firms	# of MWBE Firms Utilized (Empaneled & Non-empaneled)	% of Total Fees Paid to MWBE Firms
2009	$120,000.00	$0.00	0	0.00%

See Bond Counsel. Most firms selected as Bond Counsel qualified as Underwriter's Counsel

New York State Environmental Facilities Corporation
Legal Services
Calendar Year 2009

Area of Practice: Bankruptcy/Workouts

Request for Proposal:

Date RFP Issued:	See Bond Counsel
Date Firms Selected:	See Bond Counsel
RFP Cycle:	See Bond Counsel

Empaneled Firm	MWBE Firm Y/N	Date Engaged	Date of Contract Expiration	2009 Total Fees Paid	Non-empaneled MWBE Firm Participation Y/N and #
Winston & Strawn	N	9/12/2007	9/11/2010	$20,387.00	N

Total MWBE Participation:

Year	Total Fees Paid	Total Fees Paid to MWBE Firms	# of MWBE Firms Utilized (Empaneled & Non-empaneled)	% of Total Fees Paid to MWBE Firms
2009	$20,387.00	$0.00	0	0.00%

See Bond Counsel.

Empire State Development Corporation
Legal Services
Calendar Year 2009

Area of Practice: Bond Counsel

Request for Proposal:

Date RFP Issued:	February 2007
Date Firms Selected:	April 2007
RFP Cycle:	4 years

Empaneled Firm	MWBE Firm Y/N	Date Engaged	Date of Contract Expiration	2009 Total Fees Paid	Non-empaneled MWBE Firm Participation Y/N and #
Mintz Levin Cohn	N	5/28/2008	12/31/2011	$350,000.00	N
Winston & Strawn	N	5/27/2009	6/30/2009	$84,000.00	N
Orrick Herrington	N	12/22/2009	12/31/2009	$175,885.76	N

Total MWBE Participation:

Year	Total Fees Paid	Total Fees Paid to MWBE Firms	# of MWBE Firms Utilized (Empaneled & Non-	% of Total Fees Paid to MWBE Firms
2009	$609,885.76	$0.00	0	0.00%

Empire State Development Corporation
Legal Services
Calendar Year 2009

Area of Practice: Litigation

Request for Proposal:

Date RFP Issued:	November 2007[1]	August 2005[2]	
Date Firms Selected:	March 2008[1]	December 2005[2]	
RFP Cycle:	3 years[1]	5 years[2]	

Empaneled Firm	MWBE Firm Y/N	Date Engaged	Date of Contract Expiration	2009 Total Fees Paid	Non-empaneled MWBE Firm Participation Y/N and #
McNamee Lochner Titus[1]	N	7/8/2008	12/31/2010	$20,612.45	N
Phillips Lytle LLP[2]	N	2/9/2006	12/31/2011	$23,230.00	N

Total MWBE Participation:

Year	Total Fees Paid	Total Fees Paid to MWBE Firms	# of MWBE Firms Utilized (Empaneled & Non-empaneled)	% of Total Fees Paid to MWBE Firms
2009	$43,842.45	$0.00	0	0.00%

Empire State Development Corporation
Legal Services
Calendar Year 2009

Area of Practice: Real Estate

Request for Proposal:

Date RFP Issued:	April 1992[1]	April 2003[2]	June 2001[3]	February 2004[4]	August 2005[5]
Date Firms Selected:	December 1992[1]	July 2003[2]	December 2001[3]	August 2004[4]	December 2005[5]
RFP Cycle:	Closed*	Closed*	Closed*	4 years[4]	5 years[5]

Empaneled Firm	MWBE Firm Y/N	Date Engaged	Date of Contract Expiration	2009 Total Fees Paid	Non-empaneled MWBE Firm Participation Y/N and #
Shearman and Sterling[1]	N	12/30/1992	12/31/2009	$190,033.20	N
Shearman and Sterling[2]		9/5/2003	12/31/2009	$25,475.20	
Nixon Peabody[3]	N	12/20/2001 01/07/2003 07/08/2003 01/28/2004 08/16/2004 12/02/2005 03/01/2006 06/29/2009	12/31/2009	$10,053.69	N
Carter Ledyard & Milburn[4]	N	12/15/2004 03/28/2007	3/31/2010	$2,013,138.74	N
Skadden, Arps, Slate[4]	N	6/26/2006	3/31/2010	$2,619,255.97	N
Katten Muchin Rosenman, LLP[4]	N	12/21/2007	12/31/2009	$17,800.40	N
Carterl Ledyard and Milburn[4]	N	6/8/2008	12/31/2014	$7,993.09	N
Manatt Phelps & Phillips[4]	N	3/14/2008	6/30/2009	$42,641.82	N
Law Offices of Eunice Jackson[5]	Y	4/24/2006	12/31/2010	$17,189.40	Y

Total MWBE Participation:

Year	Total Fees Paid	Total Fees Paid to MWBE Firms	# of MWBE Firms Utilized (Empaneled & Non-empaneled)	% of Total Fees Paid to MWBE Firms
2009	$4,943,581.51	$17,189.40	1	0.35%

* Payments made relating to pending matters.

Empire State Development Corporation
Legal Services
Calendar Year 2009

Area of Practice: Environmental

Request for Proposal:

Date RFP Issued:	February 2004
Date Firms Selected:	August 2004
RFP Cycle:	4 years

Empaneled Firm	MWBE Firm Y/N	Date Engaged	Date of Contract Expiration	2009 Total Fees Paid	Non-empaneled MWBE Firm Participation Y/N and #
Nixon Peabody LLP	N	10/28/2006 12/04/2008	12/31/2010	$3,600.00	N
Sive Paget	N	8/31/2004	3/31/2010	$30,074.28	N
Sive Paget	N	12/31/2005	3/31/2010	$54,566.76	N
Bryan Cave	N	6/7/2006	3/31/2010	$1,344,201.51	N
Sive Paget	N	10/2/2006	8/19/2009	$266,535.57	N
Sive Paget	N	7/27/2008	12/31/2011	$21,370.19	N

Total MWBE Participation:

Year	Total Fees Paid	Total Fees Paid to MWBE Firms	# of MWBE Firms Utilized (Empaneled & Non-empaneled)	% of Total Fees Paid to MWBE Firms
2009	$1,720,348.31	$0.00	0	0.00%

Empire State Development

Empire State Development Corporation
Legal Services
Calendar Year 2009

Area of Practice: Bankruptcy/Workouts

Request for Proposal:

Date RFP Issued:	October 2007[1]	March 2006[2]	
Date Firms Selected:	March 2008[1]	May 2006[2]	
RFP Cycle:	3 years[1]	4 years[2]	

Empaneled Firm	MWBE Firm Y/N	Date Engaged	Date of Contract Expiration	2009 Total Fees Paid	Non-empaneled MWBE Firm Participation Y/N and #
Law Offices of Donald J. Tobias[1]	N	5/29/2008	12/31/2010	$89,692.77	N
Nixon Peabody LLP[2]	N	8/29/2006	5/31/2010	$11,290.82	N
Holland Knight[2]	N	8/8/2006	5/31/2010	$184,106.05	N
Menter Rudin Trivelpiece[2]	N	8/23/2006	5/31/2010	$39,836.50	N

Total MWBE Participation:

Year	Total Fees Paid	Total Fees Paid to MWBE Firms	# of MWBE Firms Utilized (Empaneled & Non-empaneled)	% of Total Fees Paid to MWBE Firms
2009	$324,926.14	$0.00	0	0.00%

Empire State Development Corporation
Legal Services
Calendar Year 2009

Area of Practice: All Other Legal Services

Request for Proposal:

Date RFP Issued:	February 2004[1]	March 1997[2]	May 1999[3]	July 2004[4]	June 2008[5]	May 2007[6]
Date Firms Selected:	August 2004[1]	June 1997[2]	September 1999[3]	September 2004[4]	September 2008[5]	September 2007[6]
RFP Cycle:	4 years[1]	Closed*	Closed*	Closed*	4 years[5]	4 years[6]

Empaneled Firm	MWBE Firm Y/N	Date Engaged	Date of Contract Expiration	2009 Total Fees Paid	Non-empaneled MWBE Firm Participation Y/N and #
Berger & Webb[1]	N	12/13/2005	12/31/2010	$876,659.31	N
Nixon Peabody[2]	N	12/02/2004 04/09/2003 11/04/2002 09/21/2000 03/01/2000 12/15/1997	6/30/2009	$77,441.50	N
Nixon Peabody[3]	N	04/11/2002 11/04/2002	12/31/2009	$126,043.81	N
Carter Ledyard & Milburn[4]	N	11/3/2004	3/31/2010	$9,937.17	N
Ingram Yuzek Gainen[5]	N	5/19/2009	12/31/2012	$34,429.37	N
Phillips Lytle LLP[6]	N	2/18/2008	12/31/2011	$283,361.79	N

Total MWBE Participation:

Year	Total Fees Paid	Total Fees Paid to MWBE Firms	# of MWBE Firms Utilized (Empaneled & Non-empaneled)	% of Total Fees Paid to MWBE Firms
2009	$1,407,872.95	$0.00	0	0.00%

* Payments made relating to pending matters.

NYSHFA, SONYMA, AHC, MBBA, TSFC
Legal Services
Calendar Year 2009

Area of Practice: Bond Counsel

Request for Proposal:

Date RFP Issued:	June 2008
Date Firms Selected:	December 2008
RFP Cycle:	Open - expected to undergo solicitation process in 2011

Empaneled Firm	MWBE Firm Y/N	Date Engaged	Date of Contract Expiration	2009 Total Fees Paid	Non-empaneled MWBE Firm Participation Y/N and #
Harris Beach PLLC (HFA)	N	12/3/2008	12/2/2010	$76,036.00	N
Hawkins, Delafield & Wood LLP (SONYMA)	N	12/3/2008	12/2/2010	$569,748.00	N
Hawkins, Delafield & Wood LLP (HFA)	N	12/3/2008	12/2/2010	$538,417.00	N
Hawkins, Delafield & Wood LLP (TSFC)	N	12/3/2008	12/2/2010	$9,860.00	N
Holland & Knight LLP (HFA)	N	12/3/2008	12/2/2010	$28,023.00	N
K & L Gates LLP (TSFC)	N	8/29/2009	Upon Notice	$38,173.00	N
Mintz, Levin, Cohn, Ferris, Glovsky & Popeo PC (HFA)	N	12/3/2008	12/2/2010	$51,308.00	N
Nixon Peabody, LLP (HFA)	N	12/3/2008	12/2/2010	$124,385.00	N
Orrick, Herrington & Sutcliffe LLP (HFA & MBBA)	N	12/2/2008	12/2/2010	$119,574.00	N

Total MWBE Participation:

Year	Total Fees Paid	Total Fees Paid to MWBE Firms	# of MWBE Firms Utilized (Empaneled & Non-empaneled)	% of Total Fees Paid to MWBE Firms
2009	$1,555,524.00	$0.00	0	0.00%

The New York State Housing Finance Agency, State of New York Mortgage Agency, State of New York Municipal Bond Bank Agency and Tobacco Settlement Financing Corporation (collectively, "Agencies") commenced a Request for Proposals ("RFP") process on June 9, 2008 as the basis of establishing a prequalified list or lists to act as potential bond counsel to one or more of the Agencies seeking detailed information from interested law firms concerning their background, public finance experience, fees and costs, and affirmative action and equal opportunity practices. Responses were due on July 22, 2008. To reach the greatest number of interested law firms, the RFP was posted on the Agencies' website and notices of the RFP were advertised in: the *New York State Contract Reporter*; and *The Bond Buyer* on June 9, 10 and 11, 2008.

In addition, 114 notices of the RFP were individually mailed as follows: 97 notices were mailed to all bond counsel firms listed in the New York State section of the Spring 2008, *Bond Buyers Guide to the Municipal Market Place*. Agency staff also sought to increase participation by minority and women owned firms by soliciting names of eligible firms from local government contacts, MBE/WBE organizations and internet research. As a result of such research 7 notices were sent to minority and women-owned business enterprises bond counsel firms that were compiled and forwarded to the Agencies from Karen Hunter, Upstate Regional Director for the Agencies; 4 notices were sent to MWBE bond counsel firms listed on the website of The National Association of Minority & Women Owned Law Firms ; 4 notices were sent to Minority Owned Business Enterprises listed on the website of the National Minority Law Group; and 2 notices were sent to MWBE bond counsel firms found on

NYSHFA, SONYMA, AHC, MBBA, TSFC
Legal Services
Calendar Year 2009

Area of Practice: Bond Counsel / Carryover from Prior RFP

Request for Proposal:

Date RFP Issued:	May 1999
Dates Firms Selected:	January 2000 (for HFA) and February 2000 (for SONYMA)
RFP Cycle:	Closed*

Empaneled Firm	MWBE Firm Y/N	Date Engaged	Date of Contract Expiration	2009 Total Fees Paid	Non-empaneled MWBE Firm Participation Y/N and #
Harris Beach PLLC (HFA)	N	12/1/2005	12/2/2008	$13,725.00	N
Hawkins, Delafield & Wood LLP (HFA)	N	12/1/2005	12/2/2008	$207,852.00	N
Hawkins, Delafield & Wood LLP (SONYMA)	N	12/1/2005	12/2/2008	$113,683.00	N
Hiscock & Barclay, LLP (HFA)	N	12/1/2005	11/30/2008	$111,336.00	N
Holland & Knight LLP (HFA)	N	12/1/2005	12/2/2008	$2,950.00	N
Mintz, Levin, Cohn, Ferris, Glovsky & Popeo PC (HFA)	N	12/1/2005	12/2/2008	$153,304.00	N
Orrick, Herrington & Sutcliffe LLP (HFA)	N	12/1/2005	12/2/2008	$36,372.00	N
Winston & Strawn LLP (HFA)	N	12/1/2005	2/28/2009	$2,438.00	N

Total MWBE Participation:

Year	Total Fees Paid	Total Fees Paid to MWBE Firms	# of MWBE Firms Utilized (Empaneled & Non-empaneled)	% of Total Fees Paid to MWBE Firms
2009	$641,660.00	$0.00	0	0.00%

* Payments made relating to pending matters.

NYSHFA, SONYMA, AHC, MBBA, TSFC
Legal Services
Calendar Year 2009

Area of Practice: Insurance Matters

Request for Proposal:

Date RFP Issued:	May 2006
Date Firms Selected:	October 2006
RFP Cycle:	Open - expected to undergo solicitation process in 2011

Empaneled Firm	MWBE Firm Y/N	Date Engaged	Date of Contract Expiration	2009 Total Fees Paid	Non-empaneled MWBE Firm Participation Y/N and #
Anderson, Kill & Olick, P.C.	N	11/1/2006	Upon Notice	$11,056.00	N

Total MWBE Participation:

Year	Total Fees Paid	Total Fees Paid to MWBE Firms	# of MWBE Firms Utilized (Empaneled & Non-empaneled)	% of Total Fees Paid to MWBE Firms
2009	$11,056.00	$0.00	0	0.00%

NYSHFA, SONYMA, AHC, MBBA, TSFC
Legal Services
Calendar Year 2009

Area of Practice: Real Estate/Bankruptcy

Request for Proposal:

Date RFP Issued:	May 2006
Date Firms Selected:	October 2006
RFP Cycle:	Open - expected to undergo solicitation process in 2011

Empaneled Firm	MWBE Firm Y/N	Date Engaged	Date of Contract Expiration	2009 Total Fees Paid	Non-empaneled MWBE Firm Participation Y/N and #
Boylan, Brown,Code,Vigdor & Wislon LLP	N	2/1/2008	Upon Notice	$13,436.00	N

Total MWBE Participation:

Year	Total Fees Paid	Total Fees Paid to MWBE Firms	# of MWBE Firms Utilized (Empaneled & Non-empaneled)	% of Total Fees Paid to MWBE Firms
2009	$13,436.00	$0.00	0	0.00%

NYSHFA, SONYMA, AHC, MBBA, TSFC
Legal Services
Calendar Year 2009

Area of Practice: Labor and Employment Law

Request for Proposal:

Date RFP Issued:	May 2006
Date Firms Selected:	October 2006
RFP Cycle:	Open - expected to undergo solicitation process in 2011

Empaneled Firm	MWBE Firm Y/N	Date Engaged	Date of Contract Expiration	2009 Total Fees Paid	Non-empaneled MWBE Firm Participation Y/N and #
Hitsman, Hoffman, & O'Reilly LLC	N	11/1/2006	Upon Notice	$87,042.00	N

Total MWBE Participation:

Year	Total Fees Paid	Total Fees Paid to MWBE Firms	# of MWBE Firms Utilized (Empaneled & Non-empaneled)	% of Total Fees Paid to MWBE Firms
2009	$87,042.00	$0.00	0	0.00%

NYSHFA, SONYMA, AHC, MBBA, TSFC
Legal Services
Calendar Year 2009

Area of Practice: Fair Housing

Request for Proposal:

Date RFP Issued:	May 2006
Date Firms Selected:	October 2006
RFP Cycle:	Open - expected to undergo solicitation process in 2011

Empaneled Firm	MWBE Firm Y/N	Date Engaged	Date of Contract Expiration	2009 Total Fees Paid	Non-empaneled MWBE Firm Participation Y/N and #
Nixon Peabody LLP	N	11/1/2006	Upon Notice	$8,415.00	N

Total MWBE Participation:

Year	Total Fees Paid	Total Fees Paid to MWBE Firms	# of MWBE Firms Utilized (Empaneled & Non-empaneled)	% of Total Fees Paid to MWBE Firms
2009	$8,415.00	$0.00	0	0.00%

Local Government Assistance Corporation
Legal Services
Calendar Year 2009

Area of Practice: Bond Counsel

Request for Proposal:

Date RFP Issued:	June 2004
Date Firms Selected:	June 2005
RFP Cycle:	5 years

Empaneled Firm	MWBE Firm Y/N	Date Engaged	Date of Contract Expiration	2009 Total Fees Paid	Non-empaneled MWBE Firm Participation Y/N and #
Orrick Herrington & Sutcliffe-Primary	N	6/27/2005	6/30/2010	$244,956.00	N
Hawkins Delafield & Wood-Secondary	N	6/27/2005	6/30/2010	0	N

Total MWBE Participation:

Year	Total Fees Paid	Total Fees Paid to MWBE Firms	# of MWBE Firms Utilized (Empaneled & Non-empaneled)	% of Total Fees Paid to MWBE Firms
2009	$244,956.00	$0.00	0	0.00%

Staff of LGAC requested names of MWBE firms from OSC's Affirmative Action Officer and spoke with Counsel at other agencies to see if they were aware of MWBE firms that performed bond counsel work. At the time we had trouble identifying MWBE bond counsel firms. The RFP was sent to 26 firms including all MWBEs identified to us. Only 6 firms submitted proposals and none of them were MWBEs.

New York State Thruway Authority
Legal Services
Calendar Year 2009

Area of Practice: Special Bond Counsel and General Bond Counsel

Request for Proposal:

	Special	General	
Date RFP Issued:	September 2004	July 2005	
Date Firms Selected:	January 2005	January 2006	
RFP Cycle:	5 years		

Empaneled Firm	MWBE Firm Y/N	Date Engaged	Date of Contract Expiration	2009 Total Fees Paid	Non-empaneled MWBE Firm Participation Y/N and #
Special:					
Harris Beach PLLC	N	1/1/2005	12/31/2009	$80,000.00	N
Hawkins Delafield & Wood	N	1/1/2005	12/31/2009	$90,000.00	N
Nixon Peabody	N	1/1/2005	12/31/2009	$149,756.54	N
General:					
Hawkins Delafield & Wood	N	1/1/2006	12/31/2010	$138,523.97	N

Total MWBE Participation:

Year	Total Fees Paid	Total Fees Paid to MWBE Firms	# of MWBE Firms Utilized (Empaneled & Non-empaneled)	% of Total Fees Paid to MWBE Firms
2009	$458,280.51	$0.00	0	0.00%

In May 2009 the Thruway Authority issued an RFP for Special Bond Counsel Services in accordance with the EO10 Task Force Recommendations Regarding Best Practices for Procurements in legal services for a contract term commencing January 1, 2010.

New York State Thruway Authority
Legal Services
Calendar Year 2009

Area of Practice: Environmental

Request for Proposal:

Date RFP Issued:	June 2006
Date Firms Selected:	February 2007
RFP Cycle:	5 years

Empaneled Firm	MWBE Firm Y/N	Date Engaged	Date of Contract Expiration	2009 Total Fees Paid	Non-empaneled MWBE Firm Participation Y/N and #
Bond Schoeneck & King PLLC	N	2/28/2007	2/27/2012	$52,788.62	N
Harris Beach PLLC	N	2/28/2007	2/27/2012	$0.00	N
Sive Paget & Riesel	N	2/28/2007	2/27/2012	$0.00	N
Whiteman Osterman & Hanna	N	2/28/2007	2/27/2012	$15,884.04	N

Total MWBE Participation:

Year	Total Fees Paid	Total Fees Paid to MWBE Firms	# of MWBE Firms Utilized (Empaneled & Non-empaneled)	% of Total Fees Paid to MWBE Firms
2009	$68,672.66	$0.00	0	0.00%

New York State Thruway Authority
Legal Services
Calendar Year 2009

Area of Practice: All Other Legal Services

Request for Proposal:

Date RFP Issued:	July 2006
Date Firms Selected:	April 2007
RFP Cycle:	5 years

Empaneled Firm	MWBE Firm Y/N	Date Engaged	Date of Contract Expiration	2009 Total Fees Paid	Non-empaneled MWBE Firm Participation Y/N and #
Bond Schoeneck & King PLLC	N	4/25/2007	4/24/2012	$25,190.03	N
Damon & Morey	N	4/25/2007	4/24/2012	$0.00	N
Harris Beach PLLC	N	4/25/2007	4/24/2012	$0.00	N
Hawkins Delafield & Wood	N	4/25/2007	4/24/2012	$0.00	N
Holland & Knight	N	4/25/2007	4/24/2012	$109,788.95	N
Whiteman Osterman & Hanna	N	4/25/2007	4/24/2012	$46,218.36	N

Total MWBE Participation:

Year	Total Fees Paid	Total Fees Paid to MWBE Firms	# of MWBE Firms Utilized (Empaneled & Non-empaneled)	% of Total Fees Paid to MWBE Firms
2009	$181,197.34	$0.00	0	0.00%

AN ACT to amend the executive law, state finance law and public authorities law in relation to expanding opportunities and increasing competition and diversity in procurements by the State and its public authorities.

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section1. Subdivisions 5, 6, 7, 8, 9, 10, 11, 12, 13, 14 and 15 of section 310 of the Executive Law are renumbered to be subdivisions 7, 8, 9, 10, 11, 12, 13, 14, 15, 16 and 17 respectively, and new subdivisions 5 and 6 are added to read as follows:

5. "Diversity Practices" means the contractor's practices and policies with respect to: (i) appointing, hiring and retaining minority group members (as defined in this article 15-A) and women in senior management positions of the contractor, including at the level of board of directors or its comparable management level body, and as senior executive officers within the contractor's organization; (ii) hiring, training developing, promoting and retaining minority and woman employees; (iii) utilizing certified minority and women-owned business enterprises, as defined in this article fifteen-A or any other statutes or regulations governing the participation of certified minority and women-owned business enterprises in contracts awarded by a state agency or other public corporation, as subcontractors and suppliers; (iv) entering into partnerships, joint ventures or other similar arrangements with certified minority and women-owned business enterprises as defined in this article fifteen-A or other applicable statute or regulation governing an entity's utilization of minority or women-owned business enterprises; and (v) utilizing subcontractors or partners other than minority or women-

owned business enterprises as defined in this article fifteen-A that demonstrate a significant commitment to and progress in attracting, retaining and promoting diverse personnel.

6. "Lessee" shall mean an individual, a business enterprise, including a sole proprietorship, a partnership, a corporation, a not-for-profit corporation, or any other party to a lease with a state agency as defined in subparagraph (11) herein, or a respondent in conjunction with the award of such a lease or a proposed lessee with a state agency as defined in subparagraph (11) herein.

§2. Section 313 of the executive law, as amended by chapter 628 of the laws of 2003, is hereby amended by adding a new subdivision 2-a to read as follows:

2-a Solely for the purpose of providing the opportunity for meaningful participation by certified businesses in the performance of state contracts as provided in this section , state contracts shall include leases of real property by a state agency to a lessee where: (i) the terms of such leases provide for the construction, demolition, replacement, major repair or renovation of real property and improvements thereon by such lessee; and (ii) the cost of such construction, demolition, replacement, major repair or renovation of real property and improvements thereon shall exceed the sum of one-hundred thousand dollars. Reports to the director pursuant to section three hundred fifteen of this title shall include activities with respect to all such state contracts.

§3. Article 15-A of the Executive Law, as amended by chapter 628 of the laws of 2003, is hereby amended to add a new section 313-a to read as follows:

§313-a Diversity Practices of State Contractors.

The director shall promulgate rules and regulations setting forth measures and procedures to require all contracting agencies, where practicable, feasible and

appropriate, to assess the diversity practices of contractors submitting bids or proposals in connection with the award of a state contract. Such rules and regulations shall take into account: the nature of the labor, services, supplies, equipment or materials being procured by the state agency; the method of procurement required to be used by a state agency to award the contract; the contractor's utilization of, and adherence to, affirmative action and equal opportunity programs and minority and woman owned business utilization plans required to be submitted pursuant to sections 312 and 313 of this chapter; and such other factors as the director deems appropriate or necessary to promote the award of state contracts to contractors having sound diversity practices. The director shall develop the rules and regulations required hereunder only after consultation with the state procurement council established by section 161 of the state finance law.

§4. Section 315 of the executive law, as amended by chapter 628 of the laws of 2003, is amended by amending subdivision 3 and adding a new subdivision 4 to read as follows:

(3) Each contracting agency shall report to the director with respect to activities undertaken to promote employment of minority group members and women and promote and increase participation by certified businesses with respect to state contracts and subcontracts. Such reports shall be submitted periodically, but not less frequently than annually, as required by the director, and shall include such information as is necessary for the director to determine whether the contracting agency and contractor have complied with the purposes of this article, including, without limitation, a summary of all waivers of the requirements of subdivisions five and six of section 313 of the executive law allowed by the contracting agency during the period covered by the report, including

a description of the basis of the waiver request and the rationale for granting any such waiver.

(4) The division of minority and women business development shall issue an annual report which: (a) summarizes the report submitted by each contracting agency pursuant to subdivision three of this section; and, (b) contains such comparative or other information as the director deems appropriate to evaluate the effectiveness of the activities undertaken by each such contracting agency to promote increased participation by certified minority or women-owned businesses with respect to state contracts and subcontracts; (c) contains a summary of all waivers of the requirements of subdivisions five and six of section 313 of the executive law allowed by each contracting agency during the period covered by the report, including a description of the basis of the waiver request and the contracting agency's rationale for granting any such waiver; and (d) contains a summary of (i) all determinations of violations of this article by a contractor or a contracting agency made during the period covered by the annual report pursuant to section 316 of this chapter and (ii) the penalties or sanctions, if any, assessed in connection with such determinations and the rationale for such penalties or sanctions. Copies of the annual report shall be provided to the commissioner, governor, the comptroller of the state of new York, the temporary president of the senate, the speaker of the assembly, the minority leader of the senate, the minority leader of the assembly and shall also be made widely available to the public via, among other things, publication on a website maintained by the division for such purpose.

§ 5. Section 316 of the executive law, as amended by chapter 628 of the laws of 2003, is amended to read as follows:

Upon receipt by the director of a complaint by a contracting agency that a contractor has violated the provisions of a state contract which have been included to comply with the provisions of this article or of a contractor that a contracting agency has violated such provisions or has failed or refused to issue a waiver where one has been applied for pursuant to subdivision five of section three hundred thirteen of this article or has denied such application, the director shall attempt to resolve the matter giving rise to such complaint. If efforts to resolve such matter to the satisfaction of all parties are unsuccessful, the director shall refer the matter, within thirty days of the receipt of the complaint, to the American Arbitration Association for proceeding thereon. Upon conclusion of the arbitration proceedings, the arbitrator shall submit to the director his or her award regarding the alleged violation of the contract and recommendations regarding the imposition of sanctions, fines or penalties. The director shall either: (a) adopt the recommendation of the arbitrator; or (b) determine that no sanctions, fines or penalties should be imposed; or (c) modify the recommendation of the arbitrator, provided that such modification shall not expand upon any sanction recommended or impose any new sanction, or increase the amount of any recommended fine or penalty. The director, within ten days of receipt of the arbitrator's award and recommendations, shall file a determination of such matter and shall cause a copy of such determination along with a copy of this article to be served upon the respondent by personal service or by certified mail return receipt requested. The award of the arbitrator shall be final and may only be vacated or modified as provided in article seventy-five of the civil practice law and rules upon an application made within the time provided by section seventy-five hundred eleven of the civil practice law and rules. The determination of the director as to the imposition of any fines, sanctions, penalties shall be reviewable pursuant to article

seventy-eight of the civil practice law and rules. The penalties imposed for any violation which is premised upon either a fraudulent or intentional representation by the contractor or the contractor's willful and intentional disregard of the minority and woman owned participation requirements included in the contract may include a determination that the contractor shall be ineligible to submit a bid to any contracting agency or be awarded any such contract for a period not to exceed one year following the final determination; provided however, if a contractor has previously been determined to be ineligible to submit a bid pursuant to this section, the penalties imposed for any subsequent violation, if such violation occurs within five years of the first violation, may include a determination that the contractor shall be ineligible to submit a bid to any contracting agency or be awarded any such contract for a period not to exceed five years following the final determination. The division shall maintain a website listing all contractors that have been deemed ineligible to submit a bid pursuant to this section and the date after which each contractor shall once again become eligible to submit bids.

§ 6. The executive law is amended by adding a new section 316-a to read as follows:

Every contracting agency shall include a provision in its state contracts expressly providing that any contractor who willfully and intentionally fails to comply with the minority and woman owned participation requirements of this article as set forth in such state contract shall be liable to the contracting agency for liquidated or other appropriate damages or shall provide for other appropriate remedies on account of such breach. A contracting agency that elects to proceed against a contractor for breach of contract as provided in this section shall be precluded from seeking enforcement pursuant to section three hundred sixteen of this article; provided however, that the contracting agency shall

include a summary of all enforcement actions undertaken pursuant to this section in its annual report submitted pursuant to subdivision three of section three hundred fifteen of this chapter.

§ 7. Subdivision 2 of section 2825 of the public authorities law is amended to read as follows:

2. Except for members who serve as members by virtue of holding a civil office of the state, the majority of the remaining members of the governing body of every state or local authority shall be independent members; provided, however, that this provision shall apply to appointments made on or after the effective date of the chapter of the laws of two thousand five which added this subdivision. The official or officials having the authority to appoint or remove such remaining members shall take such actions as may be necessary to satisfy this requirement and further, shall consider the prospective diversity of the board when making their determinations to appoint any member.

§ 8. Subparagraph (i) of paragraph (b) of subdivision (3) of section 2879 of the public authorities law, as amended by chapter 383 of the laws of 2000, is hereby amended to read as follows:

(i) for the selection of such contractors on a competitive basis, and provisions relating to the circumstances under which the board may by resolution waive competition, including, notwithstanding any other provision of law requiring competition, the purchase of goods or services from small business concerns or those certified as minority or women-owned business enterprises, or goods or technology that are recycled or remanufactured, in an amount not to exceed two hundred thousand dollars without a formal competitive process;

§9 Subdivision 6 of section one hundred sixty-three of the state finance law, as

amended by Chapter 56 of the laws of 2006, is amended as follows:

6. Discretionary buying thresholds. Pursuant to guidelines established by the state procurement council: [the commissioner may purchase services and commodities in an amount not exceeding eighty-five thousand dollars without a formal competitive process;] state agencies may purchase services and commodities in an amount not exceeding [fifty] one hundred thousand dollars without a formal competitive process; and state agencies may purchase commodities or services from small business concerns or those certified pursuant to article fifteen-A of the executive law, or commodities or technology that are recycled or remanufactured, in an amount not exceeding [one] two hundred thousand dollars without a formal competitive process. Such discretionary purchases shall be subject to appropriate written internal controls established or to be established by each state agency.

§10. Paragraphs (f) through (k) of subdivision (3) of section 2879 of the Public authorities law are renumbered paragraphs (l), (m), (n), (o), (p), and (q), respectively, and is amended by adding a new paragraphs (f), (g), (h), (i), (j) and (k) to read as follows:

(f) Requirements for the designation of one or more senior staff of the corporation to oversee the corporation's programs established to promote and assist: (i) participation by certified minority or women-owned business enterprises in the corporation's procurement opportunities and facilitation of the award of a fair share of procurement contracts to such enterprises; (ii) the utilization of certified minority and women-owned business enterprises as subcontractors and suppliers by entities having procurement contracts with the corporation; and (iii) the utilization of partnerships, joint ventures or other similar arrangements between certified minority and women-owned business enterprises and other entities having procurement contracts with the corporation.

Such staff shall be familiar with the procurement of the types of construction, financial, legal or professional services utilized by the corporation, report directly to the corporation's executive director, president or chief executive officer and either directly or through their designees participate in the procurement process.

(g) Requirements for providing notice, in addition to any other notice of procurement opportunities required by law, to professional and other organizations that serve minority and women-owned business enterprises providing the types of services procured by the corporation.

(h) Procedures for maintaining lists of qualified certified minority and women-owned business enterprises, including professional firms that have expressed an interest in doing business with the corporation and ensuring that such lists are updated regularly. The corporation shall also consult the lists of certified minority and women-owned business enterprises maintained by the department of economic development pursuant to article fifteen-A of the executive law.

(i) The establishment of appropriate goals for participation by minority or women-owned business enterprises in procurement contracts awarded by the corporation and for the utilization of minority and woman enterprises as subcontractors and suppliers by entities having procurement contracts with the corporation.

(j) Requirements to conduct procurements in a manner that will enable the corporation to achieve the goals established pursuant to subparagraph (i) of this subdivision and that eliminates barriers to participation by minority and women-owned business enterprises in the corporation's procurements.

(k) Requirements that the evaluation criteria for awarding any procurement contract (other than contracts required by law to be awarded to the lowest responsible

bidder pursuant to sealed bids) include an assessment of the proposer's diversity practices to the extent practicable, feasible and appropriate. For purposes of this subparagraph, "diversity practices" shall mean the proposer's practices with respect to: (i) appointing, hiring and retaining minority group members (as defined in article fifteen-A of the executive law) and women in senior management positions of the offerer, including at the level of board of directors or its comparable management level body, and as senior executive officers within the offerer's organization; (ii) hiring, training developing, promoting and retaining minority and woman employees; (iii) utilizing minority and women-owned business enterprises as subcontractors and suppliers; (iv) entering into partnership, joint ventures or other similar arrangements with minority and women-owned business enterprises; and (v) utilizing contractors or partners other than minority or women-owned business enterprises as defined in article fifteen-A of the executive law that demonstrate a significant commitment to and progress in attracting, retaining and promoting diverse personnel. In the case of contracts required by law to be awarded to the lowest responsible bidder pursuant to sealed bids, any determination of responsibility shall take into account the low bidder's record of compliance under article 15-a of the executive law or other applicable statutes or regulations governing the participation of minority and women-owned business enterprises in contracts awarded by a state agency or other public corporation.

§ 11. Subdivision (6) of section 2879 of the public authorities law is amended to read as follows:

6. Each corporation, as part of the guidelines established pursuant to subdivision three of this section, shall establish policies regarding the preparation of publicly available reports on procurement contracts entered into by such corporation. Such

policies shall provide, at the minimum, for the preparation of a report no less frequently than annually, summarizing procurement activity by such corporation for the period of the report, including a listing of all procurement contracts entered into, all contracts entered with new york state business enterprises and the subject matter and value thereof, all contracts entered into with certified minority or women-owned business enterprises and the subject matter and value thereof, all referrals made and all penalties imposed pursuant to section 316 of the executive law, all contracts entered into with foreign business enterprises, and the subject matter and value thereof, the selection process used to select the contractors, all procurement contracts which were exempt from the publication requirements of article four-C of the economic development law, the basis for any such exemption and the status of existing procurement contracts.

§12. This act shall take effect ninety days after it becomes law; provided however, that the director shall be authorized to commence the rulemaking process required pursuant to section 3 of this bill immediately upon the enactment of this bill; provided further, that the amendments to article 15-A of the executive law made by sections 1, 2, 3, 4, 5 and 6 of this act shall not affect the expiration of such article and shall be deemed to expire therewith.

DRAFT

Governor David A. Paterson's E.O. 10 MWBE Task Force presents:

"Supporting Diversity in Government Contracting of Financial Services: Challenges and Opportunities"

Thursday, April 30, 2009

The New York County Lawyers' Association
14 Vesey Street
New York, NY 10007

Program Agenda

Pre-Panel Networking 12:00 – 12:30 PM (The Lounge)

Welcome 12:30 – 12:40 PM (The Auditorium)

Taffi Woolward Director, Opportunity Programs Group
Financial & Professional Services Diversity Programs
Dormitory Authority –State of New York

Paul T. Williams, Jr. Task Force Chairman and
Executive Director, Dormitory Authority – State of New York

Opening Remarks 12:40 – 12:50 PM

Michael H. Jones-Bey Executive Director, Division of Minority & Women's Business Development
Empire State Development Corporation

Panel 1 – Accounting Services 12:50 – 1:35 PM

Moderator: **Richard Levychin, CPA,** Managing Partner – KBL, LLP

Speakers

- **Frederick E. Davis, Jr., CPA, Esq.,** Partner – Mitchell and Titus, LLP
- **Lorna L. Stark**, Partner – KPMG
- **Peter A. Aqunio, CPA**, Managing Partner – Torres Llompart, Sánchez Ruiz, LLP
- **John G. Pasicznyk**, Chief Financial Officer – Dormitory Authority – State of New York

Stretch Break 1:35 – 1:45 PM

Panel 2 – Banks, Trusts and Money Market Funds 1:45 – 2:30 PM

Moderator: **John G. Pasicznyk**, Chief Financial Officer – Dormitory Authority – State of New York

Speakers

- **Stanley M. Weeks**, Executive Vice President – City National Bank of New Jersey
- **Dail St. Claire**, President – Williams Capital Management Trust
- **Robert M. Godley**, Treasurer – Empire State Development Corporation
- **Debra A. Baker**, Chief Administrative Officer – The Bank of New York Mellon Global Corporate Trust
- **Penny Zuckerwise**, Chief Executive Officer – Utendahl Capital Management
- **Genevieve M. D'Agostino**, Treasurer – Housing Finance Agency/SONYMA

Stretch Break 2:30 – 2:40 PM

Panel 3 – Financial & Swap Advisors 2:40 – 3:25 PM

Moderator: **Portia Lee**, Managing Director of Public Finance and Portfolio Monitoring
Dormitory Authority – State of New York

Speakers

- **Michael E. Jones**, Principal – Phoenix Capital Partners
- **Nancy E. Winkler,** Managing Director – The PFM Group
- **George H. Butcher III**, Managing Director – ButcherMark Financial Advisors
- **Peter Shapiro,** Managing Director – Swap Financial Group
- **Seema Mohanty**, Chief Executive Officer – Mohanty and Associates
- **James T. Gebhardt, CFA,** Chief Financial Officer – Environmental Facilities Corporation

Stretch Break 3:25 – 3:35 PM

Panel 4 – Broker Dealers 3:35 – 4:20 PM

Moderator: **Reginald U. Scantlebury**, Senior Vice President – Jackson Securities, LLC
National Association of Securities Professionals, Board of Directors

Speakers

- **John M. Bryan**, CFO and Treasurer – New York State Thruway Authority
- **Catherine Lapadula**, Managing Director – UBS International NY Branch Manager
- **J. Donald Rice, Jr.**, President and Chief Executive Officer – Rice Financial Products Company
- **Sheila Stamps**, Director of Fixed Income– Office of the State Comptroller

Networking Reception 4:30 – 6:00 PM
(The Lounge)

Financial Services Forum
April 30, 2009 - 226 Attendees

Private Sector

A.C. Advisory Inc.
Acacia Financial Group, Inc.
Alliance Bernstein
Andrew Kalotay Associates
Arden Asset Management
Arent Fox LLP
Ariel Investments
Asian Financial Society
ASK Capital
AW Financial Consulting Series
Backstrom McCarley Berry & Co., LLC
Bank of New York Mellon Global Corporate Trust
Basis Investment Group
Bert Smith & Co
Beyondbond, Inc.
Blaylock Robert Van
ButcherMark Financial Advisors LLC
C.L. King & Associates
Cabrera Capital Markets
Capital Prospects LLC
Carrington Strategic Advisors, LLC
Castleoak Securities
CDR Financial
Citi Group
Citi Smith Barney
City National Bank
Clancy Financial Services, Inc.
Condata Group, Inc.
Crystal McKenzie, Inc.
Dalmore Group
Daruma Asset Management
Deutsche Bank
Devon Consulting, Ltd.
Direct Access Partners
EG Bowman
Emax Financial & Real Estate Advisory Services, LLC
Environmental Capital
Ernst &Young LLP
Fordworks Associates
Gardner Underwood & Bacon LLC
Grigsby & Associates
HBSC Bank USA
Holland Capital Management, LLC
Hughes Capital Management, INC.
ICV Capital Partners, LLC
Jackson Securities, LLC
JP West
KBL, LLP
Key Bank
KHC
Koried LLC
KPMG
Lamont Financial Services Corp
Lebenthal & Co.
Les S. Thompson & Co., LLC
Loop Capital
Lynmar Capital Inc
M.R. Beal & Company
MAGNA Securities Corp
Merrill Lynch
Mesirow Financial
MFR Securities, Inc.
Mitchell and Titus, LLP
Mohanty & Associates
Multitrade Securities, LLC
Muriel Siebert & Co, Inc.
New Amsterdam Partners, LLC
Nixon Peabody
Nomura Securities International, Inc.
NW Financial Group
Paeralta Garcia Solutions LLC
Paragon Management
Personalized Accounting Total Services, INC.
PFM
Polygon/Kabrik Trading
Prager, Sealy
Progress Investment Management Company, LLC
Public Resources Advisory Group, Inc.
Reid Financial Services
Rice Financial Products Company
Samuel A. Ramirez & Co.
Sandgrain SEC
Scott Balice Strategies
Siebert Branford Shank & Co., LLC
Spectrum Personal Communications
State and Broadway, Inc.
Sturdivant & Co.
Swap Financial Group
TBCA Watson Rice LLP
The Bank of New York Mellon
The Execu/Search Group
The PFM Group
Torres Llompart, Sánchez Ruiz, LLP
Toussaint Capital Partners LLC
U.S. Bank
UBS International, Inc.
Uniworld Capital
Utendahl Capital Management
Vintage Fund Management
Wei, Wei & Co., LLP
Westrock Capital Management, Inc.
Whitestone Capital
Williams Capital Management Trust

Public Sector

African American Chamber of Commerce of Westchester and Rockland Counties, Inc.
Battery Park City Authority
Council of Urban Professionals
Dormitory Authority – State of New York
Empire State Development
Environmental Facilities Corporation Corporation
Housing Finance Agency/SONYMA
National Association of Securities Professionals
New York Power Authority
New York State Insurance Fund
New York State Senate
New York State Thruway Authority & Canal Corporation
Office of Strategic Planning
Office of the State Comptroller
One Hundred Black Men
U.S. Department of Commerce
U.S. Hispanic Chamber of Commerce
Urban Financial Services Coalition – NY
Wall Street Project

Executive Order No. 10 Task Force

INCREASING THE UTILIZATION OF MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISES (MWBE) IN STATE DEBT OFFERINGS

Recommendations Regarding Best Practices in Financial Services:

Accounting Services
Banking
Broker-Dealers
Certificate of Deposit and Money Market Fund Investments
Financial Advisory and Swap Advisory Services
Risk Management and Insurance Brokerage Services

November 23, 2009

Paul T. Williams, Jr.
Chair, Task Force
Executive Director, Dormitory Authority

Members:

Charlotte Hitchcock, Chief of Staff and Director of Financial Regulations, Governor's Office
Dennis Mullen, President and Chief Executive Officer, Empire State Development Corporation
Matthew Millea, Acting President, Environmental Facilities Corporation
Priscilla Almodovar, President and Chief Executive Officer, Housing Finance Agency/SONYMA
Michael Fleischer, Esq., Executive Director, Thruway Authority
Dr. Celia Gonzalez, Deputy Comptroller, Division of Diversity Programs, Office of the New York State Comptroller

Overview

In June 2008, Governor Paterson signed Executive Order No. 10 which established a Task Force to increase the utilization of Minority and Women-Owned Business Enterprise ("MWBE") underwriters in State debt offerings ("Task Force"). The Task Force was charged with making recommendations with regard to the development and issuance of new solicitations for underwriting services as well as underwriting performance measures to evaluate all investment banks. The Task Force issued its *Underwriter Recommendations* on October 30, 2008.

Upon completion of the process in relation to underwriters, the Task Force next turned its attention to increasing the utilization of MWBE law firms that serve as legal counsel to the issuers of State-supported debt and other public authorities, a majority of whose members are appointed by the Governor (collectively referred to as "State Public Authorities"). Accordingly, the Task Force was charged with developing a set of Recommendations for Best Practices ("Best Practices") to be utilized in the Request for Proposals ("RFP") process in an attempt to remove any barriers to participation by qualified MWBE law firms and to utilize other law firms that have sound diversity practices and programs and that provide meaningful opportunities for the advancement of minority and women attorneys. The Task Force issued its *Recommendations Regarding Best Practices in Procurements for Legal Services* on May 11, 2009.

The Task Force next turned its attention to increasing the utilization of MWBE firms that provide financial services to the issuers of State-supported debt and other public authorities, a majority of whose members are appointed by the Governor (collectively referred to as "State Public Authorities"). The specific financial services examined were, as follows: accounting, financial advisor, swap advisor, broker-dealers, banks and money market funds and additionally, risk management and insurance brokerage services. Accordingly, the Task Force developed a set of Recommendations for Best Practices ("Best Practices") to be utilized in the Request for Proposals ("RFP") process, or other qualification process (i.e. provisions included in State Public Authority Investment Guidelines), in an attempt to remove any barriers to participation by qualified MWBE firms and to utilize other firms that have sound diversity practices and programs and that provide meaningful opportunities for the advancement of minority and women financial service professionals.

These Best Practices seek to promote the utilization of firms that have demonstrated a history of hiring, training, developing, promoting and retaining minority and women financial service professionals and advocate an aspirational goal for participation of MWBE firms by State Public Authorities. Such firms will be expected to demonstrate their commitment to diversity by assigning minority and women staff to work on transactions for State Public Authorities and by training such staff to assume greater responsibility on these matters.

Furthermore, it is incumbent on State Public Authorities to ensure that the RFPs, or other notices of opportunities and qualifications, are widely distributed and made available to as many MWBE firms and other qualified firms as possible. The Best Practices recommend, *inter alia*, that the State Public Authority develop a bidder's mailing list that includes qualified MWBE firms and engage in direct solicitation of MWBE firms from that list. The State Public Authority should also reach out to appropriate professional organizations that serve the respective women and minority financial services firms so that members of these organizations are apprised of the availability/issuance of the RFP, or other notices of opportunities and qualifications. These Best Practices also recommend that each State Public Authority solicit information intended to assess the effectiveness of each firm's diversity practices and programs, as well as the firm's track record regarding the hiring and promotion of minorities and women staff. To the extent possible, services should be unbundled into separate RFP's, or other opportunities and qualifications, so as to provide the greatest number of opportunities to the greatest number of firms.

The Task Force believes that State Public Authorities will receive an enhanced quality of financial services from firms that have a diverse workforce. Firms with a diverse workforce are more likely to have the best talent and spark innovation.[1] Moreover, the retention of financial services firms with a demonstrated commitment to women and minority professionals is consistent with the spirit and intent of Article 15-A of the New York State Executive Law.

It bears noting, however, that the availability of women and minority financial services firms may vary based upon the industry. For example, there is a limited number of minority or women owned banks and money market funds, and no minority or women owned trustee banks. To encourage development of firms, the State Public Authorities should provide periodic forums, such as the panel discussion held on April 30, 2009 entitled ***"Supporting Diversity in Government Contracting of Financial Services: Challenges and Opportunities"***, to increase opportunities to develop relationships and exposure to new firms and to increase the awareness of firms in state procurement processes.

Executive Order No. 10, by its terms, applies to State Public Authorities. The Task Force, however, believes these Best Practices should also be utilized by Executive agencies in their procurements for financial services. Therefore, the Task Force encourages Executive agencies to implement, to the fullest extent permitted by law, the principles and recommendations embodied in these Best Practices.

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[1] *See The Business Case for Diversity*, Chicago Lawyer, July 2006, and *Embracing Diversity: Your Business Depends on It,* Texas Bar Journal, November 2005.

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Accounting Services

Selection Process

Public Authorities procure accounting services for a variety of areas, including:

Annual Audit of Basic Financial Statements and Related Reports
Federal Single Audits
Concession Audits
Other Contract or Program Compliance Audits
Internal Control/Internal Audit Assessments
Forensic Audits
Verification Services
Review of third party vendors (i.e. trustee banks)

Accounting services are competitively procured through an RFP process. The RFP is a document that, coupled with an advertisement in the New York State Contract Reporter, initiates a competitive procurement process whereby selection is based upon a set of criteria which typically includes a technical evaluation of the qualifications of the firms and the fees to be charged for the required services. RFPs are commonly issued by State Public Authorities for the procurement of accounting services. RFPs outline the terms and conditions and all applicable information required for submission of a proposal. The selection and award among responsible proposers is based on the evaluation factors set forth in the RFP.

The State Public Authority in each RFP generally sets forth the basis upon which proposals will be evaluated, all of the evaluation factors, including technical merit and price. However, while the RFP contains the general evaluation and selection methodology, the procuring entity may also develop a more detailed evaluation instrument to assist it in objectively evaluating the responses of the proposers against these criteria. The evaluation instrument developed by the State Public Authority may include things such as price, experience, staff availability and ability to perform. It may also include a point system with weighting or ranking of certain criteria.

The purpose of the RFP is to ensure that the State Public Authority engages in a comprehensive/fair solicitation process, a fair evaluation or rating process and an equitable negotiation process. While this process must ensure a level playing field for all accounting firms, including MWBE accounting firms, the ultimate goal is to have access to the best service possible and at the most economic levels.

I. Outreach

The State Public Authority should, prior to issuance of an RFP for accounting services, actively reach out to MWBE accounting firms and other qualified accounting firms that may be able to provide the accounting services required by the State Public Authority. Accounting services should not be narrowly defined and consideration should be given to providing notification to accounting firms of RFP's in related areas, such as information systems and risk assessment services.

A. **Notification of Professional Organizations:** The State Public Authority should provide notice of any RFP for accounting services to appropriate professional organizations that serve women and/or minority accountants so that members of these organizations are apprised of these potential opportunities to work with the State Public Authority and the schedule for issuing the RFP. Such information should also be posted on the State Public Authority web site, including the name and contact information for the Authority contact person. A list of such organizations should be developed.

B. **Consult DED Database:** The State Public Authority should consult the New York State Department of Economic Development's ("DED") database and other sources that maintain information regarding certified MWBE accounting firms in order to provide notice to such firms of any RFP for accounting services.

C. **Maintain Government Database**: Each State Public Authority should maintain a database of MWBE and other accounting firms that have expressed interest in doing business with the State Public Authority to ensure that these accounting firms receive direct notice of any RFP for accounting services issued by the State Public Authority.

D. **Host Ongoing Forums**: The State Public Authorities should provide periodic forums, such as the April 30, 2009 Financial Services Panel Discussion, to increase opportunities to develop relationships and exposure to new firms and to increase the awareness of firms in state procurement processes (see attached Press Release for Financial Services Panel Discussion).

II. The Request for Proposals Process

A. Statement of Intent: Every RFP issued by a State Public Authority for the procurement of accounting services shall include the following Statement of Intent:

"It is a goal of the State Public Authority to utilize qualified accounting firms that have a demonstrated history of hiring, training, developing, promoting and retaining minority and women accountants and to encourage participation by qualified certified MWBE accounting firms, if available."

B. Proof of MWBE Status: Any MWBE accounting firms responding to the RFP seeking MWBE status for purposes of the RFP process must submit proof that the accounting firm is certified as an MWBE with DED, or any other federal, state, or local government or other certifying body such as the National Minority Supplier Development Council ("NMSDC") or Women's Business Enterprise National Council ("WBENC"). If such firm is not certified by DED, it must also demonstrate that it has an application pending before DED.

C. Joint Ventures with MWBE Firms: Accounting opportunities primarily relate to the engagement to perform the annual audit, which tends to be a multi-year engagement due to the significant initial effort required to establish permanent work papers and audit plans and also requires large and intensive staffing levels. As such, the RFP should, where the State Public Authority determines it is appropriate, encourage partnering arrangements among responding accounting firms, thereby giving MWBE accounting firms the opportunity to partner with other accounting firms, if feasible. As such, the Task Force recommends as follows:

1. *Submission of Joint Proposals*: The RFP should, if appropriate, encourage certified MWBE accounting firms and other qualified accounting firms to submit joint proposals in response to the RFP.

2. *Division of Services and Allocation of Fees*: Any such joint proposal must describe the legal relationship between the accounting firms submitting the proposal and demonstrate how the accounting firms propose to provide the accounting services required under the RFP and how the fees will be allocated among the accounting firms. On large engagements, encourage a partnership at all levels of the engagement team. Alternatively, segment firm responsibilities based on readily identifiable service needs and skills. When feasible, in the case of a joint venture, encourage joint signatures on the audit opinion.

3. *Submittal of Forms*: When submitting a joint proposal, all applicable items must be submitted by all accounting firms that are participants in the proposal.

4. *Prior Partnering Arrangements*: Every accounting firm responding to the RFP shall be required to specifically identify those instances, if any, in which the accounting firm has worked with MWBE accounting firms on previous transactions by engaging in joint ventures or other partnering or subcontracting arrangements. Responses should include the nature of the engagement, how such arrangement was structured, and a description of how the services and fees were allocated.

5. *Direct Contracting*: The State Public Authority shall reserve the right to contract directly with each individual accounting firm submitting a joint proposal, when appropriate, and to allocate work in a manner that ensures that partnered MWBE accounting firms receive appropriate credit and compensation for the services they provide.

D. Diversity Questionnaire: Every RFP issued for accounting services shall include a *Diversity Questionnaire* as a standard attachment to ensure a commitment to equal opportunity and affirmative action (see attached *Diversity Questionnaire*).

1. *Submission of Diversity Questionnaire*: Accounting firms responding to the RFP shall be required to complete and submit the Diversity Questionnaire set forth in these Best Practices.

2. *Purpose of Diversity Questionnaire*: The information requested in the Diversity Questionnaire is designed to elicit appropriate information about the accounting firm in order to verify that its work environment demonstrates a strong commitment to diversity.

3. *Types of Information Requested*: The required information includes information on the demographics of the proposer's upper level management, corporate commitment to diversity and equal opportunity initiatives.

4. *MWBE Firms Not Certified in New York*: The RFP shall request each proposer to: (i) indicate whether it is certified as an MWBE firm by any other federal, state or local government, or other certifying body such as the National Minority Supplier Development Council ("NMSDC") or Women's Business Enterprise National Council ("WBENC") and if so, attach a copy of such certification; and (ii) provide evidence that it has an application pending before DED for certification as an MWBE including the date on which such application was submitted.

5. *Certification Requirement*: A person authorized to bind the accounting firm contractually must submit with the accounting firm's proposal a certification outlining the accounting firm's continued commitment to its diversity initiatives.

E. Revise Assessment Criteria to Eliminate Barriers to Entry:

1. *RFP Criteria:* Criteria in the RFP should take into account not only experience with the State Public Authority or other New York State Public Authorities but all relevant experience that would enable an accounting firm to successfully provide the required services.

2. *Selection by Size and Geographic Location*: A State Public Authority should not utilize evaluation criteria that might discourage participation by accounting firms of different sizes and from different geographic areas of the State of New York or country unless such criteria are in furtherance of the legitimate business purposes of the State Public Authority.

3. *Regulatory History:* The accounting firm's regulatory history and that of its employees should be considered in selection.

F. Unbundling of Services: Opportunities primarily relate to annual audits, which tend to be multi-year engagements as there is considerable initial effort (i.e. permanent work papers, internal control documentation, audit plan) when being engaged by a client for the first time, and require large and intensive staffing levels. A well structured procurement process should be developed that identifies critical service needs that might, where appropriate, be segmented or unbundled from the annual audit and to which respondents can address in order to expand opportunities and participation by a larger number of firms. Additionally, services that might be engaged through third parties (i.e. underwriter or bond counsel engaging a bond verification firm) should be considered for direct procurement by a State Public Authority.

G. RFP Cycles: Accounting services opportunities primarily relate to the engagement of a firm(s) to perform the annual audit. Annual audits tend to be multi-year engagements as there is considerable initial effort (i.e. permanent work papers, internal control documentation, audit plan) when being engaged by a client for the first time require large and intensive staffing levels. RFPs issued for accounting services typically have a five-year cycle. This generally includes a three-year standard contract term with up to two one-year renewals. For purposes of the annual audit, given the level of initial work necessary to develop permanent work papers and audit programs, this cycle time is not unreasonable. Other accounting services may lend themselves to a shorter RFP cycle. The level of initial investment of time by the accounting firm should be considered when determining the cycle time. The Task Force recommends as follows:

1. State Public Authorities shall undertake RFPs for annual audit of basic financial statements and related reports at least every five years and firm(s) selected under this RFP may be engaged for an initial period of three years with the opportunity for two one-year extensions in appropriate instances.

2. State Public Authorities shall undertake RFPs for other accounting services on an as needed basis under separate procurements from the annual audit of basic financial statements and related reports. Firms selected under these RFP's may be engaged for an initial period of two years with the opportunity for two six-month extensions in appropriate instances.

III. Evaluation of Responses

A. Evaluation Criteria: Proposals should be evaluated based on the following criteria:

1. The accounting firm's expertise in relevant practice areas;
2. The qualifications of the staff to be assigned to work on engagements for the State Public Authority;
3. The fees proposed to be charged by the accounting firm;
4. The accounting firm's diversity and equal employment record, including, as allowed by federal and state law: (i) recognition of the accounting 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 the State Public Authority and the firm's plan for utilizing minority and women staff on such work; (iii) the accounting firm's status as a certified MWBE by DED, or other federal state or local government, or other certifying body such as the National Minority Supplier Development Council ("NMSDC") or Women's Business Enterprise National Council ("WBENC"). If such firm is not certified by DED, it must also demonstrate that it has an application pending before DED; and (iv) the accounting firm's plan for utilizing minority and women staff in partnering or joint venture arrangements proposed by the accounting firm, if applicable; and
5. Such other factors as the State Public Authority deems relevant and set forth in the RFP.

B. Evaluation Committee:

1. *Establish Evaluation Committee*: The State Public Authority shall establish an Evaluation Committee to score each proposal in accordance with the evaluation criteria set forth in Section III.A. of these Best Practices. It is recommended that at least one member of the Evaluation Committee shall have job responsibilities involving the MWBE and diversity programs of the State Public Authority or must be familiar with these Best Practices.
2. *Establish Weighting Factor*: The weighting factor assigned to each criterion shall be established by the State Public Authority prior to the receipt of proposals and shall be applied in accordance with procedures established by the State Public Authority to determine the final rankings of the proposers.
3. *Negotiation of Fees*: A State Public Authority may reserve the right to negotiate fees with any accounting firm that is otherwise qualified but which has submitted a fee proposal that the State Public Authority deems too high based upon the other proposals.
4. *Documentation*: The Evaluation Committee shall be responsible for documenting in writing its evaluation of each accounting firm, the score assigned to each accounting firm and its rationale for recommending the accounting firm.

IV. Goals

A. **Establishment of MWBE Goal:** Each State Public Authority shall establish an overall aspirational goal for participation by certified MWBE accounting firms and/or minority and women staff in accounting fees paid by the State Public Authority. The Task Force recommends that, to the extent permitted by federal and state law, the aspirational goal be at least 20% for MWBE firms and/or staff utilization of the total amount of accounting fees paid by the State Public Authority or such other goal as is determined in accordance with State and federal law, including Article 15-A of the New York State Executive Law, but further recognizes that each State Public Authority must establish its own goal after taking into account the number and types of matters for which the State Public Authority expects to use outside accounting services. Consider incorporating specific utilization goals in annual audit RFP to encourage joint ventures (both majority with MWBE, and MWBE with MWBE) in the case of large, multi-year audit engagements.

B. **Tracking of Accounting Fees:** Each State Public Authority shall track accounting fees paid to each accounting firm for compliance with the aspirational goals established in accordance with these Best Practices. Each State Public Authority shall require firms to include as part of each bill for accounting services a statement showing: (1) a breakdown of how much of such fees were charged for services performed by each of the following: partners, managers, in-charge, and associates; (2) a description of the services performed by each person; and (3) the total fees charged for services performed by women and minority staff, respectively.

V. Evaluation of Accounting Firms

In order to ensure that the State Public Authority continues to receive the services for which it contracted in accordance with the requirements of the RFP, the Task Force recommends the following:

A. **Periodic Review of Accounting Firms**: Each accounting firm engaged by the State Public Authority will be reviewed by the State Public Authority after the completion of each engagement to assess the quality and cost-effectiveness of their work. The evaluation of each firm shall be documented on a standardized evaluation form attached to these Best Practices (see Financial Services Evaluation Form (Type A)). The review shall also include the accounting firm's adherence to the representations it made regarding its diversity practices, as well as adherence to its utilization plan, and the actual percentage and allocation of work performed by women and minority professionals or firms assigned to engagements for the State Public Authority. The State Public Authority may request such information from each firm as it deems necessary to perform such periodic review.

B. Removal of Accounting Firms: An accounting firm that does not adhere to its representations or utilization plan, or that otherwise fails to perform in a satisfactory manner based upon the criteria contained in the RFP or the contract may be removed at the sole discretion of the State Public Authority.

Banking
Selection Process

Public Authorities engage banks for the following banking services:

Bond Trustee ("Trustee")
Corporate Banking ("Banking")

Trustees are usually engaged through the life of the bonds. Corporate Banking relationships are usually undertaken for long periods of time, as there is a high level of technological investment (i.e. fund transfers, checks, lock box deposits) in establishing the banking relationship.

If applicable, the Board-adopted investment guidelines of each State Public Authority (Trustee and Banking) and the bond resolutions related to each bond issuance (Trustee) establish the criteria for qualifying banks.

Banks are selected competitively through an RFP process. The RFP is a document that, coupled with an advertisement in the New York State Contract Reporter, initiates a competitive procurement process whereby selection is based upon a set of criteria which typically includes technical evaluation of the qualifications of the firm and the fees to be charged for the required services. RFPs outline the terms and conditions and all applicable information required for submission of a proposal. The selection and award among responsible proposers is based on the evaluation factors set forth in the RFP.

The State Public Authority in each RFP generally sets forth the basis upon which proposals will be evaluated, all of the evaluation factors, including technical merit and price. However, while the RFP contains the general evaluation and selection methodology, the procuring entity may also develop a more detailed evaluation instrument to assist it in objectively evaluating the responses of the proposers against these criteria. The evaluation instrument developed by the State Public Authority may include things such as price, experience, staff availability and ability to perform. It may also include a point system with weighting or ranking of certain criteria.

The purpose of the RFP is to ensure that the State Public Authority engages in a comprehensive/fair solicitation process, a fair evaluation or rating process and an equitable negotiation process. While this process must ensure a level playing field for all banks, including MWBE banks, the ultimate goal is to have access to the best service possible and at the lowest price.

I. Outreach

When selecting banks through an RFP process, the State Public Authority should actively reach out to MWBE banks and other qualified banks that may be able to provide the services required by the State Public Authority.

A. **Notification of Professional Organizations:** The State Public Authority should provide notice of any RFP for banking services to appropriate professional organizations that serve women and/or minority banks so that members of these organizations are apprised of these potential opportunities to work with the State Public Authority and the schedule for issuing the RFP. Such information should also be posted on the State Public Authority web site, including the name and contact information for the Authority contact person. A list of such organizations should be developed.

B. **Consult DED Database:** The State Public Authority should consult the New York State Department of Economic Development's ("DED") database and other sources that maintain information regarding certified MWBE banks in order to provide notice to such institutions of any RFP for banking services.

C. **Maintain Government Database**: Each State Public Authority should maintain a database of MWBE and other banks that have expressed interest in doing business with the State Public Authority to ensure that these banks receive direct notice of any RFP for banking services issued by the State Public Authority.

D. **Host Ongoing Forums**: The State Public Authorities should provide periodic forums, such as the April 30, 2009 Financial Services Panel Discussion, to increase opportunities to develop relationships and exposure to new firms and to increase the awareness of firms in state procurement processes (see attached Press Release for Financial Services Panel Discussion).

II. The Request for Proposal Process

A. **Statement of Intent**: Every RFP issued by a State Public Authority for the procurement of banking services shall include the following Statement of Intent:

"It is a goal of the State Public Authority to utilize qualified banks that have a demonstrated history of hiring, training, developing, promoting and retaining minority and women staff and to encourage participation by qualified certified MWBE banks, if available."

B. **Proof of MWBE Status:** Any MWBE bank responding to the RFP seeking MWBE status for purposes of the RFP process must submit proof that the bank is certified as an MWBE with DED or any other federal, state, or local government or other certifying body such as the National Minority Supplier Development Council ("NMSDC") or the Women's Business

Enterprise National Council ("WBENC"). If such bank is not certified by DED, it must also demonstrate that it has an application pending before DED.

C. **Joint Ventures with MWBE Firms:** Due to the nature of banking services, joint ventures are not generally applicable for trustee services but may be applicable for corporate banking services. As such, the RFP should, where the State Public Authority determines it is appropriate, encourage partnering arrangements among responding banks, thereby giving MWBE banks the opportunity to partner with other banks, if feasible. As such, the Task Force recommends as follows:

1. *Submission of Joint Proposals*: The RFP should, if appropriate, encourage certified MWBE banks and other qualified banks to submit joint proposals in response to the RFP.

2. *Division of Services and Allocation of Fees*: Any such joint proposal must describe the legal relationship between the banks submitting the proposal and demonstrate how the banks propose to provide the services required under the RFP and how the fees will be allocated among the banks.

3. *Submittal of Forms*: When submitting a joint proposal, all applicable items must be submitted by all banks that are participants in the proposal.

4. *Prior Partnering Arrangements*: Every bank responding to the RFP shall be required to specifically identify those instances, if any, in which the bank has worked with an MWBE bank on previous transactions by engaging in joint ventures or other partnering or subcontracting arrangements. Responses should include the nature of the engagement, how such arrangement was structured, and a description of how the services and fees were allocated.

5. *Direct Contracting*: The State Public Authority shall reserve the right to contract directly with each individual bank submitting a joint proposal, when appropriate, and to allocate work in a manner that ensures that partnered MWBE banks receive appropriate credit and compensation for the services they provide.

D. **Diversity Questionnaire:** Every RFP issued for banking services shall include a *Diversity Questionnaire* as a standard attachment to ensure a commitment to equal opportunity and affirmative action (see attached *Diversity Questionnaire*).

1. *Submission of Diversity Questionnaire*: Banks responding to the RFP shall be required to complete and submit the Diversity Questionnaire set forth in these Best Practices.

2. *Purpose of Diversity Questionnaire*: The information requested in the Diversity Questionnaire is designed to elicit appropriate information about the bank in order to verify that its work environment demonstrates a strong commitment to diversity.

3. *Types of Information Requested*: The required information includes information on the demographics of the proposer's upper level management, corporate commitment to diversity and equal opportunity initiatives.

4. *MWBE Firms Not Certified in New York*: The Procurement Opportunity shall request each proposer to: (i) indicate whether it is certified as an MWBE firm by any other federal, state or local government, or other certifying body such as the National Minority Supplier Development Council ("NMSDC") or Women's Business Enterprise National Council ("WBENC") and if so, attach a copy of such certification; and (ii) provide evidence that it has an application pending before DED for certification as an MWBE including the date on which such application was submitted.

5. *Certification Requirement*: A person authorized to bind the bank contractually must submit with the bank's proposal a certification outlining the bank's continued commitment to its diversity initiatives.

E. Revise Assessment Criteria to Eliminate Barriers to Entry:

1. *RFP Criteria:* Criteria in the Procurement Opportunity should take into account not only experience with the State Public Authority or other New York State Public Authorities but all relevant experience that would enable a bank to successfully provide the required services.

2. *Selection by Size and Geographic Location*: A State Public Authority should not utilize evaluation criteria that might discourage participation by banks of different sizes and from different geographic areas of the State of New York or country unless such criteria are in furtherance of the legitimate business purposes of the State Public Authority.

3. *Capital and Rating Requirements*: Capital and rating requirements should be considered in selecting banks. Security is a critical factor in both Banking and Trustee relationships.

4. *Regulatory History:* The bank's regulatory history and that of its employees should be considered in selecting banks.

F. Unbundling of Services: Banking relationships are normally undertaken for extended periods of time due to the complexities of establishing banking relationships and the initial technical requirements (i.e. fund transfers, checks, lock box deposits) in establishing the banking relationship. Develop a well structured procurement process that identifies critical service needs that might, where appropriate, be segmented or unbundled and to which respondents can address in order to expand opportunities and participation by a larger number of banks.

G. RFP Cycles: Due to the nature of Banking and Trustee services, it is reasonable to consider the level of initial investment of time by the bank and the State Public Authority's staff and bond resolution requirements when determining the cycle time. The Task Force recommends as follows:

1. State Public Authorities shall undertake RFPs for Banking services at least every ten years, where appropriate.

2. State Public Authorities shall, if necessary, undertake RFP's for empanelling Trustee services at least every three years. Trustees, when appointed under a specific bond resolution, normally serve through the life of the bond resolution.

III. Evaluation of Responses

A. Evaluation Criteria: Proposals should be evaluated based on the following criteria:

1. The bank's expertise in the relevant service areas;
2. The qualifications of the staff to be assigned to work on transactions for the State Public Authority;
3. The fees proposed to be charged by the bank;
4. The bank's diversity and equal employment record, including, as allowed by federal and state law: (i) recognition of the bank's equal employment opportunity and diversity policies, programs and initiatives, including community investment/support; (ii) the diversity of the staff that will be substantially involved in work performed for the State Public Authority and the bank's plan for utilizing minority and women staff in such work; (iii) the bank's status as a certified MWBE by DED, or other certifying body such as the National Minority Supplier Development Council ("NMSDC") or Women's Business Enterprise National Council ("WBENC"). If such bank is not certified by DED, it must also demonstrate that it has an application pending before DED. Given that there is such a limited number of minority or women owned banks, it is important for banking institutions to promote the use of minority or women owned third party service providers. The RFP should include a request for information regarding such services;
5. Such other factors as the State Public Authority deems relevant and set forth in the RFP.

B. Evaluation Committee:

1. *Establish Evaluation Committee*: The State Public Authority shall establish an Evaluation Committee to score each proposal in accordance with the evaluation criteria set forth in Section III.A. of these Best Practices. It is recommended that at least one member of the Evaluation Committee shall have job responsibilities involving the MWBE and diversity programs of the State Public Authority or must be familiar with these Best Practices.
2. *Establish Weighting Factor*: The weighting factor assigned to each criterion shall be established by the State Public Authority prior to the receipt of proposals and shall be applied in accordance with procedures established by the State Public Authority to determine the final rankings of the proposers.

3. *Documentation*: The Evaluation Committee shall be responsible for documenting in writing its evaluation of each bank, the score assigned to each bank and its rationale for recommending the bank.

IV. Goals

A. Establishment of MWBE Goal: Given that there is such a limited number of minority or women owned banks, it is not reasonable to have each State Public Authority establish an overall aspirational goal for participation by certified MWBE banks. In fact, the Task Force is not aware of any MWBE bank providing Trustee services. The Task Force recommends, to the extent permitted by federal and state law, that aspirational goal be at least 20% for the minority or women staff utilization of the total staff utilized to provide services to the State Public Authority.

B. Tracking of Bank Utilization: Each State Public Authority shall track the utilization of banks and the minority and women staff utilized to provide services to the State Public Authority and of the banks' utilization of MWBE third party service providers.

V. Evaluation of Banks

In order to ensure that the State Public Authority continues to receive the services for which it contracted in accordance with the requirements of the RFP, the Task Force recommends the following:

A. Periodic Review of Banks: The performance of each bank engaged by the State Public Authority will be reviewed by the State Public Authority on no less than an annual basis. The evaluation shall be documented on a standardized evaluation form attached to these Best Practices (see Financial Services Evaluation Form (Type B)). The review shall also include the bank's adherence to the representations it made regarding its diversity practices, and the actual percentage and allocation of work performed by women and minority professionals assigned to engagements for the State Public Authority. The State Public Authority may request such information from each bank as it deems necessary to perform such periodic review.

B. Removal of Banks: A bank that does not adhere to its representations, or that otherwise fails to perform in a satisfactory manner based upon the criteria contained in the Procurement Opportunity may be removed at the sole discretion of the State Public Authority.

Broker-Dealers
Selection Process

Public Authorities select broker-dealers for the purchase and sale of high quality investment securities, primarily short-term fixed income securities. Securities are book-entry only and trades are conducted on a delivery versus payment basis. Settlement can occur on the same day (cash trades), next day (regular settlement), or at some future date (forward delivery).

In some instances, the Board-adopted investment guidelines of each State Public Authority establish the criteria for qualifying broker-dealers. Most State Public Authorities qualify broker-dealers through a broker-dealer questionnaire, allowing any qualified firm that is interested to be included as a possible trading partner. There is normally a list of active brokers from which competitive bids are received.

A broker-dealer questionnaire is a document developed to elicit responses to various questions to establish that a firm meets the qualifications for a broker-dealer established by each State Public Authority.

Once a panel of broker-dealers is selected, individual investment transactions are undertaken, usually with a minimum of three broker-dealers, with the best bid being the basis for selection. Based upon performance, the State Public Authority may rotate in broker-dealers who are winning bids and rotate out broker-dealers that are not winning bids.

I. Outreach

When selecting broker-dealers, the State Public Authority should actively reach out to MWBE broker-dealers and other qualified broker-dealers that may be able to provide the services required by the State Public Authority.

A. **Notification of Professional Organizations:** The State Public Authority should provide notice of any empanelling opportunities for broker-dealers to appropriate professional organizations that serve women and/or minority broker-dealers so that members of these organizations are apprised of these potential opportunities to work with the State Public Authority. Such information should also be posted on the State Public Authority web site, including the name and contact information for the Authority contact person. A list of such organizations should be developed.

B. Consult DED Database: The State Public Authority should consult the New York State Department of Economic Development's ("DED") database and other sources that maintain information regarding certified MWBE broker-dealers in order to provide notice to such firms of any empanelling opportunities for broker-dealer services.

C. Maintain Government Database: Each State Public Authority should maintain a database of MWBE and other broker-dealers that have expressed interest in doing business with the State Public Authority to ensure that these broker-dealers receive direct notice of any empanelling opportunities for broker-dealer services issued by the State Public Authority.

D. Host Ongoing Forums: The State Public Authorities should provide periodic forums, such as the April 30, 2009 Financial Services Panel Discussion, to increase opportunities to develop relationships and exposure to new firms and to increase the awareness of firms in state procurement processes (see attached Press Release for Financial Services Panel Discussion).

II. The Empanelling Process

The Task Force recommends that a uniform series of questions be developed to be included in any broker-dealer questionnaire or other empanelling process used by each State Public Authority. Existing broker-dealers should be required to answer this uniform series of questions and should also be used as a basis for adding new broker-dealers. The uniform series of questions should address the qualifications of the firm, qualifications of the staff assigned to work on transactions for the State Public Authority, and the financial and regulatory status of a firm. The empanelling process should also address the following:

A. Statement of Intent: Any questionnaire or method of empanelling broker-dealers shall include the following Statement of Intent:

"It is a goal of the State Public Authority to utilize qualified broker-dealers that have a demonstrated history of hiring, training, developing, promoting and retaining minority and women broker-dealers and to encourage participation by qualified certified MWBE broker-dealers, if available."

B. Proof of MWBE Status: Any MWBE broker-dealer seeking MWBE must submit proof that the broker-dealer is certified as an MWBE with DED or any other federal, state, or local government or other certifying body such as the National Minority Supplier Development Council ("NMSDC") or Women's Business Enterprise National Council ("WBENC"). If the firm is not certified by DED, it must also demonstrate that it has an application pending before DED.

C. Diversity Questionnaire: A *Diversity Questionnaire* as a standard attachment to ensure a commitment to equal opportunity and affirmative action (see attached *Diversity Questionnaire*).

1. *Purpose of Diversity Questionnaire*: The information requested in the Diversity Questionnaire is designed to elicit appropriate information about the broker-dealer in order to verify that its work environment demonstrates a strong commitment to diversity.
2. *Types of Information Requested*: The required information includes information on the demographics of the proposer's upper level management, corporate commitment to diversity and equal opportunity initiatives.
3. *MWBE Firms Not Certified in New York*: The questionnaire or other empanelling process shall request each firm to: (i) indicate whether it is certified as an MWBE firm by any other federal, state or local government, or other certifying body such as the National Minority Supplier Development Council ("NMSDC") or Women's Business Enterprise National Council ("WBENC") and if so, attach a copy of such certification; and (ii) provide evidence that it has an application pending before DED for certification as an MWBE, including the date on which such application was submitted.
4. *Certification Requirement*: A person authorized to bind the firm contractually must submit with the questionnaire or other empanelling process a certification outlining the broker-dealer's continued commitment to its diversity initiatives.

D. Revise Assessment Criteria to Eliminate Barriers to Entry:

Criteria should be commensurate with the risk related to each type of investment and meet all requirements of statute, regulation and bond and other related documents.

1. *Investment Guideline Criteria:* Criteria for qualifying broker-dealers should take into account not only experience with the State Public Authority or other New York State Public Authorities but all relevant experience that would enable a broker-dealer to successfully provide the required services.
2. *Selection by Size and Geographic Location*: A State Public Authority should not utilize evaluation criteria that might discourage participation by broker-dealer firms of different sizes and from different geographic areas of the State of New York or country unless such criteria are in furtherance of the legitimate business purposes of the State Public Authority or required by statute, regulation, bond documents or otherwise.
3. *Equity Requirements*: Investment Guidelines are sometimes crafted to qualify broker-dealers based upon equity, net capital, or being a Primary Dealer, which limits qualified broker-dealers to the larger majority firms. Given that most investment transactions are conducted on a cash or regular settlement basis (delivery versus payment), the size of the firm is not necessarily a criteria that would measure success or the ability to perform, and in certain circumstances, given the size of the investment transaction, a smaller firm might be able to perform better. However, there may be circumstances that require this to be a more important consideration and the Authority should have discretion to weight this issue accordingly. All firms must maintain minimum regulatory capital as required by their regulators and meet other statutory, regulatory or bond document requirements.

4. *Capital Requirements of Clearing Firms:* It may be more appropriate to have higher capital requirements for the clearing firm. Both the financial statements of the broker-dealer and the clearing firm should be reviewed when selecting broker-dealers.

5. *Capital Requirements for Delayed Settlement Trades:* It may be appropriate, and necessary, to have higher capital requirements for broker-dealers conducting delayed settlement trades.

6. *Regulatory History:* The broker-dealer's regulatory history and that of its employees should be considered in selecting broker-dealers.

III. Goals

A. Establishment of MWBE Goal: Each State Public Authority shall establish an overall aspirational goal for participation by certified MWBE broker-dealers and/or minority and women staff. The Task Force recommends that, to the extent permitted by federal and state law, the aspirational goal be at least 20% of the total number of bids solicited from broker-dealers and 20% of empanelled brokers, or such other goal as is determined in accordance with State and federal law, including Article 15-A of the New York State Executive Law, but further recognizes that each State Public Authority must establish its own goal after taking into account the number and types of matters for which the State Public Authority expects to use broker-dealers. Consider the following in the bidding process:

1. Include at least one MWBE broker-dealer in each cash or regular settlement trade, making sure that other broker-dealers participating in each specific transaction do not act as the clearing agent for the included MWBE firm.

2. Investigate all firms' ability to conduct delayed settlement trades and consider in developing a utilization plan.

3. Consider including smaller or MWBE broker-dealers in the broker pool used for any transaction under a given size. Smaller firms may actually be able to deliver a better price on smaller sized transactions.

4. If a third party conducts investment trades on behalf of the State Public Authority (i.e. bond trustee) similar requirements should be suggested to the third party for their consideration and selection and evaluation of third parties should include such requirements, if appropriate.

B. Tracking of Broker-Dealer Utilization: Each State Public Authority shall track the utilization of broker-dealers.

IV. Evaluation of Broker-Dealers

In order to ensure that the State Public Authority continues to receive quality services, the Task Force recommends the following:

A. Periodic Review of Broker-Dealers: The overall performance of each broker-dealer engaged by the State Public Authority will be reviewed by the State Public Authority on no less than an annual basis. The performance of each broker-dealer shall be documented on a standardized evaluation form attached to these Best Practices (see Financial Services Evaluation Form (Type B)). It may be appropriate to measure broker-dealers' bid performance on a quarterly basis.

The review shall include broker-dealers' bid performance and adherence to the representations made regarding diversity practices, and the actual percentage and allocation of work performed by women and minority professionals or firms assigned to engagements for the State Public Authority. The State Public Authority may request such information from each broker-dealer as it deems necessary to perform such periodic review.

B. Removal of Broker-Dealers: A broker-dealer that does not adhere to its representations, or that otherwise fails to perform in a satisfactory manner may be removed at the sole discretion of the State Public Authority.

Certificate of Deposit and Money Market Fund Investments Selection Process

State Public Authorities may, if authorized, invest moneys under their control with banks (certificates of deposit – "CDs") and other financial institutions (money market funds – "Funds"). CDs and Funds are invested in directly by the State Public Authority or, in some instances, by a third party (i.e. the bond trustee). State Public Authorities also invest in CDs through the New York State Linked Deposit Program administered by the New York State Department of Taxation and Finance. Available moneys include both bond proceeds and corporate funds. The type of investments and qualifications of providers can be set out in the State Public Authority's Investment Guidelines and/or the provisions of bond resolutions. Criteria should be commensurate with the risk related to each type of investment and follow the requirements of Part 201.3 of Title Two of the New York Code of Rules and Regulations issued by the State Comptroller.

When investing bond proceeds, the arbitrage provisions of federal tax regulations are very specific regarding the investment of moneys. All investments, including those which must be invested at a restricted yield, must be purchased on a competitive basis, except for the purchase of U.S. State & Local Government Series securities ("SLGS") directly from the U.S. Treasury Department or U.S. Government securities at their initial auction. There is more flexibility with corporate funds, although similar practices are recommended.

The Board-adopted investment guidelines of each State Public Authority and the provisions of each bond resolution establish the criteria for allowable investments and qualified providers. It is the sole judgment of the Board of each State Public Authority, unless restricted by statute or otherwise, to determine whether the State Public Authority can invest in CDs or Funds and the criteria for qualifying banks or financial institutions offering such products. Rating agencies influence the provisions included in bond resolutions.

Once criteria are established for the qualifications of providers, individual investment transactions are undertaken, usually with a minimum of three providers, with the best bid being the basis for selection.

I. Outreach

When investing in CDs or Funds, the State Public Authority should actively reach out to MWBE banks and Fund providers that may be able to provide the investments required by the State Public Authority.

A. **Notification of Professional Organizations:** The State Public Authority should provide notice of any RFP, empanelling, or other opportunities for CD and Fund providers to appropriate professional organizations that serve women and/or minority CD and Fund providers so that members of these organizations are apprised of these potential opportunities to work with the State Public Authority and the schedule for issuing the RFP or the empanelling process. Such information should also be posted on the State Public Authority web site, including the name and contact information for the Authority contact person. A list of such organizations should be developed.

B. **Consult DED Database:** The State Public Authority should consult the New York State Department of Economic Development's ("DED") database and other sources that maintain information regarding certified MWBE CD and Fund providers in order to provide notice to such firms of any RFP or empanelling opportunities for such investments.

C. **Maintain Government Database**: Each State Public Authority should maintain a database of MWBE and other CD and Fund providers that have expressed interest in doing business with the State Public Authority to ensure that these providers receive direct notice of any RFP or empanelling opportunities issued by the State Public Authority.

D. **Investment Guidelines:** Each State Public Authority should include a copy of their Investment Policy and Guidelines on the State Public Authority web site and an email address for interested providers to contact the State Public Authority regarding their interest in doing business with the State Public Authority.

E. **Host Ongoing Forums**: The State Public Authorities should provide periodic forums, such as the April 30, 2009 Financial Services Panel Discussion, to increase opportunities to develop relationships and exposure to new firms and to increase the awareness of firms in state procurement processes (see attached Press Release for Financial Services Panel Discussion).

II. Suggested Best Practices and Actions to Eliminate Barriers to Entry:

A. Certificates of Deposit:

1. It is reasonable that CDs only be considered if rates offered by banks are competitive with alternative investing opportunities, i.e. U.S. Treasury or Agency yields, or if they better meet cash flow needs.
2. State Public Authorities should review their Investment Guidelines for possible inclusion of CDs as allowable investments. Uncollateralized CDs should be considered only if fully insured by federal insurance. There should be various types of eligible collateral for collateralized CDs.
3. The State of New York should review provisions of the Linked Deposit Program with banks to assure that the program meets the needs of banks and their customers.
4. Consideration should be given to investing in CDs through the Certificate of Deposit Account Registry Service ("CDARS") Program, or other similar programs.
5. Consideration should be given to investing in CDs through electronic bidding platforms.
6. When selecting banks for inclusion in bidding opportunities, it is reasonable to consider a bank's internal equal employment opportunity and diversity policies, programs and initiatives, including utilization of service providers and community investment/support.
7. When selecting banks for inclusion in bidding opportunities, it is reasonable to consider the bank's regulatory history and that of its employees.

B. Funds:

1. It is reasonable that Funds only be considered if rates are competitive with alternative investing opportunities, i.e. U.S. Treasury or Agency yields, or if they better meet cash flow needs.
2. State Public Authority's should review their Investment Guidelines for possible inclusion of Funds as allowable investments, if authorized by law and not precluded by bond resolutions.
3. When investing in Funds, the following may be considered as criteria:
   a. The Fund be rated AAA by at least two nationally recognized rating agencies.
   b. The Fund has Net Assets greater than $1 billion, as a measure of their ability to meet daily liquidity demands.

c. The Fund has a proven track record/experience in capital preservation (maintenance of $1.00 share price) and daily liquidity availability.

4. The Task Force recommends that there be an increased awareness of MWBE Funds among Task Force participants, clients (if applicable, i.e. conduit issuers) and trustee banks and include MWBE Funds in the list of available funds.

5. When selecting Funds, it is reasonable to consider the Funds regulatory history and that of its employees.

III. Goals

A. Establishment of MWBE Goal: The Task Force recognizes that there are a very limited number of MWBE banks as CD providers and MWBE Funds. Each State Public Authority shall, to the extent permitted by federal and state law, establish an overall aspirational goal for participation by certified MWBE banks when purchasing CDs and investing in Funds. Each State Public Authority should establish its own goal after taking into account the number, dollar value, and types of matters for which the State Public Authority expects to use such providers and considering other criteria, such as diversification limitations and financial and capital requirements.

B. Tracking of CD and Fund Utilization: Each State Public Authority shall track CD and Fund utilization.

IV. Evaluation of Banks Providing CDs and Funds

In order to ensure that the State Public Authority continues to receive the services for which it contracted, the Task Force recommends that the performance of each Bank and Fund engaged by the State Public Authority will be reviewed by the State Public Authority on no less than a quarterly basis. Measurement is on a best bid or yield basis, and other factors deemed to be relevant by the Authority

Financial Advisory and Swap Advisory Services Selection Process

Financial advisory and swap advisory services are competitively procured through an RFP process. The RFP is a document that, coupled with an advertisement in the New York State Contract Reporter, initiates a competitive procurement process whereby selection is based upon a set of criteria which typically includes technical evaluation of the qualifications of the firm and the fees to be charged for the required services. RFPs are commonly issued by State Public Authorities for the procurement of financial advisory and swap advisory services. RFPs outline the terms and conditions and all applicable information required for submission of a proposal. The selection of firms is based on the evaluation factors set forth in the RFP. Public Authorities may select one firm or a panel of firms. If a panel of firms is selected, the Public Authorities may choose to award specific engagements based upon factors that include, but are not limited to, the expertise of the firm and rotation. Alternatively, the Authority may undertake an RFP process which generally qualifies firms to serve on a panel based on a technical evaluation of the qualifications of the firm with a subsequent bid on specific engagements which would include qualification and fees.

The State Public Authority in each RFP generally sets forth the basis upon which proposals will be evaluated, all of the evaluation factors, including technical merit and price. However, while the RFP contains the general evaluation and selection methodology, the procuring entity may also develop a more detailed evaluation instrument to assist it in objectively evaluating the responses of the proposers against these criteria. The evaluation instrument developed by the State Public Authority may include things such as price, experience, staff availability and ability to perform. It may also include a point system with weighting or ranking of certain criteria.

The purpose of the RFP is to ensure that the State Public Authority engages in a comprehensive/fair solicitation process, a fair evaluation or rating process and an equitable negotiation process. While this process must ensure a level playing field for all financial advisory and swap advisory firms, including MWBE firms, the ultimate goal is to have access to the best service possible and at the most economic levels.

I. Outreach

The State Public Authority should, prior to issuance of an RFP for financial advisory and swap advisory services, actively reach out to MWBE firms and other qualified firms that may be able to provide the advisory services required by the State Public Authority. Outlined below are various avenues of outreach to ensure the wide dissemination and availability of the RFP.

A. **Notification of Professional Organizations:** The State Public Authority should provide notice of any RFP for financial advisory and swap advisory services to appropriate professional organizations that serve women and/or minorities so that members of these organizations are apprised of these potential opportunities to work with the State Public Authority and the schedule for issuing the RFP. A list of such organizations should be developed.

B. **Consult DED Database:** The State Public Authority should consult the New York State Department of Economic Development's ("DED") database and other sources that maintain information regarding certified MWBE financial advisory or swap advisory firms in order to provide notice to such firms of any RFP for financial advisory and swap advisory services.

C. **Maintain Government Database**: Each State Public Authority should maintain a database of MWBE and other financial or swap advisory firms that have expressed interest in doing business with the State Public Authority to ensure that these financial advisory and swap advisory firms receive direct notice of any RFP issued by the State Public Authority.

D. **Advertise:** The State Public Authority should, subject to budget constraints, consider advertising in a widely distributed daily municipal finance publication to help ensure broad notification. The advertisement should include Authority contact information and due date for proposals. Authorities should also attempt to ensure news coverage in the Bond Buyer or other widely distributed daily municipal finance publication to help broaden the notification to the industry.

E. **Post RFP Schedule on Authority Website:** The State Public Authority should post the RFP schedule on its website. The posting should include the name and contact information for the Authority contact person.

F. **Host Ongoing Forums**: The State Public Authorities should provide periodic forums, such as the April 30, 2009 Financial Services Panel Discussion, to increase opportunities to develop relationships and exposure to new firms and to increase the awareness of firms in state procurement processes (see attached Press Release for Financial Service Panel Discussion.)

II. The Request for Proposals Process

A. **Statement of Intent**: Every RFP issued by a State Public Authority for the procurement of financial advisory and/or swap advisory services shall include the following Statement of Intent:

"It is a goal of the State Public Authority to utilize qualified financial advisory and swap advisory firms that have a demonstrated history of hiring, training, developing, promoting and retaining minorities and women and to encourage participation by qualified certified MWBE financial advisory and swap advisory firms, if available."

B. **Proof of MWBE Status:** Any MWBE financial advisory or swap advisory firm responding to the RFP seeking MWBE status for purposes of the RFP process must submit proof that the firm is certified as an MWBE with DED or any other federal, state or local government or

other certifying body such as the National Minority Supplier Development Council ("NMSDC") or the Women's Business Enterprise National Council ("WBENC"). If the firm is not certified by DED, it must also demonstrate that it has an application pending before DED.

C. **Require Shorter RFP Cycles to Ensure Reasonable Access**: The Task Force recommends that RFPs for financial advisory and swap advisory services establish a term of no greater than every 3 years with two one-year extensions. The State Public Authority would not be precluded from using a shorter term and/or a supplemental RFP pursuant to which additional firms could be added to the panel mid-cycle.

D. **Revise Assessment Criteria to Eliminate Barriers to Entry:**

1. *RFP Criteria:* Criteria in the RFP should take into account not only experience with the State Public Authority or other New York State Public Authorities but all relevant experience that would enable the financial advisory or swap advisory firm to successfully provide the required services. The RFP should also take into consideration the qualification and experience of key individuals within the firm (including experience at other firms) and not just firm experience.
2. *Selection by Size and Geographic Location:* A State Public Authority should not utilize evaluation criteria that might discourage participation by financial advisory and swap advisory firms of different sizes and from different geographic areas of the State of New York or country unless such criteria are in furtherance of the legitimate business purposes of the State Public Authority.

E. **Unbundle Services to Expand Opportunities:** The State Public Authority should consider, if appropriate, unbundling financial advisory services from swap advisory services. By unbundling these distinct services, the Authority would expand opportunities and enable participation by a larger number of firms.

F. **Provide Options for Utilization of MWBE Firms including Partnerships:** The RFP should encourage the utilization of MWBE firms including notification that the Authority may seek to partner firms on its panel for particular engagements, if a panel is utilized. In this model, the Authority would have a direct contractual relationship with each of the two firms and make payments for services directly to each firm. The Authority would work with the two firms to determine the allocation of responsibilities.

If the Authority chooses to seek firms to provide both financial advisory and swap advisory services together, the Authority may wish to consider encouraging firms to submit proposals as joint venture partnerships. If this model is used, any such joint proposal must describe the legal relationship between the firms submitting the proposal and demonstrate how the firms propose to provide the services required under the RFP and how the fees will be allocated among the firms. The State Public Authority may reserve the right to contract directly with each individual firm submitting a joint proposal, when appropriate, and to allocate work in a manner that ensures that partnered MWBE firms receive appropriate credit and compensation for the services they provide.

G. **Diversity Questionnaire:** Every RFP issued for financial advisory and swap advisory services shall include a *Diversity Questionnaire* as a standard attachment to ensure a

commitment to equal opportunity and affirmative action (see attached *Diversity Questionnaire*).

1. *Submission of Diversity Questionnaire*: Financial advisory and swap advisory firms responding to the RFP shall be required to complete and submit the Diversity Questionnaire set forth in these Best Practices.

2. *Purpose of Diversity Questionnaire*: The information requested in the Diversity Questionnaire is designed to elicit appropriate information about the financial advisory and/or swap advisory firm in order to verify that its work environment demonstrates a strong commitment to diversity.

3. *Types of Information Requested*: The required information includes information on the demographics of the proposer's upper level management and corporate commitment to diversity and equal opportunity initiatives.

4. *MWBE Firms Not Certified in New York*: The RFP shall request each proposer to: (i) indicate whether it is certified as an MWBE firm by any other federal, state or local government, or other certifying body such as the National Minority Supplier Development Council ("NMSDC") or the Women's Business Enterprise National Council ("WBENC") and if so, attach a copy of such certification; and (ii) provide evidence that it has an application pending before DED for certification as an MWBE including the date on which such application was submitted.

5. *Certification Requirement*: A person authorized to bind the financial advisory or swap advisory firm contractually must submit with the firm's proposal a certification outlining the firm's continued commitment to its diversity initiatives.

III. Evaluation of Responses

A. Evaluation Criteria: Proposals should be evaluated based on the following criteria:

1. The financial advisory and swap advisory firm's expertise in relevant practice areas;
2. The qualifications of the staff to be assigned to work on engagements for the State Public Authority;
3. The fees proposed to be charged by the financial advisory and swap advisory firm, if applicable. Public Authorities may base their RFP on qualifications and then require a subsequent bid on a specific engagement which would include qualifications and fees and any other factors deemed relevant;
4. The financial advisory and swap advisory firm's diversity and equal employment record, including, as allowed by federal and state law: (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 the State Public Authority and the firm's plan for utilizing minority and women staff in such work; (iii)

the firm's status as a certified MWBE by DED, or other federal, state or local government, or other certifying body such as the National Minority Supplier Development Council ("NMSDC") or the Women's Business Enterprise National Council ("WBENC"). If such firm is not certified by DED, it must also demonstrate that it has an application pending before DED; and (iv) the firm's plan for utilizing minority and women staff in partnering or joint venture arrangements proposed by the firm, if applicable; and

5. Such other factors as the State Public Authority deems relevant and set forth in the RFP.

B. Evaluation Committee:

1. *Establish Evaluation Committee*: The State Public Authority shall establish an Evaluation Committee to score each proposal in accordance with the evaluation criteria set forth in Section III.A. of these Best Practices. It is recommended that at least one member of the Evaluation Committee shall have job responsibilities involving the MWBE and diversity programs of the State Public Authority or must be familiar with these Best Practices.
2. *Establish Weighting Factor*: The weighting factor assigned to each criterion shall be established by the State Public Authority prior to the receipt of proposals and shall be applied in accordance with procedures established by the State Public Authority to determine the final rankings of the proposers.
3. *Negotiation of Fees*: A State Public Authority may reserve the right to negotiate fees with any financial advisory and swap advisory firm that is otherwise qualified but which has submitted a fee proposal that the State Public Authority deems too high based upon the other proposals.
4. *Documentation*: The Evaluation Committee shall be responsible for documenting in writing its evaluation of each financial advisory and swap advisory firm, the score assigned to each firm and its rationale for recommending the firm.

IV. Goals

A. Establishment of MWBE Goal: Each State Public Authority shall establish an overall aspirational goal for meaningful utilization of certified MWBE financial advisory and swap advisory firms and/or minority and women staff. The Task Force recommends that, to the extent permitted by federal and state law, an aspirational goal of at least 20% for MWBE firm and/or staff utilization by the State Public Authority or such other goal as is determined in accordance with State and federal law, including Article 15-A of the New York State Executive Law, but further recognizes that each State Public Authority must establish its own goal after taking into account the number and types of matters for which the State Public Authority expects to use outside financial advisory and swap advisory services.

B. Tracking of Engagements and Fees: Each State Public Authority shall track work engagements including fees paid to each financial advisory and swap advisory firm for

compliance with the aspirational goals established in accordance with these Best Practices. Each State Public Authority shall require firms to include as part of each bill for financial advisory and swap advisory services a statement showing: (1) a breakdown of how much of such fees were charged for services performed by each of the following: partners, managers, and associates; (2) a description of the services performed by each person; and (3) the total fees charged for services performed by women and minority staff, respectively.

V. Evaluation of Financial Advisory and Swap Advisory Firms

In order to ensure that the State Public Authority continues to receive the services for which it contracted in accordance with the requirements of the RFP, the Task Force recommends the following:

A. Periodic Review of Financial Advisory and Swap Advisory Firms: Each financial advisory and swap advisory firm engaged by the State Public Authority will be reviewed by the State Public Authority after the completion of each engagement to assess the quality and cost-effectiveness of their work. The evaluation of each firm shall be documented on a standardized evaluation form attached to these Best Practices (see Financial Services Evaluation Form (Type A) for Financial Advisors and (Type B) for Swap Advisors). The review shall also include the financial advisory and swap advisory firm's adherence to the representations it made regarding its diversity practices, its plan for utilizing minority and women staff, and the actual percentage and allocation of work performed by women and minority professionals or firms assigned to engagements for the State Public Authority. The State Public Authority may request such information from each firm as it deems necessary to perform such periodic review.

B. Removal of Financial Advisory and Swap Advisory Firms: A financial advisory or swap advisory firm that does not adhere to its representations or that otherwise fails to perform in a satisfactory manner based upon the criteria contained in the RFP or the contract may be removed at the sole discretion of the State Public Authority.

Risk Management and Insurance Brokerage Services Selection Process

Risk management and insurance brokerage services are competitively procured through an RFP process. The RFP is a document that, coupled with an advertisement in the New York State Contract Reporter, initiates a competitive procurement process whereby selection is based upon a set of criteria which typically includes technical evaluation of the qualifications of the firm and the fees to be charged for the required services. RFPs are commonly issued by State Public Authorities for the procurement of risk management and insurance brokerage services. RFPs outline the terms and conditions and all applicable information required for submission of a proposal. The selection and award among responsible proposers is based on the evaluation factors set forth in the RFP.

The State Public Authority in each RFP generally sets forth the basis upon which proposals will be evaluated, all of the evaluation factors, including technical merit and price. However, while the RFP contains the general evaluation and selection methodology, the procuring entity may also develop a more detailed evaluation instrument to assist it in objectively evaluating the responses of the proposers against these criteria. The evaluation instrument developed by the State Public Authority may include things such as price, experience, staff availability and ability to perform. It may also include a point system with weighting or ranking of certain criteria.

The purpose of the RFP is to ensure that the State Public Authority engages in a comprehensive/fair solicitation process, a fair evaluation or rating process and an equitable negotiation process. While this process must ensure a level playing field for all risk management and insurance brokerage firms, including MWBE firms, the ultimate goal is to have access to the best service possible and at the most economic levels.

I. Outreach

The State Public Authority should, prior to issuance of an RFP for risk management and/or insurance brokerage services actively reach out to MWBE firms and other qualified firms that may be able to provide services required by the State Public Authority. Outlined below are various avenues of outreach to ensure the wide dissemination and availability of the RFP.

A. Notification of Professional Organizations: The State Public Authority should provide notice of any RFP for risk management and/or insurance brokerage services to appropriate professional organizations that serve women and/or minorities – including but not limited to Minority Interchange Inc, Association of Professional Insurance Women and National African American Insurance Association - so that members of these organizations are apprised of these potential opportunities to work with the State Public Authority and the schedule for issuing the RFP. A list of such organizations should be developed.

Commercial risk management and/or insurance brokerage services firms work closely with women and minority lawyers, accountants, bankers and investment advisors and often have contractual relationships with these professionals. Accordingly State Public Authorities should provide notice of any RFP for insurance brokerage and risk management services to professional associations focused on increasing opportunities for women and minority accountants, lawyers, bankers and investment advisors including but not limited to Urban Financial Services Coalition, National Bar Association Hispanic National Bar Association National Association of Black Accountants, National Association of Securities Professionals and Minority Corporate Counsel Association.

B. **Consult DED Database:** The State Public Authority should consult the New York State Department of Economic Development's ("DED") database and other sources that maintain information regarding certified MWBE risk management and/or insurance brokerage firms in order to provide notice to such firms of any RFP for risk management and/or insurance brokerage services.

C. **Maintain Government Database**: Each State Public Authority should maintain a database of MWBE and other risk management and/or insurance brokerage firms that have expressed interest in doing business with the State Public Authority to ensure that these risk management and/or insurance brokerage firms receive direct notice of any RFP issued by the State Public Authority.

D. **Post RFP Schedule on Authority Website:** The State Public Authorities should post the RFP schedule on its website. The posting should include the name and contact information for the Authority contact person.

E. **Host Ongoing Forums**: The State Public Authorities should provide periodic forums to increase opportunities to develop relationships and exposure to new firms and to increase the awareness of firms in state procurement processes.

II. The Request for Proposals Process

A. **Statement of Intent**: Every RFP issued by a State Public Authority for the procurement of risk management and/or insurance brokerage services shall include the following Statement of Intent:

"It is a goal of the State Public Authority to utilize qualified risk management and insurance brokerage firms that have a demonstrated history of hiring, training, developing, promoting and retaining minorities and women and to encourage participation by qualified certified MWBE risk management and insurance brokerage firms, if available."

B. **Proof of MWBE Status:** Any MWBE risk management and/or insurance brokerage firm responding to the RFP seeking MWBE status for purposes of the RFP process must

submit proof that the firm is certified as an MWBE with DED or any other federal, state or local government or other certifying body such as the National Minority Supplier Development Council ("NMSDC") or the Women's Business Enterprise National Council ("WBENC"). If the firm is not certified by DED, it must also demonstrate that it has an application pending before DED.

C. **Require Shorter RFP Cycles to Ensure Reasonable Access**: The Task Force recommends that RFPs for risk management and/or insurance brokerage services establish a term of no greater than every 1 year with two one-year extensions. The State Public Authority would not be precluded from using a shorter term and/or a supplemental RFP pursuant to which additional firms could be added to the panel mid-cycle.

D. **Revise Assessment Criteria to Eliminate Barriers to Entry:**

1. *RFP Criteria:* Criteria in the RFP should take into account not only experience with the State Public Authority or other New York State Public Authorities but all relevant experience that would enable the risk management and/or insurance brokerage firm to successfully provide the required services. The RFP should also take into consideration the qualification and experience of key individuals within the firm (including experience at other firms) and not just firm experience.

2. *Selection by Size:* A State Public Authority should not utilize evaluation criteria that might discourage participation by risk management and/or insurance brokerage firms of different sizes unless such criteria are in furtherance of the legitimate business purposes of the State Public Authority.

E. **Unbundle Services to Expand Opportunities:** The State Public Authority should consider unbundling risk management and/or insurance brokerage services (negotiating terms and conditions) from ancillary services such as safety and loss control, contract administration, program consulting, or claims related services, where appropriate and where it is consistent with the legitimate business purposes of the State Public Authority. By unbundling these distinct services, the Authority may expand opportunities and enable participation by a larger number of firms.

F. **Provide Options for Utilization of MWBE Firms including Partnerships:** The RFP should encourage the utilization of MWBE firms including notification that the Authority may seek to partner firms on its panel for particular engagements, if a panel is utilized. In this model, the Authority would have a direct contractual relationship with each of the two firms and make payments for services directly to each firm. The Authority would work with the two firms to determine the allocation of responsibilities.

If the Authority chooses to seek firms to provide both risk management and insurance brokerage services together, the Authority may wish to consider encouraging firms to submit proposals as joint venture partnerships. If this model is used, any such joint proposal must describe the legal relationship between the firms submitting the proposal and demonstrate how the firms propose to provide the services required under the RFP

and how the fees will be allocated among the firms. The State Public Authority may reserve the right to contract directly with each individual firm submitting a joint proposal, when appropriate, and to allocate work in a manner that ensures that partnered MWBE firms receive appropriate credit and compensation for the services they provide.

G. Diversity Questionnaire: Every RFP issued for risk management and/or insurance brokerage services shall include a *Diversity Questionnaire* as a standard attachment to ensure a commitment to equal opportunity and affirmative action (see attached *Diversity Questionnaire).*

1. *Submission of Diversity Questionnaire*: Risk management and insurance brokerage firms responding to the RFP shall be required to complete and submit the Diversity Questionnaire set forth in these Best Practices.

2. *Purpose of Diversity Questionnaire*: The information requested in the Diversity Questionnaire is designed to elicit appropriate information about the risk management and/or insurance brokerage firm in order to verify that its work environment demonstrates a strong commitment to diversity.

3. *Types of Information Requested*: The required information includes information on the demographics of the proposer's upper level management and corporate commitment to diversity and equal opportunity initiatives.

4. *MWBE Firms Not Certified in New York*: The RFP shall request each proposer to indicate whether: (i) it is certified as an MWBE firm by any other federal, state or local government, or other certifying body such as the National Minority Supplier Development Council ("NMSDC") or the Women's Business Enterprise National Council ("WBENC") and if so, attach a copy of such certification; and (ii) provide evidence that it has an application pending before DED for certification as an MWBE including the date on which such application was submitted.

5. *Certification Requirement*: A person authorized to bind the risk management and/or insurance brokerage firm contractually must submit with the firm's proposal a certification outlining the firm's continued commitment to its diversity initiatives.

III. Evaluation of Responses

A. Evaluation Criteria: Proposals should be evaluated based on the following criteria:

1. The risk management or insurance brokerage firm's expertise in relevant practice areas (i.e. types of coverage or types of risk management services);

2. The qualifications of the staff to be assigned to work on engagements for the State Public Authority;

3. The fees proposed to be charged by the risk management or insurance brokerage firm, if applicable. Public Authorities may base their RFP on qualifications and then require a subsequent bid on a specific engagement which would include qualifications and fees and any other factors deemed relevant;

4. The risk management or insurance brokerage firm's diversity and equal employment record, including, as allowed by federal and state law: (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 the State Public Authority and the firm's plan for utilizing minority and women staff in such work; (iii) the firm's status as a certified MWBE by DED, or other federal, state or local government, or other certifying body such as the National Minority Supplier Development Council ("NMSDC") or the Women's Business Enterprise National Council ("WBENC"). If such firm is not certified by DED, it must also demonstrate that it has an application pending before DED; and (iv) the firm's plan for utilizing minority and women staff in partnering or joint venture arrangements proposed by the firm, if applicable; and

5. Such other factors as the State Public Authority deems relevant and set forth in the RFP.

A. Evaluation Committee:

1. *Establish Evaluation Committee*: The State Public Authority shall establish an Evaluation Committee to score each proposal in accordance with the evaluation criteria set forth in Section III.A. of these Best Practices. It is recommended that at least one member of the Evaluation Committee shall have job responsibilities involving the MWBE and diversity programs of the State Public Authority or must be familiar with these Best Practices.

2. *Establish Weighting Factor*: The weighting factor assigned to each criterion shall be established by the State Public Authority prior to the receipt of proposals and shall be applied in accordance with procedures established by the State Public Authority to determine the final rankings of the proposers.

3. *Negotiation of Fees*: A State Public Authority may reserve the right to negotiate fees with any risk management or insurance brokerage firm that is otherwise qualified but which has submitted a fee proposal that the State Public Authority deems too high based upon the other proposals.

4. *Documentation*: The Evaluation Committee shall be responsible for documenting in writing its evaluation of each risk management and/or insurance brokerage firm, the score assigned to each firm and its rationale for recommending the firm.

IV. Goals

A. **Establishment of MWBE Goal:** Each State Public Authority shall establish an overall aspirational goal for meaningful utilization of certified MWBE risk management and insurance brokerage firms and/or minority and women staff. The Task Force recommends that, to the extent permitted by federal and state law, an aspirational goal of at least 20% for MWBE firm and/or staff utilization by the State Public Authority or such other goal as is determined in accordance with State and federal law, including Article 15-A of the New York State Executive Law, but further recognizes that each State Public Authority must establish its own goal after taking into account the number and types of matters for which the State Public Authority expects to use outside risk management or insurance brokerage services.

B. **Tracking of Engagements and Fees:** Each State Public Authority shall track work engagements including fees paid to each risk management and insurance brokerage firm for compliance with the aspirational goals established in accordance with these Best Practices. Each State Public Authority shall require firms to include as a provision of contract for risk management and/or insurance brokerage services a statement showing: (1) a breakdown of the total number of hours spent to service the Authority by each of the following: Senior Vice President, Executive Vice President, Managing Director, Director, Vice President, Account Manager, Senior Account Executive, Account Executive and Assistant Account Executive; (2) a description of the services performed by each person; and (3) the total hours charged for services performed by women and minority staff, respectively.

V. Evaluation of Risk Management and Insurance Brokerage Services Firms

In order to ensure that the State Public Authority continues to receive the services for which it contracted in accordance with the requirements of the RFP, the Task Force recommends the following:

A. **Periodic Review of Risk Management and Insurance Brokerage Services Firms:** Each risk management or insurance brokerage firm engaged by the State Public Authority will be reviewed by the State Public Authority after the completion of each engagement to assess the quality and cost-effectiveness of their work. The evaluation of each firm shall be documented on a standardized evaluation form attached to these Best Practices (see Financial Services Evaluation Form (Type B)). The review shall also include the risk management and/or insurance brokerage firm's adherence to the representations it made regarding its diversity practices, the actual percentage and allocation of work performed by women and minority professionals assigned to engagements for the State Public Authority, as well as adherence to its utilization of minority and women staff in partnering or joint venture arrangements proposed by the firm, if applicable. The State Public Authority may

request such information from each firm as it deems necessary to perform such periodic review.

B. **Removal of Risk Management and Insurance Brokerage Services Firms:** A risk management and/or insurance brokerage firm that does not adhere to its representations, or that otherwise fails to perform in a satisfactory manner based upon the criteria contained in the RFP or the contract may be removed at the sole discretion of the State Public Authority.

VI. Selection of Title Insurance Companies/Abstract Companies

Title insurance policies are obtained at closing in most municipal bond transactions in which the bond issue is secured in whole, or in part by a mortgage on real property. The policy is paid for by the borrower and is considered part of the cost of issuance. The selection of title insurance or abstract companies does not lend itself to a traditional request for proposal in State Public Authority procurement. Title Insurance is ordered by the in-house counsel for the State Public Authority or the outside counsel selected by the State Public Authority or the attorneys of the private or not-for-profit client. In an attempt to increase the meaningful utilization of certified MWBE title insurance/abstract companies and/or minority and women staff, the Task Force recommends the following:

A. **Increase Awareness of MWBE Title Insurance/Abstract Companies:** The Task Force recommends that there be an increased awareness of MWBE title insurance companies and abstract companies among Task Force participants and clients and should include MWBE title insurance companies/abstract companies in the list of available providers of title insurance to the clients or attorneys making the selection.

B. **Evaluate the Diversity Practices of Large Title Insurance Companies:** The Task Force recommends that the parties responsible for the selection of title insurance/abstract companies utilize the evaluation criteria stated in Section III of these best practices when selecting title insurance/abstract companies.

ATTACHMENTS

1. Diversity Questionnaire
2. Financial Services Evaluation Form for Billable Transactions (Type A)
3. Financial Services Evaluation Form for Non-Billable Transactions (Type B)
4. Sample Utilization Plan
5. Press Release: Governor Paterson MWBE Task Force Takes Broad Approach to Create Opportunities for Minority and Women Financial Services Professionals (May 5, 2009)
6. EEO-1 Job Classification Guide

[INSERT STATE AUTHORITY LOGO AND NAME]
Diversity Questionnaire

I. Company Demographic Profile

Number of Employees (report employees in only one category) Race/Ethnicity														
	Hispanic or Latino		Non-Hispanic or Latino											
			Male						Female					
Job Categories	Male	Female	White	Black or African-American	Native Hawaiian or other Pacific Islander	Asian	American Indian or Alaska Native	Two or more races	White	Black or African-American	Native Hawaiian or other Pacific Islander	Asian	American Indian or Alaska Native	Overall Totals
Executives/Senior Level Officials and Managers														
First/Mid-Level Officials and Managers														
Professionals														
Technicians														
Sales Workers														
Administrative Support Workers														
Craft Workers														
Operatives														
Laborers and Helpers														
Service Workers														
Total														
2007 Total														
2006 Total														

(NOTE: proposers can also attach Employer Information Reports EEO-1 for the last 3 years)

II. Demographic Profile of Staff Assigned to the Authority's Engagements

Number of Employees (report employees in only one category) Race/Ethnicity														
	Hispanic or Latino		Non-Hispanic or Latino											
			Male						Female					
Job Categories	Male	Female	White	Black or African-American	Native Hawaiian or other Pacific Islander	Asian	American Indian or Alaska Native	Two or more races	White	Black or African-American	Native Hawaiian or other Pacific Islander	Asian	American Indian or Alaska Native	Overall Totals
Executives/Senior Level Officials and Managers														
First/Mid-Level Officials and Managers														
Professionals														
Technicians														
Sales Workers														
Administrative Support Workers														
Craft Workers														
Operatives														
Laborers and Helpers														
Service Workers														
Total														

III. Employment Practices Information

1. Please provide a copy of your company's equal opportunity and affirmative action policy.

2. Does your company actively recruit minority and women professionals for senior level positions? Yes or No

IV. MWBE Certification Status

1. Is your company certified as a minority and/or women-owned business enterprise with the New York State Department of Economic Development? Yes or No

2. If yes, please provide a copy of your certification.

3. If No, please list all other jurisdictions and/or certifying bodies that have deemed your company minority and/or women-owned. Also, please provide a copy of each certification.

4. If your company has applied for but has not, as of the issuance of the RFP, been certified as a minority or women-owned business enterprise by the New York State Department of Economic Development, you must submit proof of a pending application, including the filing date.

V. Strategic Plan and Diversity Initiatives

1. Please provide a copy of your company's Diversity Policy statement.

2. Does your company have a full-time "Director of Diversity" or someone whose primary responsibility is to oversee administration and compliance with the company's diversity business development? Yes or No

3. Separate from your company's Diversity Policy Statement, is your company's CEO or Chief Procurement Officer ("CPO") committed to and engaged in the process of diversity business development? Yes or No

   If yes, please attach a signed statement from your CEO or CPO, if available.

4. Does your company have a registration process for minority and women-owned companies interested in doing business with you (Supplier Diversity)? Yes or No

5. Does your company currently track procurement spending with minority and women-owned businesses? Yes or No

6. Does your company have a documented numeric goal for utilizing minority and women-owned businesses as suppliers? Yes or No

   If yes, please provide documentation of this goal as a percentage of total procurement dollars.

VI. Joint Venture / Strategic Partnerships / Sub-contracting *(if applicable)*

(NOTE: Certain procurements are not suited for Joint Ventures, Strategic Partnerships or Sub-contracting relationships. Please refer to the Request for Proposal to determine if completion of this section is required by the issuing Authority.)

1. Has your company engaged in any prior partnering arrangements with certified MWBE companies? (Responses should include the nature of the engagement, how such arrangement was structured, and a description of how the services and fee were allocated).

2. Please state your company's willingness, if any, to partner with a certified MWBE. Explain how you would suggest structuring such an arrangement and allocating work in a manner that ensures that partnered MWBE companies receive appropriate credit and compensation for the services they provide.

3. If your company plans to establish a subcontracting arrangement with a New York State certified minority or women-owned business enterprise, please complete the specific State Public Authority's "Utilization Plan".

* *Please note that the Authority shall reserve the right to contract directly with each individual company submitting a joint proposal, when appropriate, and allocate work in a manner that ensures that partnered MWBE companies receive appropriate credit and compensation for the services they provide.*

Financial Services Evaluation Form for Billable Transactions (Type A)

1. Please provide the following information:

Company:

Address:

Address 2:

City/Town:

State: -- select state --

ZIP/Postal Code:

Email Address:

Phone Number:

2. Survey Contact

Name:

Title:

Email Address:

Phone Number:

3. Transaction Type or Review Timeframe/Period:

Transaction Name:

Diversity

4. Please provide information for your FEMALE staff for this engagement:

	Number	Amount Billed
Black/ African-American		
Hispanic/Latino		
Native Hawaiian or Other Pacific Islander		
Asian		
White/Caucasian		
Two or more races		

5. Please provide information for your MALE staff for this engagement:

Black/ African-American		
Hispanic/Latino		
Native Hawaiian or Other Pacific Islander		
Asian		
White/Caucasian		
Two or more races		

6. Amount billed by minority professionals by EEO job category:

Senior Level	
First/Mid-Level	
Professional	
Admin. Support	

7. Amount billed by female professionals by EEO job category:

Senior Level	
First/Mid-Level	
Professional	
Admin. Support	

8. Amount billed by all professionals by EEO job category:

Senior Level

First/Mid-Level

Professional

Admin. Support

9. Percentage of minority billing relative to total billings (total minority billing/total professionals billing):

10. Percentage of female billing relative to total billings (total female billing/total professionals billing):

11. (OPTIONAL) Please provide the name, title and roles for Minority and Women staff working on this Engagement:

Name:

Title:

Roles/duties:

Performance

12. How would you evaluate your firm's performance?

☐ Excellent ☐ Good ☐ Acceptable ☐ Fair ☐ Poor

13. Did you meet your firm's targets/expectations, both quantitatively and qualitatively?

☐ Yes

☐ No

14. If not, why not?

15. What was the most difficult aspect of the transaction that your firm had the responsibility for?

16. How did your firm handle such difficulty?

17. Would your firm have handled it differently in the retrospect?

☐ Yes

☐ No

18. If yes, how?

19. Any emerging issues that the Authority or other transaction parties should be thinking of with respect to the next transaction?

☐ Yes

☐ No

20. If yes, what?

21. How meaningful would your firm characterize women and minority roles/responsibilities in this engagement?

22. How did your firm's estimated fees correlate with your actual fees?

☐ Above

☐ Met

☐ Below

23. Briefly describe your firm's most notable diversity efforts during this evaluation period, if any, in particular those that helped advance minorities and women and/or MWBE businesses:

Third Party Service Utilization

24. Please provide the following information for each MWBE firm utilized in conjunction with the services provided to the Authority:

Company 1:

Role:

Contact:

Address:

Address 2:

City/Town:

State: -- select state --

ZIP/Postal Code:

Email Address:

Phone Number:

Total Fees Paid:

Company 2:

Role:

Contact:

Address:

Address 2:

City/Town:

State: -- select state --

ZIP/Postal Code:

Email Address:

Phone Number:

Total Fees Paid:

Company 3:

Role:

Contact:

Address:

Address 2:

City/Town:

State: -- select state --

ZIP/Postal Code:

Email Address:

Phone Number:

Total Fees Paid:

Financial Services Evaluation Form for Non-Billable Transactions (Type B)

1. Please provide the following information:

Company:

Address:

Address 2:

City/Town:

State: -- select state --

ZIP/Postal Code:

Email Address:

Phone Number:

2. Survey Contact

Name:

Title:

Email Address:

Phone Number:

3. Transaction Type Evaluation Time Frame/Period:

Transaction Name: (include drop down menu with all transaction types for firm to select)

Diversity

4. Please provide information for your FEMALE staff for this engagement:

	Number
Black/ African-American	
Hispanic/Latino	
Native Hawaiian or Other Pacific Islander	
Asian	
White/Caucasian	
Two or more races	

5. Please provide information for your MALE staff for this engagement:

	Number
Black/ African-American	
Hispanic/Latino	
Native Hawaiian or Other Pacific Islander	
Asian	
White/Caucasian	
Two or more races	

6. Percentage of minority staff relative to total professionals (total minority staff/total professionals):

7. Percentage of female staff relative to total professionals (total female staff/total professionals):

8. Number of minority professionals by EEO job category:

Senior Level	
First/Mid-Level	
Professional	
Admin. Support	

9. Number of female professionals by EEO job category:

Senior Level

First/Mid-Level

Professional

Admin. Support

10. (OPTIONAL) Please provide the name, title and roles for Minority and Women staff working on behalf of the Authority:

Name:

Title:

Roles/duties:

Performance

11. How would you evaluate your firm's performance?

☐ Excellent ☐ Good ☐ Acceptable ☐ Fair ☐ Poor

12. Did you meet your firm's targets/expectations, both quantitatively and qualitatively?

☐ Yes

☐ No

13. If not, why not?

14. What was the most difficult aspect of your firm's engagement with the Authority?

15. How did your firm handle such difficulty?

16. Would your firm have handled it differently in retrospect?

☐ Yes

☐ No

17. If yes, how?

18. Any emerging issues that the Authority or other parties should be thinking of with respect to future engagements?

☐ Yes

☐ No

19. If yes, what?

20. How meaningful would your firm characterize women and minority roles/responsibilities in providing service to the Authority?

21. Briefly describe your firm's most notable diversity efforts during this evaluation period, if any, in particular those that helped advance minorities and women and/or MWBE businesses:

Third Party Service Utilization

22. Please provide the following information for each MWBE firm utilized in conjunction with the services provided to the Authority:

Company 1:

Role:

Contact:

Address:

Address 2:

City/Town:

State: -- select state --

ZIP/Postal Code:

Email Address:

Phone Number:

Company 2:

Role:

Contact:

Address:

Address 2:

City/Town:

State: MH Marshall Islands

ZIP/Postal Code:

Email Address:

Phone Number:

Company 3:

Role:

Contact:

Address:

Address 2:

City/Town:

State: -- select state --

ZIP/Postal Code:

Email Address:

Phone Number:

SAMPLE

DORMITORY AUTHORITY - STATE OF NEW YORK
Office of Opportunity Programs

UPSTATE: 515 Broadway * Albany, NY 12207-2964 * Phone: (518) 257-3706 Fax: (518) 257-3100
DOWNSTATE: One Penn Plaza, 52nd Floor * New York, NY * 10119-0098 * Phone: (212) 273-5000 Fax: (212) 273-5121

UTILIZATION PLAN

ORIGINAL Submission ☐ **REVISED Submission** ☐

A. PRIME INFORMATION: CONTRACTOR ☐ CONSULTANT ☐ VENDOR ☐

Name: _____
Address: _____ City: _____ State: _____ Zip: _____
Contact Person: _____ E-Mail Address: _____
Telephone Number: _____ Fax Number: _____

B. PROJECT INFORMATION:

Project Number: _____ **Work Authorization# (if applicable)** _____

Contract / Bid Number: _____ **Contract Amount: $**_____

MBE Goal %_____ **$**_____ **WBE Goal %**_____ **$**_____

Facility Name: _____
Building(s): _____
Address: _____
City: _____ County: _____ Zip: _____
Work Description: _____

1. **Schedule of proposed subcontract work:**

Trade/Service	Amount	Trade/Service	Amount
_____	$ _____	_____	$ _____
_____	$ _____	_____	$ _____
_____	$ _____	_____	$ _____
_____	$ _____	_____	$ _____
_____	$ _____	_____	$ _____
_____	$ _____	_____	$ _____

2. **Description of Equipment, Materials or Supplies**

Description of Equipment, Materials or Supplies	Estimated Amount
_____	$ _____
_____	$ _____
_____	$ _____
_____	$ _____
_____	$ _____
_____	$ _____
_____	$ _____
_____	$ _____

SAMPLE

UTILIZATION PLAN

3. List ALL subcontractors and suppliers you plan to utilize during the performance of this contract:

- Firm Name: Value of Proposed Award: $
  Address: Fed ID No.
  City: State: Zip: Estimated Start Date:
  Contact Person: Telephone:
  Work Description: Type of Firm: ☐ MBE ☐ WBE ☐ OTHER

- Firm Name: Value of Proposed Award: $
  Address: Fed ID No.
  City: State: Zip: Estimated Start Date:
  Contact Person: Telephone:
  Work Description: Type of Firm: ☐ MBE ☐ WBE ☐ OTHER

- Firm Name: Value of Proposed Award: $
  Address: Fed ID No.
  City: State: Zip: Estimated Start Date:
  Contact Person: Telephone:
  Work Description: Type of Firm: ☐ MBE ☐ WBE ☐ OTHER

- Firm Name: Value of Proposed Award: $
  Address: Fed ID No.
  City: State: Zip: Estimated Start Date:
  Contact Person: Telephone:
  Work Description: Type of Firm: ☐ MBE ☐ WBE ☐ OTHER

- Firm Name: Value of Proposed Award: $
  Address: Fed ID No.
  City: State: Zip: Estimated Start Date:
  Contact Person: Telephone:
  Work Description: Type of Firm: ☐ MBE ☐ WBE ☐ OTHER

- Firm Name: Value of Proposed Award: $
  Address: Fed ID No.
  City: State: Zip: Estimated Start Date:
  Contact Person: Telephone:
  Work Description: Type of Firm: ☐ MBE ☐ WBE ☐ OTHER

- Firm Name: Value of Proposed Award: $
  Address: Fed ID No.
  City: State: Zip: Estimated Start Date:
  Contact Person: Telephone:
  Work Description: Type of Firm: ☐ MBE ☐ WBE ☐ OTHER

SAMPLE

UTILIZATION PLAN

(subcontractor/supplier continuation page)

- Firm Name:
  Address:
  City: State: Zip:
  Contact Person:
  Work Description:
  Value of Proposed Award: $
  Fed ID No.
  Estimated Start Date:
  Telephone:
  Type of Firm: ☐ MBE ☐ WBE ☐ OTHER

- Firm Name:
  Address:
  City: State: Zip:
  Contact Person:
  Work Description:
  Value of Proposed Award: $
  Fed ID No.
  Estimated Start Date:
  Telephone:
  Type of Firm: ☐ MBE ☐ WBE ☐ OTHER

- Firm Name:
  Address:
  City: State: Zip:
  Contact Person:
  Work Description:
  Value of Proposed Award: $
  Fed ID No.
  Estimated Start Date:
  Telephone:
  Type of Firm: ☐ MBE ☐ WBE ☐ OTHER

- Firm Name:
  Address:
  City: State: Zip:
  Contact Person:
  Work Description:
  Value of Proposed Award: $
  Fed ID No.
  Estimated Start Date:
  Telephone:
  Type of Firm: ☐ MBE ☐ WBE ☐ OTHER

- Firm Name:
  Address:
  City: State: Zip:
  Contact Person:
  Work Description:
  Value of Proposed Award: $
  Fed ID No.
  Estimated Start Date:
  Telephone:
  Type of Firm: ☐ MBE ☐ WBE ☐ OTHER

- Firm Name:
  Address:
  City: State: Zip:
  Contact Person:
  Work Description:
  Value of Proposed Award: $
  Fed ID No.
  Estimated Start Date:
  Telephone:
  Type of Firm: ☐ MBE ☐ WBE ☐ OTHER

- Firm Name:
  Address:
  City: State: Zip:
  Contact Person:
  Work Description:
  Value of Proposed Award: $
  Fed ID No.
  Estimated Start Date:
  Telephone:
  Type of Firm: ☐ MBE ☐ WBE ☐ OTHER

SAMPLE

UTILIZATION PLAN

(subcontractor/supplier continuation page)

- Firm Name: Value of Proposed Award: $
  Address: Fed ID No.
  City: State: Zip: Estimated Start Date:
  Contact Person: Telephone:
  Work Description: Type of Firm: ☐ MBE ☐ WBE ☐ OTHER

- Firm Name: Value of Proposed Award: $
  Address: Fed ID No.
  City: State: Zip: Estimated Start Date:
  Contact Person: Telephone:
  Work Description: Type of Firm: ☐ MBE ☐ WBE ☐ OTHER

- Firm Name: Value of Proposed Award: $
  Address: Fed ID No.
  City: State: Zip: Estimated Start Date:
  Contact Person: Telephone:
  Work Description: Type of Firm: ☐ MBE ☐ WBE ☐ OTHER

- Firm Name: Value of Proposed Award: $
  Address: Fed ID No.
  City: State: Zip: Estimated Start Date:
  Contact Person: Telephone:
  Work Description: Type of Firm: ☐ MBE ☐ WBE ☐ OTHER

- Firm Name: Value of Proposed Award: $
  Address: Fed ID No.
  City: State: Zip: Estimated Start Date:
  Contact Person: Telephone:
  Work Description: Type of Firm: ☐ MBE ☐ WBE ☐ OTHER

- Firm Name: Value of Proposed Award: $
  Address: Fed ID No.
  City: State: Zip: Estimated Start Date:
  Contact Person: Telephone:
  Work Description: Type of Firm: ☐ MBE ☐ WBE ☐ OTHER

_____ _____
Type Name of Principal or Officer Type Title of Principal or Officer

_____ _____
Signature of Principal or Officer Date

SAMPLE

UTILIZATION PLAN

D. PERMANENT EMPLOYEE DISTRIBUTION

PRIME INFORMATION: CONTRACTOR ☐ CONSULTANT ☐ VENDOR ☐

Name: _____ Federal ID# _____
Address: _____
City: _____ State: _____ Zip: _____
Contact Person: _____ Telephone: _____

DISTRIBUTION OF PERMANENT EMPLOYEES

ENTER POSITION OR JOB TITLE	FEMALE EMPLOYEES					MALE EMPLOYEES				
	WHITE	BLACK	NATIVE AMERICAN	HISPANIC	ASIAN	WHITE	BLACK	NATIVE AMERICAN	HISPANIC	ASIAN
EXECUTIVE AND OWNER: For position titles such as President, Partner, Owner, Treasurer, Secretary, etc.										
PROFESSIONAL: For position titles of individuals possessing a License to practice their profession										
TECHNICAL AND MANAGEMENT: For position titles except Executive and Owner, Professional, and Clerical & Support										
CLERICAL AND SUPPORT:										

_____
Type Name of Principal or Officer

_____
Type Title of Principal or Officer

_____
Signature of Principal or Officer

_____
Date

SAMPLE

UTILIZATION PLAN

E. STANDARD EQUAL EMPLOYMENT OPPORTUNITY POLICY STATEMENT

PRIME INFORMATION: CONTRACTOR ☐ CONSULTANT ☐ VENDOR ☐
Name: _____
Address: _____
Address: _____
City: _____ State: _____ Zip: _____
Contact Person: _____ Telephone: _____

PROJECT INFORMATION:
Facility Name: _____
Building (s): _____
Address: _____
City: _____ County: _____ Zip: _____
Work Description: _____

Project Number: _____ Contract Amount: $_____

The following is statement of _____'s commitment to provide participation by minority persons and women in the workforce at the above referenced project.

_____ will ensure and maintain a working environment free of harassment, intimidation and coercion and shall specifically ensure that all foremen, superintendents and other supervisory personnel are aware of and carry out our commitment to maintain such a working environment.

_____ will establish and maintain a current list of minority and women recruitment sources and notify such sources and minority and community organizations when employment opportunities are available and maintain a record of the sources and organizations' responses.

_____ will maintain a file of the names and address of each minority person and woman referred to it by any individual, recruitment source or community organization and of what action was taken with respect to each such referred individual. If the individual was not employed, the file will contain the reasons.

_____ will promptly notify the Dormitory Authority when the union or unions with which we have a collective bargaining agreement has not referred to us a minority person or woman sent by us to such a union for employment in the work or when it has other information that the union referral process has impeded efforts to meet is obligations.

_____ will disseminate this equal employment opportunity policy statement within the organization and will provide all subcontractors with a copy, discussing it with them prior to commencing work at the job site. A copy of our equal employment policy shall be posted at the job site at all times.

_____	_____
Type Name of Principal or Officer	Type Title of Principal or Officer
_____	_____
Signature of Principal or Officer	Date

CONSULTANT'S REQUEST FOR WAIVER

SAMPLE

DORMITORY AUTHORITY - STATE OF NEW YORK
Office of Opportunity Programs
One Penn Plaza, 52nd Floor
New York, New York 10119-0098

A. TYPE OF WAIVER REQUEST: ☐ Total ☐ Partial. If Partial, complete blanks below:
MBE Waiver (%) Requested _____
WBE Waiver (%) Requested _____

B. CONSULTANT
Firm _____
Address _____
City _____ State _____ Zip _____
Contact Person _____ Telephone _____

C. PROJECT
Project _____ Contract Amount $ _____
Address _____ Contract Number _____
Address _____ Project Term _____ Mo.
Address _____ Authority Goal: MBE _____(%)
Authority Goal: WBE _____(%)
Work Description _____

D. REQUIRED WAIVER INFORMATION DOCUMENTATION
If the form does not provide adequate space for a complete response to any item, attach additional pages as required to provide the complete information requested. If any information request item is not applicable to your Company, insert "n/a" on the first blank information request line. Whenever a request is made for a particular document in an applicable information request and the requested document is not attached, the Request For Waiver will be deemed non-responsive, incomplete and will be rejected.

1. Complete the following for certified minority- and women-owned business enterprises that were solicited in writing to provide services or bids on the Project identified above for purposes of complying with the AUTHORITY's goal requirements. Attach a copy of each solicitation for each certified firm listed. Attach a copy of each written solicitation response received from any minority-owned business, MBE, or woman-owned business, WBE.

Firm Name _____ Date _____
Address _____ Trade _____
City, State _____ Check certified firm type:
Contact _____ ☐ MBE ☐ WBE

Firm Name _____ Date _____
Address _____ Trade _____
City, State _____ Check certified firm type:
Contact _____ ☐ MBE ☐ WBE

Firm Name _____ Date _____
Address _____ Trade _____
City, State _____ Check certified firm type:
Contact _____ ☐ MBE ☐ WBE

Firm Name _____ Date _____
Address _____ Trade _____
City, State _____ Check certified firm type:

SAMPLE

Contact _____ ☐ MBE ☐ WBE

Firm Name _____ Date _____
Address _____ Trade _____
City, State _____ Check certified firm type:
Contact _____ ☐ MBE ☐ WBE

2. Provide a description of any solicitation documents, contract documents plans, specifications and/or other documentation made available to certified minority- and women-owned businesses for the purposes of soliciting their services or bids, and the dates and manner in which these documents were made available.

_____

3. Attach documentation of any negotiations with any minority- and women-owned business enterprises undertaken for purposes of complying with the AUTHORITY's goal requirements.

☐ Attachment(s) provided ☐ Not Applicable

4. Provide a statement of justification to support the request for a waiver of the goal requirements established by the Authority.

_____

Type Name of Principal or Officer Type Title of Principal or Officer

Signature of Principal or Officer Date

FORM: AE-AAP 8.0, 3/05/98

Dormitory Authority
State of New York

Gail H. Gordon, *Chair*
Paul T. Williams, Jr., *Executive Director*

For further information:
Marc Violette: 518-257-3382

For immediate release:
May 5, 2009

GOV. PATERSON M/WBE TASK FORCE TAKES BROAD APPROACH TO CREATE OPPORTUNITIES FOR MINORITY AND WOMEN FINANCIAL SERVICES PROFESSIONALS

New York City - - Members of a state Task Force appointed by Gov. David A. Paterson heard from panels of financial service professionals about best practices in the industry for increasing the participation of minority and women-owned firms in providing a range of financial services to public authorities.

The panels covered four sectors of the financial services industry that are used by New York State's debt-issuing authorities:

- Accounting
- Banks, Trusts, and Money Market Funds
- Financial Advisors and Swap Advisors
- Broker-Dealers

This Task Force examination of participation by minority and women-owned business enterprises (M/WBE) in state contracting for professional financial services continues the historic work it has undertaken in the underwriting and legal services sectors.

In broad terms, the themes that run through the Task Force efforts in various industry sectors include leveling the playing field, eliminating barriers to entry, providing opportunities to firms to demonstrate their qualifications, skills and expertise, measuring performance, encouraging joint ventures, and prime contract opportunities.

Information gathered during the April 30 panel discussions will be used by Gov. Paterson's Executive Order 10 Task Force to write a set of recommendations for issuers of state-supported debt to consider in their procurements for outside financial services. State authorities routinely contract with private-sector firms to supply them with a wide range of professional financial services in the course of their operations.

"Under Governor Paterson's leadership and through the recommendations of the Task Force, we are setting a new game plan for New York," said Paul T. Williams, Jr., Chairman of the Task Force, and Executive Director of the Dormitory Authority of the State of New York. We are clearly establishing

once and for all that all firms in the financial services sector will have an equal opportunity to compete for state business. A robust M/WBE financial services sector can and should be a major asset to New York. These firms will create needed jobs, generate new ideas, and sharpen competition among all firms for state business."

More than 200 industry professionals attended the series of panel sessions which were titled: *"Supporting Diversity in Government Contracting of Financial Services: Challenges and Opportunities."*

Attendees at the sessions - - which were held at the New York County Lawyer's Association -- included financial services professionals from both M/WBE regional and national firms; New York State public authorities; M/WBE financial services trade associations; and large financial service providers who discussed best practices for increasing the utilization of minority and women financial services professionals by state entities.

Discussion during the four panel sessions frequently turned to the need for state authorities to reduce bureaucratic barriers that can either deter M/WBE firms from seeking state contract work or prevent them from successfully competing for such work when they do seek it.

Among other concerns, panel participants said that:

- The Request for Proposals (RFP) cycle used by state entities to engage firms is too long - - often five years -- to permit firms the opportunity to frequently compete for state work.
- State entities sometimes require that a service provider have prior experience with it in order to compete for work, creating a Catch-22 situation in which the firm cannot win a contract because it has not previously done work for the authority.
- Some state entities place too much emphasis on engaging firms with deep capitalization, rather than seeking firms with a proven performance record in the service area.
- State authorities too often retain one large company to provide a wide range of services rather than seeking out smaller firms that can supply exemplary service in their specialized areas of expertise.

"One hurdle that sticks out like a sore thumb is that you have to be green (highly capitalized). Judge us by our expertise and record, not solely on our level of capitalization," said Stanley Weeks, Executive Vice President and Chief Credit Officer of City National Bank of New Jersey.

Seema Mohanty, Managing Director of Mohanty & Associates LLC, said state entities seeking professional financial service providers would do well to "hire those best qualified for each specific service rather than bundle it all up" with one large company that might not deliver top-notch results across a wide range of service areas.

J. Donald Rice, Jr., President and CEO of Rice Financial Products, said: "Look at (hiring) firms that are very specialized and very good at understanding what states do and what they need. Small firms that understand that business very well do very well."

The focus of the Task Force in seeking greater opportunity for M/WBE firms in the financial services industry to compete for work with state agencies and authorities follows its work in the underwriting and legal services sectors. In October 2008, the Task Force issued historic recommendations to boost opportunity for M/WBE underwriting firms seeking to participate in issuances of state-supported debt. And the Task Force is expected to issue similar recommendations later this month covering state entity procurements of outside legal services.

On April 28, Task Force members delivered to Governor Paterson their interim report charting progress made to date in the area of underwriter participation. Specifically, the report notes that designations to M/WBE underwriting firms as a percentage of total designations for all firms by the five issuers of state-supported debt rose from 4 percent in 2007 to 23 percent in 2008. Designation fees paid to M/WBE underwriting firms rose from a total of $507,000 out of $11.8 million in 2007 to $5.1 million out of a total of $21.9 million in 2008.

"We are going boldly, and unapologetically where no one, at least in New York State, has gone before in search of contract opportunities for M/WBE firms," said Michael Jones-Bey, a member of the Task Force and Executive Director of the Division of Minority and Women's Business Development at the Empire State Development Corp.

James Gebhardt, a Task Force member and CFO of the New York State Environmental Facilities Corp., said that through the work of the Task Force, "We are communicating to the marketplace that New York State is open to all firms regardless of their makeup. This is bringing a lot of new firms into the marketplace. We've seen a real shift."

Paul T. Williams, Jr., Chairman of the Task Force, noted that the Task Force is working to create an environment, "… where our sons and daughters can not only aspire to be whatever they want to be, but also have the opportunity to be whatever they want to be. Our groundbreaking efforts in New York State are being studied in other jurisdictions and we expect our successful actions will serve as a model to spur the growth and development of a vibrant M/WBE financial services industry."

Gov. Paterson created the Task Force in June 2008 under Executive Order 10 and named Dormitory Authority Executive Director Paul T. Williams, Jr. to chair it.

The Task Force is comprised of the executive directors or presidents of the Dormitory Authority, the New York State Housing Finance Agency, the New York State Thruway Authority, the Empire State Development Corp., the Environmental Facilities Corp., and three members appointed by Gov. Paterson.

The Task Force will meet next on May 11 in Albany.

###

Paul T. Williams, Jr. (standing) delivers opening remarks April 30 at a Manhattan forum held by Gov. David Paterson's Executive Order 10 Task Force on supporting diversity in government contracting of financial services.

From left to right:

Frederick E. Davis, Jr.: Partner, Mitchell and Titus, LLP

Lorna I. Stark: Partner, KPMG

Richard Levychin: Managing Partner, KBL, LLP

Paul T. Williams, Jr; Chairman Gov. Paterson's Executive Order 10 Task Force, and Executive Director of the Dormitory Authority of the State of New York

Peter A. Aqunio: Managing Partner, Torres Llompart, Sanchez Ruiz, LLP

Governor David A. Paterson's E.O. 10 MWBE Task Force presents:

"Supporting Diversity in Government Contracting of Financial Services: Challenges and Opportunities"

Thursday, April 30, 2009

The New York County Lawyers' Association
14 Vesey Street
New York, NY 10007

Program Agenda

Pre-Panel Networking — **12:00 – 12:30 PM (The Lounge)**

Welcome — **12:30 – 12:40 PM (The Auditorium)**

Taffi Woolward Director, Opportunity Programs Group
Financial & Professional Services Diversity Programs
Dormitory Authority –State of New York

Paul T. Williams, Jr. Task Force Chairman and
Executive Director, Dormitory Authority – State of New York

Opening Remarks — **12:40 – 12:50 PM**

Michael H. Jones-Bey Executive Director, Division of Minority & Women's Business Development
Empire State Development Corporation

Panel 1 – Accounting Services 12:50 – 1:35 PM

Moderator: **Richard Levychin, CPA,** Managing Partner – KBL, LLP

Speakers

- **Frederick E. Davis, Jr., CPA, Esq.,** Partner – Mitchell and Titus, LLP
- **Lorna L. Stark**, Partner – KPMG
- **Peter A. Aqunio, CPA**, Managing Partner – Torres Llompart, Sánchez Ruiz, LLP
- **John G. Pasicznyk**, Chief Financial Officer – Dormitory Authority – State of New York

Stretch Break 1:35 – 1:45 PM

Panel 2 – Banks, Trusts and Money Market Funds 1:45 – 2:30 PM

Moderator: **John G. Pasicznyk**, Chief Financial Officer – Dormitory Authority – State of New York

Speakers

- **Stanley M. Weeks**, Executive Vice President – City National Bank of New Jersey
- **Dail St. Claire**, President – Williams Capital Management Trust
- **Robert M. Godley**, Treasurer – Empire State Development Corporation
- **Debra A. Baker**, Chief Administrative Officer – The Bank of New York Mellon Global Corporate Trust
- **Penny Zuckerwise**, Chief Executive Officer – Utendahl Capital Management
- **Genevieve M. D'Agostino**, Treasurer – Housing Finance Agency/SONYMA

Stretch Break 2:30 – 2:40 PM

Panel 3 – Financial & Swap Advisors 2:40 – 3:25 PM

Moderator: **Portia Lee**, Managing Director of Public Finance and Portfolio Monitoring Dormitory Authority – State of New York

Speakers

- **Michael E. Jones**, Principal – Phoenix Capital Partners
- **Nancy E. Winkler,** Managing Director – The PFM Group
- **George H. Butcher III**, Managing Director – Butcher Mark Financial Advisors
- **Peter Shapiro,** Managing Director – Swap Financial Group
- **Seema Mohanty**, Chief Executive Officer – Mohanty and Associates
- **James T. Gebhardt, CFA,** Chief Financial Officer – Environmental Facilities Corporation

Stretch Break 3:25 – 3:35 PM

Panel 4 – Broker Dealers 3:35 – 4:20 PM

Moderator: **Reginald U. Scantlebury**, Senior Vice President – Jackson Securities, LLC
National Association of Securities Professionals, Board of Directors

Speakers

- **John M. Bryan**, CFO and Treasurer – New York State Thruway Authority
- **Catherine Lapadula**, Managing Director – UBS International NY Branch Manager
- **J. Donald Rice, Jr.**, President and Chief Executive Officer – Rice Financial Products Company
- **Sheila Stamps**, Director of Fixed Income– Office of the State Comptroller

Networking Reception 4:30 – 6:00 PM

Employer Information Report EEO-1
(Standard Form 100)

EEO-1 JOB CLASSIFICATION GUIDE

A Guide Which Maps 2000 Census Job Codes And Titles Into The Ten (10) EEO-1 Survey Job Categories

Office of Research, Information and Planning
Program Research and Surveys Division (ORIP-PRSD)

♦ ♦ ♦ ♦ ♦ ♦ ♦ ♦ ♦ ♦ ♦

US Equal Employment Opportunity Commission
Washington DC 20507

Classification of Private Industry Employees By EEO-1 Job Categories

INTRODUCTION

This guide serves as a crosswalk between the 2000 Census job codes and the ten (10) job categories on the ***Employer Information Report EEO-1***, and is designed to assist employers in correctly classifying employees according to the ten (10) job categories on the EEO-1 report. Each job category is explained in the EEO-1 Instruction Booklet with a definition and examples of the types of jobs included in the category.

The Appendix lists the 3-digit Census job codes and occupational titles [with Standard Occupational Classification (SOC) codes] by EEO-1 job categories. The reference for the Census job codes and occupational titles is the ***2000 Census of Population Occupational Classification System*** released by the Bureau of the Census.

In the practical application of these documents, the employer should:

- Report an employee who performs work in two (2) or more jobs only once according to the job in which the employee spends the most time.
- Report employees in the job in which they are actually working. Do not report them in the job in which they may have been trained, if that is different. For example, an employee trained as an accountant, but who is working as a bookkeeper or accounting clerk, must be reported in the **'Administrative Support'** job category.
- Report employees by actual major job activity according to the EEO-1 definitions, not by company job titles.

Unresolved questions about difficult assignments may be directed to the EEO-1 Coordinator in the Program Research and Surveys Division, EEOC, at 866-286-6440 (toll-free), (202) 663-7185 (fax), or e1.techassistance@eeoc.gov .

SPECIFIC JOB CATEGORIES

For a detailed description of the EEO-1 job categories, please refer to the EEO-1 Instruction Booklet, Part 5, **Description of Job Categories**.

Note: First-line supervisors, unless specifically listed in the Appendix under 'Executive/Senior Level Officials and Managers' or 'First/Mid Level Officials and Managers', who engage in the same activities as the employees they supervise should be reported in the same job category as the employees they supervise.

Appendix

Conversion of 2000 Census Occupations to Job Groupings Used in the Employer Information Report EEO-1 Survey

Notes:

1. The 2000 Population Census occupational categories have been matched to the EEO-1 categories according to the EEO-1 Instruction Booklet wherever possible. The Census categories not specifically covered by the Instruction Booklet were matched according to the similarity of activities or duties.

2. The numeric codes in Column No. 3 parentheses are from the Standard Occupational Classification Manual.

Beginning with the 2007 EEO-1 survey, individuals in business and financial occupations will be assigned to the 'Professionals' job category. The job classification changes Standard Occupational Classification (SOC) code prefix 13, i.e. range 13-1000 to 13-2099.

EEO-1 Survey Job Classification Listing Using 2000 Census Codes (Revised 2006)

Census Code	Job Title/Description	2000 SOC Equivalent
Officials and Managers		
001 – 043		11-1011 – 11-9199

Executive/Senior Level Officials and Managers. Individuals who plan, direct and formulate policies, set strategy and provide the overall direction of enterprises/organizations for the development and delivery of products or services, within the parameters approved by boards of directors or other governing bodies. Residing in the highest levels of organizations, these executives plan, direct or coordinate activities with the support of subordinate executives and staff managers. They include, in larger organizations, those individuals within two reporting levels of the CEO. Examples of these kinds of managers are: chief executive officers, chief operating officers, chief financial officers, line of functional areas or operating groups, chief information officers, chief human resources officers, chief marketing officers, chief legal officers, management directors and managing partners.

First/Mid Level Officials and Managers. Individuals who serve as managers, other than those who serve as Executive/ Senior Level Officials and Managers, including those who oversee and direct the delivery of products, services or functions at group, regional or divisional levels of organizations. These managers receive directions from the Executive/Senior Level management and typically lead major business units. They implement policies, programs and directives of executive/senior management through subordinate managers and within the parameters set by Executive/Senior Level management. Examples of these Kinds of managers are: vice presidents and directors, Group, regional or divisional controllers; treasurers, human Resources, information systems, marketing, and operations managers. The First/Mid Level Officials and Managers sub-Category also includes those who report directly to middle managers. These individuals serve at functional, line of business segment or branch levels and are responsible for directing and executing the day-to-day operational objectives of officials and managers to subordinate personnel and, in some instances, directly supervising the activities of exempt and non-exempt personnel. Examples of these kinds of managers are: first-line managers; team managers; unit managers; operations and production managers; branch managers; administrative services managers; purchasing and transportation managers; storage and distribution managers; call center or customer service managers; technical support managers; and brand or product managers.

Census Code	Job Title/Description	2000 SOC Equivalent
Professionals		
050	Agents and Business Managers of Artists, Performers, and Athletes	13-1011
051	Purchasing Agents and Buyers, Farm Products	13-1021
052	Wholesale and Retail Buyers, Except Farm Products	13-1022
053	Purchasing Agents, Except Wholesale, Retail, and Farm Products	13-1023
054	Claims Adjusters, Appraisers, Examiners, and Investigators	13-1030
056	Compliance Officers, Except Agriculture, Construction, Health and Safety, and Transportation	13-1041
060	Cost Estimators	13-1051
062	Human Resources, Training, and Labor Relations Specialists	13-1070
070	Logisticians	13-1081
071	Management Analysts	13-1111
072	Meeting and Convention Planners	13-1121
073	Other Business Operations Specialists	13-1061 and 13-1199
080	Accountants and Auditors	13-2011
081	Appraisers and Assessors of Real Estate	13-2021
082	Budget Analysts	13-2031
083	Credit Analysts	13-2041
084	Financial Analysts	13-2051
085	personal financial advisors	13-2052
086	Insurance Underwriters	13-2053
090	Financial Examiners	13-2061
091	Loan Counselors and Officers	13-2070
093	Tax Examiners, Collectors, and Revenue Agents	13-2081
094	Tax Preparers	13-2082
095	Financial Specialists, All Other	13-2099
100	Computer Scientists and Systems Analysts	15-1011, 15-1051 and 1099
101	Computer Programmers	15-1021
102	Computer Software Engineers	15-1030
104	Computer Support Specialists	15-1041
106	Database Administrators	15-1061
110	Network and Computer Systems Administrators	15-1071
111	Network Systems and Data Communications Analysts	15-1081
120	Actuaries	15-2011
122	Operations Research Analysts	15-2031
124	Miscellaneous Mathematical Science Occupation, Including Mathematicians and Statisticians **Combines: 121 B Mathematicians** **123 B Statisticians** **124 B Miscellaneous Mathematical Science Occupations**	15-2021, 15-2041 and 15-2090
130	Architects, Except Naval	17-1010
131	Surveyors, Cartographers, and Photogrammetrists	17-1020
132	Aerospace Engineers	17-2011
135	Chemical Engineers	17-2041
136	Civil Engineers	17-2051
140	Computer Hardware Engineers	17-2061
141	Electrical and Electronics Engineers	17-2070

Census Code	Job Title/Description	2000 SOC Equivalent
142	Environmental Engineers	17-2081
143	Industrial Engineers, Including Health and Savety	17-2110
144	Marine Engineers and Naval Architects	17-2121
145	Materials Engineers	17-2131
146	Mechanical Engineers	17-2141
151	Nuclear Engineers	17-2161
152	Petroleum, Mining and Geological Engineers, Including Mining Safety Engineers	17-2151 and 17-2171
	Combines: 150 – Mining and Geological Engineers, Including Mining Safety Engineers **152 – Petroleum Engineers**	
153	Miscellaneous Engineers, Including Agricultural and Biomedical	17-2021, 17-2031 and 17-2199
	Combines: 133 – Agricultural Engineers **134 – Biomedical Engineers** **153 – Engineers, All Other**	
160	Agricultural and Food Scientists	19-1010
161	Biological Scientists	19-1020
164	Conservation Scientists and Foresters	19-1030
165	Medical Scientists	19-1040
170	Astronomers and Physicists	19-2010
171	Atmospheric and Space Scientists	19-2021
172	Chemists and Materials Scientists	19-2030
174	Environmental Scientists and Geoscientists	19-2040
176	Physical Scientists, All Other	19-2099
180	Economists	19-3011
181	Market and Survey Researchers	19-3020
182	Psychologists	19-3030
184	Urban and Regional Planners	19-3051
186	Miscellaneous Social Scientists, Including Sociologists	19-3041 and 19-3090
	Combines: 183 B Sociologists **186 – Miscellaneous Social Scientists and Related Workers**	
200	Counselors	21-1010
201	Social Workers	21-1020
202	Miscellaneous Community and Social Service Specialists	21-1090
204	Clergy	21-2011
205	Directors, Religious Activities and Education	21-2021
206	Religious Workers, All Other	21-2099
210	Lawyers	23-1011
211	Judges, Magistrates, and Other Judicial Workers	23-1020
220	Postsecondary Teachers	25-1000
230	Preschool and Kindergarten Teachers	25-2010
231	Elementary and Middle School Teachers	25-2020
233	Special Education Teachers	25-2040
234	Other Teachers and Instructors	25-3000
240	Archivists, Curators, and Museum Technicians	25-4010
243	Librarians	25-4021
255	Other Education, Training, and Library Workers	25-9011, 25-9021, 25-9031 and 25-9099
260	Artists and Related Workers	27-1010

Census Code	Job Title/Description	2000 SOC Equivalent
263	Designers	27-1020
270	Actors	27-2011
271	Producers	27-2012
272	Athletes, Coaches, Umpires, and Related Workers	27-2020
274	Dancers and Choreographers	27-2030
275	Musicians, Singers, and Related Workers	27-2040
276	Entertainers and Performers, Sports and Related Workers, All Other	27-2099
280	Announcers	27-3010
281	News Analysts, Reporters and Correspondents	27-3020
282	Public Relations Specialists	27-3031
283	Editors	27-3041
284	Technical Writers	27-3042
285	Writers and Authors	27-3043
286	Miscellaneous Media and Communication Workers	27-3090
291	Photographers	27-4021
292	Television, Video, and Motion Picture Camera Operators and Editors	27-4030
300	Chiropractors	29-1011
301	Dentists	29-1020
303	Dietitians and Nutritionists	29-1031
304	Optometrists	29-1041
305	Pharmacists	29-1051
306	Physicians and Surgeons	29-1060
311	Physician Assistants	29-1071
312	Podiatrists	29-1081
313	Registered Nurses	29-1111
314	Audiologists	29-1121
315	Occupational Therapists	29-1122
316	Physical Therapists	29-1123
320	Radiation Therapists	29-1124
321	Recreational Therapists	29-1125
322	Respiratory Therapists	29-1126
323	Speech-Language Pathologists	29-1127
324	Therapists, All Other	29-1129
325	Veterinarians	29-1131
326	Health Diagnosing and Treating Practitioners, All Other	29-1199
434	Animal Trainers	39-2011
493	Sales Engineers	41-9031
601	Agricultural Inspectors	45-2011
666	Construction and Building Inspectors	47-4011
903	Aircraft Pilots and Flight Engineers	53-2010

Technicians

154	Drafters	17-3010
155	Engineering Technicians, Except Drafters	17-3020
156	Surveying and Mapping Technicians	17-3031
190	Agricultural and Food Science Technicians	19-4011
191	Biological technicians	19-4021
192	Chemical Technicians	19-4031
193	Geological and Petroleum Technicians	19-4041

Census Code	Job Title/Description	2000 SOC Equivalent
196	Miscellaneous Life, Physical, and Social Science Technicians, Including Social Science Research Assistants & Nuclear Technicians **Combines: 194 – Nuclear Technicians** **196 – Other Life, Physical, and Social Science Technicians**	19-4051, 19-4061 and 19-4090
290	Broadcast and Sound Engineering Technicians and Radio Operators and Other Media and Communication Equipment Workers **Combines: 290 – Broadcast and Sound Engineering Technicians and Radio Operators** **296 – Media and Communication Equipment Workers, All Other**	27-4010 and 27-4099
330	Clinical Laboratory Technologists and Technicians	29-2010
331	Dental Hygienists	29-2021
332	Diagnostic Related Technologists and Technicians	29-2030
340	Emergency Medical Technicians and Paramedics	29-2041
341	Health Diagnosing and Treating Practitioner Support Technicians	29-2050
350	Licensed Practical and Licensed Vocational Nurses	29-2061
351	Medical Records and Health Information Technicians	29-2071
352	Opticians, Dispensing	29-2081
353	Miscellaneous Health Technologists and Technicians	29-2090
354	Other Healthcare Practitioners and Technical Occupations	29-9000

Sales Workers

470	First-Line Supervisors/Managers of Retail Sales Workers	41-1011
471	First-Line Supervisors/Managers of Non-Retail Sales Workers	41-1012
472	Cashiers	41-2010
474	Counter and Rental Clerks	41-2021
475	Parts Salespersons	41-2022
476	Retail Salespersons	41-2031
480	Advertising Sales Agents	41-3011
481	Insurance Sales Agents	41-3021
482	Securities, Commodities, and Financial Services Sales Agents	41-3031
483	Travel Agents	41-3041
484	Sales Representatives, Services, All Other	41-3099
485	Sales Representatives, Wholesale and Manufacturing	41-4010
490	Models, Demonstrators, and Product Promoters	41-9010
492	Real Estate Brokers and Sales Agents	41-9020
494	Telemarketers	41-9041
495	Door-To-Door Sales Workers, News and Street Vendors, and Related Workers	41-9091
496	Sales and Related Workers, All Other	41-9099

Administrative Support Workers

214	Paralegals and Legal Assistants	23-2011
215	Miscellaneous Legal Support Workers	23-2090
244	Library Technicians	25-4031
254	Teacher Assistants	25-9041
500	First-Line Supervisors/Mangers of Office and Administrative Support Workers	43-1011

Census Code	Job Title/Description	2000 SOC Equivalent
501	Switchboard Operators, Including Answering Service	43-2011
502	Telephone Operators	43-2021
503	Communications Equipment Operators, All Other	43-2099
510	Bill and Account Collectors	43-3011
511	Billing and Pos ting Clerks and Machine Operators	43-3021
512	Bookkeeping, Accounting, and Auditing Clerks	43-3031
513	Gaming Cage Workers	43-3041
514	Payroll and Timekeeping Clerks	43-3051
515	Procurement Clerks	43-3061
516	Tellers	43-3071
520	Brokerage Clerks	43-4011
522	Court, Municipal and License Clerks	43-4031
523	Credit Authorizers, Checkers, and Clerks	43-4041
524	Customer Service Representatives	43-4051
525	Eligibility Interviewers, Government Programs	43-4061
526	File Clerks	43-4071
530	Hotel, Motel, and Resort Desk Clerks	43-4081
531	Interviewers, Except Eligibility and Loan	43-4111
532	Library Assistants, Clerical	43-4121
533	Loan Interviewers and Clerks	43-4131
534	New Accounts Clerks	43-4141
535	Correspondence Clerks and Order Clerks	43-4021 and 43-4151
	Combines: 521 – Correspondence Clerks	
	535 – Order Clerks	
536	Human Resources Assistants, Except Payroll and Timekeeping	43-4161
540	Receptionists and Information Clerks	43-4171
541	Reservation and Transportation Ticket Agents and Travel Clerks	43-4181
542	Information and Record Clerks, All Other	43-4199
550	Cargo and Freight Agents	43-5011
551	Couriers and Messengers	43-5021
552	Dispatchers	43-5030
553	Meter Readers, Utilities	43-5041
554	Postal Service Clerks	43-5051
555	Postal Service Mail Carriers	43-5052
556	Postal Service Mail Sorters, Processors, and Processing Machine Operators	43-5053
560	Production, Planning, and Expediting Clerks	43-5061
561	Shipping, Receiving, and Traffic Clerks	43-5071
562	Stock Clerks and Order Filers	43-5081
563	Weighers, Measurers, Checkers, and Samplers, Recordkeeping	43-5111
570	Secretaries and Administrative Assistants	43-6010
580	Computer Operators	43-9011
581	Data Entry Keyers	43-9021
582	Word Processors and Typists	43-9022
583	Desktop Publishers	43-9031
584	Insurance Claims and Policy Processing Clerks	43-9041
585	Mail Clerks and Mail Machine Operators, Except Postal Service	43-9051
586	Office Clerks, General	43-9061
590	Office Machine Operators, Except Computer	43-9071
591	Proofreaders and Copy Markers	43-9081
592	Statistical Assistants	43-9111
593	Office and Administrative Support Workers, All Other	43-9199

Census Code	Job Title/Description	2000 SOC Equivalent
Craft Workers		
620	First-Line Supervisors/Managers of Construction Trades and Extraction Workers	47-1011
621	Boilermakers	47-2011
622	Brickmasons, Blockmasons, and Stonemasons	47-2020
623	Carpenters	47-2031
624	Carpet, Floor, and Tile Installers, and Finishers	47-2040
625	Cement Masons, Concrete Finishers, and Terrazzo Workers	47-2050
630	Paving, Surfacing, and Tamping Equipment Operators	47-2071
632	Miscellaneous Construction Equipment Operators	47-2072 and 47-2073
	Combines: 631 – Pile-Driver Operators **632 – Operating Engineers and Other Construction Equipment Operators**	
633	Drywall Installers, Ceiling Tile Installers, and Tapers	47-2080
635	Electricians	47-2111
636	Glaziers	47-2121
640	Insulation Workers	47-2130
642	Painters, Construction and Maintenance	47-2141
643	Paperhangers	47-2142
644	Pipelayers, Plumbers, Pipefitters, and Steamfitters	47-2150
646	Plasterers and Stucco Masons	47-2161
651	Roofers	47-2181
652	Sheet Metal Workers	47-2211
653	Iron and Steel Workers	47-2171 and 47-2221
	Combines: 650 – Reinforcing Iron and Rebar Workers **653 – Structural Iron and Steel Workers**	
670	Elevator Installers and Repairers	47-4021
671	Fence Erectors	47-4031
672	Hazardous Materials Removal Workers	47-4041
673	Highway Maintenance Workers	47-4051
674	Rail-Track Laying and Maintenance Equipment Operators	47-4061
676	Miscellaneous Construction and Related Workers	47-4090
680	Derrick, Rotary Drill, and Service Unit Operators, and Roustabouts, Oil, Gas, and Mining	47-5010 and 47-5071
	Combines: 680 – Derrick, Rotary Drill, and Service Unit Operators, Oil, Gas, and Mining **692 – Roustabouts, Oil and Gas**	
682	Earth Drillers, Except Oil and Gas	47-5021
683	Explosives Workers, Ordnance Handling Experts, and Blasters	47-5031
684	Mining Machine Operators	47-5040
694	Miscellaneous Extraction Workers, Including Roof Bolters and Helpers	47-5051, 47-5061, 47-5081 and 47-5099
	Combines: 691 – Roof Bolters, Mining **693 – Helpers, Extraction Workers** **694 – Other Extraction Workers**	
700	First-Line Supervisors/Managers of Mechanics, Installers, and Repairers	49-1011
701	Computer, Automated Teller, and Office Machine Repairers	49-2011
702	Radio and Telecommunications Equipment Installers and Repairers	49-2020
703	Avionics Technicians	49-2091

Census Code	Job Title/Description	2000 SOC Equivalent
704	Electric Motor, Power Tool, and Related Repairers	49-2092
710	Electrical and Electronics Repairers, Industrial, Utility, and Transportation	49-2093, 49-2094, and 49-2095
	Combines: 705 – Electrical and Electronics Installers and Repairers, Transportation Equipment **710 – Electrical and Electronics Repairers, Industrial and Utility**	
711	Electronic Equipment Installers and Repairers, Motor Vehicles	49-2096
712	Electronic Home Entertainment Equipment Installers and Repairers	49-2097
713	Security and Fire Alarm Systems Installers	49-2098
714	Aircraft Mechanics and Service Technicians	49-3011
715	Automotive Body and Related Repairers	49-3021
716	Automotive Glass Installers and Repairers	49-3022
720	Automotive Service Technicians and Mechanics	49-3023
721	Bus and Truck Mechanics and Diesel Engine Specialists	49-3031
722	Heavy Vehicle and Mobile Equipment Service Technicians and Mechanics	49-3040
724	Small Engine Mechanics	49-3050
726	Miscellaneous Vehicle and Mobile Equipment Mechanics, Installers, and Repairers	49-3090
730	Control and Valve Installers and Repairers	49-9010
731	Heating, Air Conditioning, and Refrigeration Mechanics and Installers	49-9021
732	Home Appliance Repairers	49-9031
733	Industrial and Refractory Machinery Mechanics	49-9041 and 49-9045
734	Maintenance and Repair Workers, General	49-9042
735	Maintenance Workers, Machinery	49-9043
736	Millwrights	49-9044
741	Electrical Power-Line Installers and Repairers	49-9051
742	Telecommunications Line Installers and Repairers	49-9052
743	Precision Instrument and Equipment Repairers	49-9060
751	Coin, Vending, and Amusement Machine Servicers and Repairers	49-9091
754	Locksmiths and Safe Repairers	49-9094
755	Manufactured Building and Mobile Home Installers	49-9095
756	Riggers	49-9096
762	Other Installation, Maintenance, and Repair Workers, Including Commercial Divers and Signal and Track Switch Repairers	49-9092, 49-9093, 49-9097 and 49-9099
	Combines: 752 – Commercial Divers **760 – Signal and Track Switch Repairers** **762 – Other Installation, Maintenance, and Repair Workers**	
774	Structural Metal Fabricators and Fitters	51-2041
803	Machinists	51-4041
806	Model Makers and Patternmakers, Metal and Plastic	51-4060
813	Tool and Die Makers	51-4111
816	Lay-Out Workers, Metal and Plastic	51-4192
823	Bookbinders and Bindery Workers	51-5010
825	Prepress Technicians and Workers	51-5022
833	Shoe and Leather Workers and Repairers	51-6041
835	Tailors, Dressmakers, and Sewers	51-6061
845	Upholsterers	51-6093
850	Cabinetmakers and Bench Carpenters	51-7011

Census Code	Job Title/Description	2000 SOC Equivalent
851	Furniture Finishers	51-7021
855	Miscellaneous Woodworkers, Including Model Makers and Patternmakers	51-7030 and 51-7099
	Combines: 852 – Model Makers and Patternmakers, Wood **855 – Woodworkers, All Other**	
860	Power Plant Operators, Distributors, and Dispatchers	51-8010
861	Stationary Engineers and Boiler Operators	51-8021
862	Water and Liquid Waste Treatment Plant and System Operators	51-8031
875	Jewelers and Precious Stone and Metal Workers	51-9071
876	Medical, Dental, and Ophthalmic Laboratory Technicians	51-9080
891	Etchers and Engravers	51-9194
951	Crane and Tower Operators	53-7021
952	Dredge, Excavating, and Loading Machine Operators	53-7030

Operatives

604	Graders and Sorters, Agricultural Products	45-2041
770	First-Line Supervisors/Managers of Production and Operating Workers	51-1011
771	Aircraft Structure, Surfaces, rigging, and Systems Assemblers	51-2011
772	Electrical, Electronics, and Electromechanical Assemblers	51-2020
773	Engine and Other Machine Assemblers	51-2031
775	Miscellaneous Assemblers and Fabricators	51-2090
780	Bakers	51-3011
781	Butchers and Other Meat, Poultry, and Fish Processing	51-3020
783	Food and Tobacco Roasting, Baking, and Drying Machine Operators and Tenders	51-3091
784	Food Batchmakers	51-3092
785	Food Cooking Machine Operators and Tenders	51-3093
790	Computer Control Programmers and Operators	51-4010
792	Extruding and Drawing Machine Setters, Operators, and Tenders, Metal and Plastic	51-4021
793	Forging Machine Setters, Operators, and Tenders, Metal and Plastic	51-4022
794	Rolling Machine Setters, Operators, and Tenders, Metal and Plastic	51-4023
795	Cutting, Punching, and Press Machine Setters, Operators, and Tenders, Metal and Plastic	51-4031
796	Drilling and Boring Machine Tool Setters, Operators, and Tenders, Metal and Plastic	51-4032
800	Grinding, Lapping, Polishing, and Buffing Machine Tool	51-4033
801	Lathe and Turning Machine Tool Setters, Operators, and Tenders, Metal and Plastic	51-4034
804	Metal Furnace and Kiln Operators and Tenders	51-4050
810	Molders and Molding Machine Setters, Operators, and Tenders, Metal and Plastic	51-4070
814	Welding, Soldering, and Brazing Workers	51-4120
815	Heat Treating Equipment Setters, Operators, and Tenders, Metal and Plastic	51-4191
820	Plating and Coating Machine Setters, Operators, and Tenders, Metal and Plastic	51-4193
821	Tool Grinders, Filers, and Sharpeners	51-4194

Census Code	Job Title/Description	2000 SOC Equivalent
822	Other Metalworkers and Plastic Workers, Including Milling, Planning, and Multiple Machine Tool Operators **Combines: 802 – Milling and Planning Machine Setters, Operators, and Tenders, Metal and Plastic** **812 – Multiple Machine Tool Setters, Operators, And Tenders, Metal and Plastic** **822 – Metalworkers and Plastic Workers, All Other**	51-4035, 51-4081, and 51-4199
824	Job Printers	51-5021
826	Printing Machine Operators	51-5023
830	Laundry and Dry-Cleaning Workers	51-6011
831	Pressers, Textile, Garment, and Related Materials	51-6021
832	Sewing Machine Operators	51-6031
834	Shoe Machine Operators and Tenders	51-6042
836	Textile Bleaching and Dyeing Machine Operators and Tenders	51-6061
840	Textile Cutting Machine Setters, Operators, and Tenders	51-6062
841	Textile Knitting and Weaving Machine Setters, Operators, and Tenders	51-6063
842	Textile Winding, Twisting, and Drawing Out Machine Setters, Operators, and Tenders	51-6064
846	Miscellaneous Textile, Apparel, and Furnishings Workers, Except Upholsterers **Combines: 843 – Extruding and Forming Machine Setters, Operators, and Tenders, Synthetic and Glass Fibers** **844 – Fabric and Apparel Patternmakers** **846 – Textile, Apparel, and Furnishings Workers, All Other**	51-6091, 51-6092, and 51-6099
853	Sawing Machine Setters, Operators, and Tenders, Wood	51-7041
854	Woodworking Machine Setters, Operators, and Tenders, Except Sawing	51-7042
863	Miscellaneous Plant and System Operators	51-8090
864	Chemical Processing Machine Setters, Operators, and Tenders	51-9010
865	Crushing, Grinding, Polishing, Mixing, and Blending Workers	51-9020
871	Cutting Workers	51-9030
872	Extruding, Forming, Pressing, and Compacting Machine Setters, Operators, and Tenders	51-872
873	Furnace, Kiln, Oven, Drier, and Kettle Operators and Tenders	51-9051
874	Inspectors, Testers, Sorters, Samplers, and Weighers	51-9061
880	Packaging and Filling Machine Operators and Tenders	51-9111
881	Painting Workers	51-9120
883	Photographic Process Workers and Processing Machine Operators	51-9130
885	Cementing and Gluing Machine Operators and Tenders	51-9191
886	Cleaning, Washing, and Metal Pickling Equipment Operators & Tenders	51-9192
892	Molders, Shapers, and Casters, Except Metal and Plastic	51-9195
893	Paper Goods Machine Setters, Operators, and Tenders	51-9196
894	Tire Builders	51-9197

Census Code	Job Title/Description	2000 SOC Equivalent
896	Other Production Workers, Including Semiconductor Processors and Cooling and Freezing Equipment Operators **Combines: 884 – Semiconductor Processors** **890 – Cooling and Freezing Equipment Operators and Tenders** **896 – Production Workers, All other**	51-9141, 51-9193,
900	Supervisors, Transportation and Material Moving Workers	53-1000
912	Bus Drivers	53-3020
913	Driver/Sales Workers and Truck Drivers	53-3030
914	Taxi Drivers and Chauffeurs	53-3041
915	Miscellaneous Motor Vehicle Operators, Including Ambulance **Combines: 911 – Ambulance Drivers and Attendants, Except Emergency Medical Technicians** **915 – Motor Vehicle Operators, All Other**	53-3011 and 53-3099
920	Locomotive Engineers and Operators	53-4010
923	Railroad Brake, Signal, and Switch Operators	53-4021
924	Railroad Conductors and Yardmasters	53-4031
926	Subway, Streetcar, and Other Rail Transportation Workers	53-4041 and 53-4099
930	Sailors and Marine Oilers	53-5011
933	Ship Engineers	53-5031
935	Parking Lot Attendants	53-6021
941	Transportation Inspectors	53-6051
942	Miscellaneous Transportation Workers, Including Bridge and Lock Tenders and Traffic Technicians **Combines: 934 – Bridge and Lock Tenders** **942 – Other Transportation Workers**	53-6011, 53-6041 and 53-6099
956	Hoist and Winch Operators	53-7041
960	Industrial Truck and Tractor Operators	53-7501
964	Packers and Packagers, Hand	53-7064
965	Pumping Station Operators	53-7070
975	Miscellaneous Material Moving Workers, Including Conveyor Operators & Tenders; Shuttle Care Operators & Tank Car, Truck, & Ship Loaders **Combines: 950 – Conveyor Operators and Tenders** **973 – Shuttle Car Operators** **974 – Tank Car, Truck, and Ship Loaders** **975 – Material Moving Workers, All Other**	53-7011, 53-7111 53-7121 and 53-7199

Laborers and Helpers

421	First-Line Supervisors/Managers of Landscaping, Lawn Service, And Groundskeeping Workers	37-1012
425	Grounds Maintenance Workers	37-3010
435	Non-farm Animal Caretakers	39-2021
600	First-Line Supervisors/Managers of Farming, Fishing, and Forestry Workers	45-1010
605	Miscellaneous Agricultural Workers, Including Animal Breeders **Combines: 602 – Animal Breeders** **605 – Miscellaneous Agricultural Workers**	45-2021 and 45-2090

Census Code	Job Title/Description	2000 SOC Equivalent
610	Fishing and Hunting Workers **Combines: 610 – fishers and Related Fishing Workers** **611 – Hunters and Trappers**	45-3011 and 45-3021
612	Forest and Conservation Workers	45-4011
613	Logging Workers	45-4020
626	Construction Laborers	47-2061
660	Helpers, Construction Trades	47-3010
675	Septic Tank Servicers and Sewer Pipe Cleaners	47-4071
761	Helpers – Installation, Maintenance, and Repair Workers	49-9098
895	Helpers – Production Workers	51-9198
936	Service Station Attendants	53-6031
961	Cleaners of Vehicles and Equipment	53-7061
962	Laborers and Freight, Stock, and Material Movers, Hand	53-7062
963	Machine Feeders and Offbearers	53-7063

Service Workers

361	Occupational Therapist Assistants and Aides	31-2010
362	Physical Therapist Assistants and Aids	31-2020
363	Massage Therapists	31-9011
364	Dental Assistants	31-9091
365	Medical Assistants and Other Healthcare Support Occupations	31-9092 thru 31-9099 31-9099
370	First-Line Supervisors/Managers of Correctional Officers	33-1011
371	First-Line Supervisors/Managers of Police and Detectives	33-1012
372	First-Line Supervisors/Managers of Fire Fighting and Prevention Workers	33-1021
373	Supervisors, Protective Service Workers, All Other	33-1099
374	Fire Fighters	33-2011
375	Fire Inspectors	33-2020
380	Bailiffs, Correctional Officers, and Jailers	33-3010
382	Detectives and Criminal Investigators	33-3021
384	Miscellaneous Law Enforcement Workers **Combines: 383 – fish and Game Wardens** **384 – Parking Enforcement Workers**	33-3031 and 33-3041
385	Police Officers **Combines: 385 – Police and Sheriff's Patrol Officers** **386 B – Transit and Railroad Police**	33-3051 and 33-3052
390	Animal Control Workers	33-9011
391	Private Detectives and Investigators	33-9021
392	Security Guards and Gaming Surveillance Officers	33-9030
394	Crossing Guards	33-9091
395	Lifeguards and Other Protective Service Workers	33-9092 and 33-9099
400	Chefs and Head Cooks	35-1011
401	First-Line Supervisors/Managers of Food Preparation and Serving Workers	35-1012
402	Cooks	35-2010
403	Food Preparation Workers	35-2021
404	Bartenders	35-3011
405	Combined Food Preparation and Serving Workers, Including Fast Food	35-3021
406	Counter Attendants, Cafeteria, Food Concession, and Coffee Shop	35-3022
411	Waiters and Waitresses	35-3031

Census Code	Job Title/Description	2000 SOC Equivalent
412	Food Servers, Non-restaurant	35-3041
413	Dining Room and Cafeteria Attendants, Bartender Helpers, and Miscellaneous Food Preparation and Serving Related Workers **Combines: 413 – Dining Room and Cafeteria Attendants and Bartender Helpers** **416 – Food Preparers and Serving Related Workers, All Other**	35-9011 and 35-9099
414	Dishwashers	35-9021
415	Hosts and Hostesses, Restaurant, Lounge, and Coffee Shop	35-9031
420	First-Line Supervisors/Managers of Housekeeping and Janitorial Workers	37-1011
422	Janitors and Building Cleaners	37-2011 and 37-2019
423	Maids and Housekeeping Cleaners	37-2012
424	Pest Control Workers	37-2021
430	First-Line Supervisors/Managers of Gaming Workers	39-1010
432	First-Line Supervisors/Managers of Personal Service Workers	39-1021
440	Gaming Services Workers	39-3010
441	Motion Picture Projectionists	39-3021
442	Ushers, Lobby Attendants, and Ticket Takers	39-3031
443	Miscellaneous Entertainment Attendants and Related Workers	39-3090
446	Funeral Service Workers	39-4000
450	Barbers	39-5011
451	Hairdressers, Hairstylists, and Cosmetologists	39-5012
452	Miscellaneous Personal Appearance Workers	39-5090
453	Baggage Porters, Bellhops, and Concierges	39-6010
454	Tour and Travel Guides	39-6020
455	Transportation Attendants	39-6030
460	Child Care Workers	39-9011
461	Personal and Home Care Aides	39-9021
462	Recreation and Fitness Workers	39-9030
464	Residential Advisors	39-9041
465	Personal Care and Service Workers, All Other	39-9099

Dormitory Authority of the State of New York
Accounting Services

Request for Proposal:

Date RFP Issued:	September 2009
Date Firm(s) Selected:	December 2009
Contract Term:	3/31/12 (3 yrs) Covers fiscal years ending 3/31/10, 3/31/11 and 3/31/12 with option for 2 additional 1-yr extensions

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
KPMG	Audit Services	N

MWBE Participation:

Dates: *01/01/2009 - 12/31/2009*	Total Fees Paid	Total Fees Paid to MWBE firms	# of MWBE firms utilized	Total MWBE fee as % of Total fee
Totals	**$ 395,000.00**	**$ -**	**0**	**0.00%**

New York State Environmental Facilities Corporation
Accounting Services

Request for Proposal:

Date RFP Issued:	August 2005
Date Firm(s) Selected:	December 2005
Contract Term:	Three years with option to renew for up to two one-year terms

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
UHY LLP	Annual Audits	N

MWBE Participation:

Dates: *01/01/2009 -12/31/2009*	Total Fees Paid	Total Fees Paid to MWBE firms	# of MWBE firms utilized	Total MWBE fee as % of Total fee
Totals 2009	**$ 86,510.00**	**$ -**	**0**	**0.00%**

** During the RFP process for Audit Services, the Corporation focused on M/WBE participation and sought out firms to distribute the RFP to as well as M/WBE trade publications.*

Empire State Development Corporation (ESDC)
Accounting Services

Request for Proposal:

Date RFP Issued:	October 2007
Date Firm(s) Selected:	December 2007
Contract Term:	Four years

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
Toski, Schaefer & Co., P.C.	Independent Accounting	N

MWBE Participation:

Dates: *01/01/2009 - 12/31/2009*	Total Fees Paid	Total Fees Paid to MWBE firms	# of MWBE firms utilized	Total MWBE fee as % of Total fee
Totals	**$ 411,039.99**	**$ -**	**0**	**0.00%**

* ESDC'S non discrimination and affirmative action policy applied. There is a 15% MWBE participation goal on this contract. Toski, Schaefer & Co., P.C. proposed to subcontract with Conway Porter, CPA, P.C. To date, due to staffing constraints and scheduling conflicts the services of Conway Porter, CPA, P.C. have not been used. Going forward we anticipate that Toski, Schaefer & Co., P.C. will comply with the MWBE goals.

NEW YORK STATE AFFORDABLE HOUSING CORPORATION (NYSHFA)
Accounting Services

Request for Proposal:

Date RFP Issued:	February 2007
Date Firm(s) Selected:	September 2007
Contract Term:	Until terminated at will by AHC upon 10 days prior written notice. AHC anticipates soliciting these services in 2012.

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
Dadia Velles & Co. CPAs LLP	Auditor	Y
Isrealoff Trattner & Co. P.C.	Auditor	N
KPMG LLP	Auditor	N
Les S. Thompson & Co. P.C.	Auditor	Y
Lundsden & McCormick, LLP	Auditor	N
Tabriztchi & Co.	Auditor	N
Toski, Schaefer & Co., P.C.	Auditor	N
Watson Rice LLP	Auditor	Y
Wei Wei & Co., LLP	Auditor	Y

MWBE Participation:

Dates: *01/01/2009 - 12/31/2009*	**Total Fees Paid**	**Total Fees Paid to MWBE firms**	**# of MWBE firms utilized**	**Total MWBE fee as % of Total fee**
Totals	**$ 17,674.00**	**$ 4,174.00**	**1**	**23.62%**

NYSHFA, SONYMA, AHC, MBBA, TSFC
Accounting Services

Request for Proposal:

Date RFP Issued:	April 2004
Date Firm(s) Selected:	September 2004
Contract Term:	Until terminated at will by NYHOMES upon 30 days prior written notice or 9/3/2010.

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
Deloitte & Touche LLP	Auditor	N

MWBE Participation:

Dates: *01/01/2009 - 12/31/2009*	Total Fees Paid	Total Fees Paid to MWBE firms	# of MWBE firms utilized	Total MWBE fee as % of Total fee
Totals	**$ 442,130.00**	**$ -**	**0**	**0.00%**

New York Local Government Assistance Corporation
Accounting Services

Request for Proposal:

Date RFP Issued:	December 2008
Date Firm(s) Selected:	April 2009
Contract Term:	April 1, 2009 through March 31, 2014

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
Toski & Schaefer & Co., P.C.	Independent Auditor	N

MWBE Participation:

Dates: *01/01/2009 - 12/31/2009*	Total Fees Paid	Total Fees Paid to MWBE firms	# of MWBE firms utilized	Total MWBE fee as % of Total fee
Totals	**$ 14,800.00**	**$ -**	**0**	**0.00%**

New York State Thruway Authority
Accounting Services

Request for Proposal:

Date RFP Issued:	August 2004
Date Firm(s) Selected:	February 2005
Contract Term:	February 2, 2005 - February 1, 2010

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
UHY, LLP	Accounting & Auditing Services	N

MWBE Participation:

Dates: *01/01/2009 - 12/31/2009*	Total Fees Paid	Total Fees Paid to MWBE firms	# of MWBE firms utilized	Total MWBE fee as % of Total fee
Totals	**$ 114,778.00**	**$ -**	**0**	**0.00%**

* Fee for the audit of our fiscal year ended 12/31/2008. This work was performed and fee was paid in 2009.

Dormitory Authority of the State of New York
Banking

Trustee/Custody Services

Request for Proposal:

Date RFP Issued:	April 2003
Date Firms Selected:	October 2003
Contract Term:	Open ended

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
Bank of New York Mellon	Trustee/custodian	N
Manufacturers & Traders Trust Co.	Trustee/custodian	N
Deutsche Bank Trust Company	Trustee/custodian	N
U.S. Bank	Trustee/custodian	N
Wells Fargo	Trustee/custodian	N

MWBE Participation:

Dates: *01/01/2009 - 12/31/2009*	**Total Fees Paid**	**Total Fees Paid to MWBE firms**	**# of MWBE firms utilized**	**Total MWBE fee as % of Total fee**
2009 Total	**$ 592,340.24**	**$ -**	**0**	**0.00%**

Dormitory Authority of the State of New York
Banking

Commercial Banking Services

Request for Proposal:

Date RFP Issued:	N/A
Date Firms Selected:	N/A
Contract Term:	None

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
Bank of America	General banking services	N
Key Bank	General banking services	N
Victory Capital Management (Subsidiary of Key Bank)	Custodian	N

MWBE Participation:

Dates: *01/01/2009 - 12/31/2009*	Total Fees Paid	Total Fees Paid to MWBE firms	# of MWBE firms utilized	Total MWBE fee as % of Total fee
2009 Total	**$ 185,439.90**	**$ -**	**0**	**0.00%**

New York State Environmental Facilities Corporation
Banking

Trustee/Custody Services

Request for Proposal:

Date RFP Issued:	December 1989
Date Firms Selected:	April 1990
Contract Term:	On-going

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
M&T Bank	SRF Trustee	N
Bank of NY	PIT Trustee	N

MWBE Participation:

Dates: *01/01/2009 - 12/31/2009*	Total Fees Paid	Total Fees Paid to MWBE firms	# of MWBE firms utilized	Total MWBE fee as % of Total fee
Total	**$ 420,000.00**	**$ -**	**0**	**0.00%**

New York State Environmental Facilities Corporation
Banking

Commercial Banking Services

Request for Proposal:

Date RFP Issued:	N/A
Date Firms Selected:	N/A
Contract Term:	None

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
Key Bank	Banking	N
NBT	Banking	N
Hudson Valley Bank	Banking	N

MWBE Participation:

Dates: *01/01/2009 - 12/31/2009*	Total Fees Paid	Total Fees Paid to MWBE firms	# of MWBE firms utilized	Total MWBE fee as % of Total fee
Total	$ -	$ -	0	0.00%

* *No fees paid due to compensating balance arrangement.*

EMPIRE STATE DEVELOPMENT CORPORATION (ESDC)
Banking

Trustee/Custody Services

Request for Proposal:

2002 State PIT Revenue Bonds RFP:

Date RFP Issued:	February 2002
Date Firms Selected:	February 2002
Contract Term:	Duration of Resolutions

2005 State Supported Service Contract Refunding Bonds RFP:

Date RFP Issued:	April 2005
Date Firms Selected:	May 2005
Contract Term:	Duration of Resolutions

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
Bank of New York Mellon (PIT Revenue Bonds)	Trustee	N
MT&T Bank (Service Contract Refunding Bonds)	Trustee	N

MWBE Participation:

Dates: *01/01/2009 - 12/31/2009*	Total Fees Paid	Total Fees Paid to MWBE firms	# of MWBE firms utilized	Total MWBE fee as % of Total fee
Bank of New York Mellon	$ 162,729.00	-	-	-
MT&T Bank	19,500.00	-	-	-
Total	$ 182,229.00			

EMPIRE STATE DEVELOPMENT CORPORATION (ESDC)
Banking

Commercial Banking Services

Request for Proposal:

Banking Services RFP:

Date RFP Issued:	August 2003
Date Firms Selected:	January 2004
Contract Term:	N/A

Controlled Disbursement and Positive Pay RFP:

Date RFP Issued:	February 2006
Date Firms Selected:	March 2006
Contract Term:	N/A

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
Banking Services:		
JPMorgan Chase	Depository Bank	N
Banco Popular	Depository Bank	Y
HSBC Bank	Depository Bank	N
Amalgamated Bank	Depository Bank	N
Bank of America	Depository Bank	N
Carver Bank	Depository Bank	Y

Controlled Disbursement and Positive Pay:

Bank of America	Depository Bank	N

MWBE Participation:

Dates: *01/01/2009 - 12/31/2009*	Total Fees Paid	Total Fees Paid to MWBE firms	# of MWBE firms utilized	Total MWBE fee as % of Total fee
Total	**$ -**	**$ -**	**0**	**0.00%**

** No fees paid due to compensating balance arrangement.*

NYSHFA, SONYMA, AHC, MBBA, TSFC
Banking

Trustee/Custody Services

Request for Proposal:

Date RFP Issued:	August 2009[1]	November 2009[2]	November 2009[3]	prior to 2009[4]
Date Firms Selected:	September 2009[1]	November 2009[2]	December 2009[3]	
Contract Term:	Life of Bonds			

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
Manufacturers and Traders Trust Company	Trustee - MBBA[1]	N
The Bank of New York Mellon	Trustee - HFA[2]	N
he Bank of New York Mellon	Trustee - HFA[3]	N
The Bank of New York Mellon	Trustee - HFA / SONYMA / TSFC[4]	N
HSBC	Trustee - HFA / SONYMA[4]	N
Manufacturers and Traders Trust Company	Trustee - HFA[4]	N
US Bank	Trustee - HFA[4]	N
Wells Fargo	Trustee - HFA[4]	N
Deutsche Bank	Trustee - HFA / SONYMA[4]	N

MWBE Participation:

Dates: *01/01/2009 - 12/31/2009*	**Total Fees Paid**	**Total Fees Paid to MWBE firms**	**# of MWBE firms utilized**	**Total MWBE fee as % of Total fee**
Total	**$ 594,482.00**	**$ -**	**0**	**0.00%**

NYSHFA, SONYMA, AHC, MBBA, TSFC
Banking

Commercial Banking Services

Request for Proposal:

	Savings Accounts[1]	Commercial Banking[2]
Date RFP Issued:	November 2005	1990
Date Firms Selected:	December 2005	n/a
Contract Term:	Until terminated by Agencies	

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
Northfork Bank (now Capital One)	Savings Accounts[1]	N
Commerce Bank (now TD Bank)	Savings Accounts[1]	N
JP Morgan Chase	Commercial Banking Services[2]	N

MWBE Participation:

Dates: *01/01/2009 - 12/31/2009*	Total Fees Paid	Total Fees Paid to MWBE firms	# of MWBE firms utilized	Total MWBE fee as % of Total fee
Total	**$ 24,553.00**	**$ -**	**0**	**0.00%**

* Due to the complexity of the banking services provided and the necessity for long-term consistency, the Agencies continue to utilize the services of JP Morgan Chase.

** The Agencies intend to issue a Request for Proposal for the accounts currently with TD Bank during 2010.

New York Local Government Assistance Corporation
Banking

Trustee/Custody Services

Request for Proposal:

Date RFP Issued:	December 1990
Date Firms Selected:	January 1991
Contract Term:	Ends December 1, 2025 (services effective for the life of the bonds)

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
The Bank of New York Mellon	Trustee, Custodian & Issuing, Paying Tender Agent	N

MWBE Participation:

Dates: *01/01/2009 - 12/31/2009*	Total Fees Paid	Total Fees Paid to MWBE firms	# of MWBE firms utilized	Total MWBE fee as % of Total fee
Total	**$ 359,755.00**	**$ -**	**0**	**0.00%**

* Includes $14,000 paid for one-time fees relative to two restructing transactions.

New York Local Government Assistance Corporation
Banking

Commercial Banking Services

Request for Proposal:

Date RFP Issued:	NA
Date Firms Selected:	NA
Contract Term:	NA

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
NA	NA	NA

MWBE Participation:

Dates: *01/01/2009 - 12/31/2009*	Total Fees Paid	Total Fees Paid to MWBE firms	# of MWBE firms utilized	Total MWBE fee as % of Total fee
Total	**NA**	**NA**	**NA**	**NA**

** No fees paid due to compensating balance arrangement.*

New York State Thruway Authority
Banking

Trustee/Custody Services

Request for Proposal:

	Trustee	Custody
Date RFP Issued:	August 2008	November 2007
Date Firms Selected:	November 2008	February 2008
Contract Term:	10 years	5 years

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
Bank of New York Mellon	Trustee	N
Bank of New York Mellon	Custody	N

MWBE Participation:

Dates: *01/01/2009 - 12/31/2009*	Total Fees Paid	Total Fees Paid to MWBE firms	# of MWBE firms utilized	Total MWBE fee as % of Total fee
Trustee	$ 40,502.00	$ -	0	0.00%
Custody	72,491.00	$ -	0	0.00%
Total	$ 112,993.00			

New York State Thruway Authority
Banking

Commercial Banking Services

Request for Proposal:

Date RFP Issued:	October 2008
Date Firms Selected:	April 2009
Contract Term:	5 years

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
JP Morgan Chase	Gov't Banking	N
Bank of America	Gov't Banking	N

MWBE Participation:

Dates: *01/01/2009 - 12/31/2009*	Total Fees Paid	Total Fees Paid to MWBE firms	# of MWBE firms utilized	Total MWBE fee as % of Total fee
Total	**$ -**	**$ -**	**0**	**0.00%**

* *No fees paid due to compensating balance arrangement.*
** *Bank of America was the Thruway Authority's legacy bank and JP Morgan Chase was awarded a contract during 2009. The transition to Chase is currently ongoing as of 12/31/09.*

Dormitory Authority of the State of New York
Broker-Dealers

Broker-Dealer Questionnaire:

Maximum # of firms qualified: 10 to 12

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
Raymond James	Broker/Dealer	N
UBS Financial Services	Broker/Dealer	N
Mizuho Securities	Broker/Dealer	N
Fidelity Investments	Broker/Dealer	N
Jefferies & Co.	Broker/Dealer	N
Citigroup	Broker/Dealer	N
First Tennessee	Broker/Dealer	N
Wells Fargo	Broker/Dealer	N
Cantor Fitzgerald	Broker/Dealer	N
Morgan Keegan	Broker/Dealer	N
RBC Capital Markets	Broker/Dealer	N

MWBE Participation:

Dates: *01/01/2009 - 12/31/2009*	Total # of Bids Solicited	# of Bids by MWBE firms	Total $ value of trades executed	Total $ value of trades by MWBE firms	Total MWBE bids as % of Total bids solicited	Total MWBE trades as % of Total trades executed
Total	**3,285**	**0**	**$ 6,334,411,857.92**	**$ -**	**0.00%**	**0.00%**

New York State Environmental Facilities Corporation
Broker-Dealers

Broker-Dealer Questionnaire:

Maximum # of firms qualified: 13

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
Banc of America	Broker/Dealer	N
Cabrera Capital Markets	Broker/Dealer	Y
Citigroup	Broker/Dealer	N
Jeffries First Albany	Broker/Dealer	N
JP Morgan	Broker/Dealer	N
Loop Capital Markets	Broker/Dealer	Y
Morgan Keegan	Broker/Dealer	N
MR Beal	Broker/Dealer	Y
Purshe Kaplan Sterling	Broker/Dealer	N
Ramirez & Co.	Broker/Dealer	Y
Siebert Brandford Shank	Broker/Dealer	Y
Rice Financial Products	Broker/Dealer	Y
Wachovia Securities	Broker/Dealer	N

MWBE Participation:

Secondary Market Purchases

Dates: *01/01/2009 - 12/31/2009*	Total # of Bids Solicited	# of Bids by MWBE firms	Total $ value of trades executed	Total $ value of trades by MWBE firms	Total MWBE bids as % of Total bids solicited	Total MWBE trades as % of Total trades executed
Total	**N/A**	**N/A**	**$ 11,000,000.00**	**$ -**	**N/A**	**0.00%**

Original Purchase Designations

Dates: *01/01/2009 - 12/31/2009*	Total # of Firms Designated	# of MWBE firms designated	Total $ value of bonds purchased	Total $ value of designations to MWBE firms	Total MWBE $ value of designations as % of Total designations	Total MWBE designations as % of Total designations
Total	**21**	**8**	**$ 89,635,000.00**	**$ 15,617,000.00**	**17.00%**	**28.00%**

Selected Broker-Dealers are utilized for secondary market and new issue purchases for State Revolving Fund long term investments. All SRF short term securities investments are delegated to the SRF trustee. Any investments of bond proceeds are handled by the respective bond trustee. EFC's current broker dealer list was selected as part of the 2009 Underwriter RFP. The broker dealer list consists of all firms that presented their qualifications to provide these services. It is important that EFC have a deep stable of firms that can provide these services to assure sufficient access to suitable investment product and to assure a liquid market for securities marked for sale. EFC will agree to transact investment business only with those firms listed that do not require EFC to maintain balances with the firm.

EMPIRE STATE DEVELOPMENT CORPORATION (ESDC)
Broker-Dealers

Broker-Dealer Questionnaire:

Maximum # of firms qualified: 10

Firm(s) Selected:

Firm	Role		MWBE Firm Y/N
Bank of America	Broker		No
Blaylock Robert Van LLC	Broker		Yes
First Tennessee Bank, N.A.	Broker		No
Loop Capital Markets	Broker		Yes
Oppenheimer & Co. Inc.	Broker		No
Rice Financial	Broker		Yes
American Express	CP Dealer		No
Chevron	CP Dealer		No
General Electric	CP Dealer		No
Toyota	CP Dealer		No

MWBE Participation:

Dates: *11/1/2009 - 12/31/2009*	Total # of Bids Solicited	# of Bids by MWBE firms	Total $ value of trades executed	Total $ value of trades by MWBE firms	Total MWBE bids as % of Total bids solicited	Total MWBE trades as % of Total trades executed
Total	**684**	**324**	**$ 6,728,219,000.00**	**$ 3,975,756,000.00**	**47.30%**	**59.90%**

Broker Dealer data does not include deals by the Trustees or C.D.'s for the Excelsior Linked Deposit Program. Date range data collection period is 11/1/2009 - 12/31/2009 due to required program changes.

NYS HFA,SONYMA, AHC, MBBA, TSFC
Broker-Dealers

Broker-Dealer Questionnaire:

Maximum # of firms qualified: 18

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
Banc of America Securities Corp.	Broker/Dealer	N
Cantor Fitzgerald & Co.	Broker/Dealer	N
Ciitigroup Global Markets Inc.	Broker/Dealer	N
Daiwa Securities America, Inc.	Broker/Dealer	N
HSBC Securities (USA) Inc.	Broker/Dealer	N
J.P. Morgan Securities Inc.	Broker/Dealer	N
Mizuho Securities USA Inc.	Broker/Dealer	N
Morgan Stanley & Co. Inc.	Broker/Dealer	N

MWBE Participation:

Dates: *01/01/2009 - 12/31/2009*	Total # of Bids Solicited	# of Bids by MWBE firms	Total $ value of trades executed	Total $ value of trades by MWBE firms	Total MWBE bids as % of Total bids solicited	Total MWBE trades as % of Total trades executed
Total	**5,271**	**0**	**$ 13,738,256,658.00**	**$ -**	**0.00%**	**0.00%**

The Agencies Board approved Investment Guidelines require use of Primary Dealers, of which none are MWBE.

New York Local Government Assistance Corporation
Broker-Dealers

Broker-Dealer Questionnaire:

Maximum # of firms qualified: 17

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
Bank of America	Broker Dealer	N
CS First Boston	Broker Dealer	N
Deutsche Bank Sec	Broker Dealer	N
UBS	Broker Dealer	N

MWBE Participation:

Dates: *01/01/2009 - 12/31/2009*	Total # of Bids Solicited	# of Bids by MWBE firms	Total $ value of trades executed	Total $ value of trades by MWBE firms	Total MWBE bids as % of Total bids solicited	Total MWBE trades as % of Total trades executed
Total	**292**	**0***	**$ 1,451,000,000.00**	**$ -**	**0.00%**	**0.00%**

* The majority of the New York Local Government Assistance Corporation's (LGAC's) investments are in Repurchase Agreements. LGAC's investment guidelines limit the investment in repurchase agreement to Primary Fed Dealers only. Since none of the Corporation's approved MWBE firms are Primary Fed Dealers, they are not eligible to bid.

New York State Thruway Authority
Broker-Dealers

Broker-Dealer Questionnaire:

Maximum # of firms qualified: 14

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
BNP Paribas	Broker-Dealer	N
Cantor Fitzgerald	Broker-Dealer	N
Castle Oaks	Broker-Dealer	Y
Citigroup	Broker-Dealer	N
First Tennessee National	Broker-Dealer	N
HSBC	Broker-Dealer	N
JP Morgan Securities	Broker-Dealer	N
KeyBanc Capital Markets	Broker-Dealer	N
Loop Capital	Broker-Dealer	Y
Merrill Lynch	Broker-Dealer	N
Morgan Stanley (MSDW)	Broker-Dealer	N
Muriel Siebert & Co., Inc.	Broker-Dealer	Y
Rice Financial	Broker-Dealer	Y
Toussaint Capital Partners	Broker-Dealer	Y

MWBE Participation:

Dates: *01/01/2009 - 12/31/2009*	**Total # of Bids Solicited**	**# of Bids by MWBE firms***	**Total $ value of trades executed**	**Total $ value of trades by MWBE firms**	**Total MWBE bids as % of Total bids solicited**	**Total MWBE trades as % of Total trades executed**
Total	**3,204**	**800**	**$ 7,935,314,440.00**	**$ 2,287,774,500.00**	**24.97%**	**28.34%**

* This number is estimated based upon review of a sample of four months of investment activity.

Dormitory Authority of the State of New York
Certificate of Deposit & Money Market Fund Investments

Certificate of Deposit (CD) Providers

Firm	MWBE Firm Y/N
None	

MWBE Participation:

Dates: *01/01/2009 - 12/31/2009*	# of CD Transactions	Total $ value of CD Investments	Total $ value of CD Investments from MWBE firms
2009 Total	**0**	**$ -**	**$ -**

Note: CD's do not include activity related to the NYS Linked Deposit Program administered by NYS Department of Taxation and Finance.

Money Market Fund (MMF) Providers

Firm	MWBE Firm Y/N
Goldman Sachs Financial Square Funds	N
Blackrock Funds	N
Dreyfus Funds	N
Federated Funds	N
First American Funds	N
ICT Funds	N
MTB Funds	N
JP Morgan Funds	N
DWS Funds	N
Fidelity Funds	N

MWBE Participation:

Dates: *01/01/2009 - 12/31/2009*	# of MMF Transactions	Total $ value of MMF Investments	Total $ value of MMF Investments from MWBE firms
2009 Total	**305**	**$ 1,676,659,451.13**	**$ -**

*** Please note: The number of transactions represents the number of accounts that currently hold money market funds at the end of the period. Total $ value represents average balance over 4 quarter ends.**

New York State Environmental Facilities Corporation
Certificate of Deposit & Money Market Fund Investments

Certificate of Deposit (CD) Providers

Firm	MWBE Firm Y/N
Key Bank	N
NBT	N
Hudson Valley Bank	N

MWBE Participation:

Dates: *01/01/2009 - 12/31/2009*	# of CD Transactions	Total $ value of CD Investments	Total $ value of CD Investments from MWBE firms
Total	**0**	**$ -**	**$ -**

Money Market Fund (MMF) Providers

Firm	MWBE Firm Y/N
None	N

MWBE Participation:

Dates: *01/01/2009 - 12/31/2009*	# of CD Transactions	Total $ value of MMF Investments	Total $ value of MMF Investments from MWBE firms
Total	**0**	**$ -**	**$ -**

Empire State Development Corporation (ESDC)
Certificate of Deposit & Money Market Fund Investments

Certificate of Deposit (CD) Providers

Firm	MWBE Firm Y/N
None	
(ESDC does not have Certificate of Deposits other than the NY State Linked Deposit Program	
which is administered by NYS Department of Taxation and Finance.)	

MWBE Participation:

Dates: *01/01/2009 - 12/31/2009*	# of CD Transactions	Total $ value of CD Investments	Total $ value of CD Investments from MWBE firms
Total	**0**	**$ -**	**$ -**

Money Market Fund (MMF) Providers

Firm	MWBE Firm Y/N
None	

MWBE Participation:

Dates: *01/01/2009 - 12/31/2009*	# of CD Transactions	Total $ value of MMF Investments	Total $ value of MMF Investments from MWBE firms
Total	**0**	**$ -**	**$ -**

NYSHFA, SONYMA, AHC, MBBA, TSFC
Certificate of Deposit & Money Market Fund Investments

Certificate of Deposit (CD) Providers

Firm	MWBE Firm Y/N
None	

MWBE Participation:

Dates: *01/01/2009 - 12/31/2009*	# of CD Transactions	Total $ value of CD Investments	Total $ value of CD Investments from MWBE firms
Total	**0**	**$ -**	**$ -**

Money Market Fund (MMF) Providers

Firm	**MWBE Firm Y/N**
None	

MWBE Participation:

Dates: *01/01/2009 - 12/31/2009*	# of CD Transactions	Total $ value of MMF Investments	Total $ value of MMF Investments from MWBE firms
Total	**0**	**$ -**	**$ -**

New York Local Government Assistance Corporation
Certificate of Deposit & Money Market Fund Investments

Certificate of Deposit (CD) Providers

Firm	MWBE Firm Y/N
None	

MWBE Participation:

Dates: *01/01/2009 - 12/31/2009*	# of CD Transactions	Total $ value of CD Investments	Total $ value of CD Investments from MWBE firms
Total	**0**	**$ -**	**$ -**

Money Market Fund (MMF) Providers

Firm	MWBE Firm Y/N
None	

MWBE Participation:

Dates: *01/01/2009 - 12/31/2009*	# of CD Transactions	Total $ value of MMF Investments	Total $ value of MMF Investments from MWBE firms
Total	**0**	**$ -**	**$ -**

New York State Thruway Authority
Certificate of Deposit & Money Market Fund Investments

Certificate of Deposit (CD) Providers

Firm	MWBE Firm Y/N
HSBC	N
Gotham Bank	N

MWBE Participation:

Dates: *01/01/2009 - 12/31/2009*	# of CD Transactions	Total $ value of CD Investments	Total $ value of CD Investments from MWBE firms
Total	**12**	**$ 28,745,000.00**	**$ -**

Money Market Fund (MMF) Providers

Firm	MWBE Firm Y/N
None	

MWBE Participation:

Dates: *01/01/2009 - 12/31/2009*	# of MMF Transactions	Total $ value of MMF Investments	Total $ value of MMF Investments from MWBE firms
Total	**0**	**$ -**	**$ -**

* The New York State Thruway Authority is not permitted to invest in money market funds.

Dormitory Authority of the State of New York
Financial Advisory Services
Calendar Year 2009

Request for Proposal:

Date RFP Issued:	July 2007
Date Firm(s) Selected:	September 2007
Contract Term:	2 years with 2 optional one-year renewals

Firm(s) Selected:	First Southwest Company
	Lamont Financial Services Corporation
	Public Financial Management
	Saber Partners, LLC

Firm	Engagement(s)	MWBE Firm Y/N
First Southwest Company	Pricing Services - PIT 2008B (Education), 2008C (Education) and 2008C (Economic Development)	N
Lamont	Pricing Services - CUNY 2008E	N
Lamont	Security Guideline Analysis	N
Lamont	Pricing Services - Mental Health, 2009A-1	N
Public Financial Management	Investment Policy and Guideline Review	N
Public Financial Management	Pricing Services - PIT 2009A (Education), 2009A (Healthcare), 2009A (State Facilities & Equipment) and 2009A (Economic Development & Housing)	N
Public Financial Management	Pricing Services - PIT General Purpose 2009A, 2009B (Refunding) and 2009C (Federally Taxable Refunding)	N
Saber Partners, LLC	Capital Market Efficiency Review	N

MWBE Participation:

Year	# of Engagements	# of MWBE Firms Utilized on Each Transaction(s)	Total Fees Paid	Total Fees Paid to MWBE Firms	Total MWBE Fee as % of Total Fee
2009 Total	**8**	**0**	**$ 128,040.00**	**$ -**	**0.00%**

New York State Environmental Facilities Corporation
Financial Advisory Services
Calendar Year 2009

Request for Proposal:

Date RFP Issued:	August 2007
Date Firm(s) Selected:	November 2007
Contract Term:	Three years with option to renew for up to two one-year terms

Firm(s) Selected:	Public Financial Management
	First Southwest Company

Firm	Engagement(s)	MWBE Firm Y/N
Public Financial Management	PIT Series 2009A and 2009B	N
Public Financial Management	New York Water, Series 2009A	N
Public Financial Management	General Consulting/Developemnt of New Financing Indenture	N
First Southwest Company	Development of Extendable Muni Commercial Paper Program	N

MWBE Participation:

Year	# of Engagements	# of MWBE Firms Utilized on Each Transaction(s)	Total Fees Paid	Total Fees Paid to MWBE Firms	Total MWBE Fee as % of Total Fee
2009 Total	**4**	**0**	**$ 433,444.00**	**$ -**	**0.00%**

EMPIRE STATE DEVELOPMENT CORPORATION (ESDC)
Financial Advisory Services
Calendar Year 2009

Request for Proposal:*

2007 Panel:

Date RFP Issued:	February 2007
Date Firm(s) Selected:	April 2007
Contract Term:	4 years with optional 1 year renewal
Firm(s) Selected:	Public Financial Management
	Public Resources Advisory Group
	SWAP Financial Group

2009 Panel:

Date RFP Issued:	June 2009
Date Firm(s) Selected:	August 2009
Contract Term:	2 years with two 6-month renewal options
Firm(s) Selected:	Public Financial Management
	Public Resources Advisory Group (FA)/Mohanty Associates (SWAPs) Partnership
	Butchermark(FA)/City View (SWAPs)/MFR (FA and Swap) Partnership

Firm	Engagement(s)	MWBE Firm Y/N
PRAG (from 2007 panel)	2009A Personal Income Tax Revenue Bonds (Economic Dev. & Hsg.); 2009B Personal Income T ax Revenue Bonds (State Facilities & Equip.)	N
PRAG (from 2009 panel)	2009C Personal Income Tax Revenue Bonds (General Purpose) Tax-Exempt; 2009D Personal income Tax Revenue Bonds (GP) Federally Taxable; 2009E Personal Income Tax Revenue Bonds (GP) Build America Bonds	N

MWBE Participation:

Year	# of Engagements	# of MWBE Firms Utilized on Each Transaction(s)	Total Fees Paid	Total Fees Paid to MWBE Firms	Total MWBE Fee as % of Total Fee
2009 Total	**2**	**0**	**$ 73,000.00**	**$ -**	**0.00%**

*RFQs sent to approved panel at the time an FA/SWAP provider is needed for a particular transaction.

New York State Housing Finance Agency
Financial Advisory Services
Calendar Year 2009

Request for Proposal:*

Date RFP Issued:	February 2008
Date Firm(s) Selected:	May 2008
Contract Term:	Multi-year term subject to annual Board Review

Firm(s) Selected:	Public Resources Advisory Group, Inc.
	NW Financial Group, LLC
	CSG Advisors Incorporated
	First Southwest Company
	Lamont Financial Services
	Piper Jaffray & Co.
	SWAP Financial Group

Firm	Engagement(s)	MWBE Firm Y/N
CSG Advisors	Pricing Services For HFA Affordable Housing Revenue Bonds, 2009 Series A	N
CSG Advisors	Pricing Services For HFA Affordable Housing Revenue Bonds, 2009 Series B	N
CSG Advisors	Pricing Services For HFA Affordable Housing Revenue Bonds, 2009 Series C	N
CSG Advisors	Pricing Services For HFA Affordable Housing Revenue Bonds, 2009 Series D	N
PRAG	Pricing Services For HFA PIT 2009 Series A&B	N
PRAG	Pricing Services For SONYMA Education Loan Revenue Bonds, 2009 Series A	N
Lamont	Pricing Services For MBBA Recovery Act Bonds, Series 2009 A, B and C	N
First Southwest Company	Pricing Services For MBBA- ECIDA	N
CSG Advisors	Pricing Services For SONYMA Series 160-162	N

MWBE Participation:

Year	# of Engagements	# of MWBE Firms Utilized on Each Transaction(s)	Total Fees Paid	Total Fees Paid to MWBE Firms	Total MWBE Fee as % of Total Fee
2009 Total	**9**	**0**	**$ 209,500.00**	**$ -**	**0.00%**

* One RFP undertaken for both Financial Advisors and Swap Advisors.

New York Local Government Assistance Corporation
Financial Advisory Services
Calendar Year 2009

Request for Proposal:

Date RFP Issued:	November 2008
Date Firm(s) Selected:	February 2009
Contract Term:	3 years with 2 optional one-year renewals

Firm(s) Selected(1) (2):	Public Resources Advisory Group

Firm	Engagement(s)	MWBE Firm Y/N
Public Resources Advisory Group	Development, Structuring and Pricing of 2008B-C&D and 2003A-5&6 Bonds (Conversion to Fixed Rate)	N
Public Resources Advisory Group	Development, Structuring and Pricing relative to the Remarketing of 2003A-8V Bonds as uninsured after removal of FSA	N
Public Resources Advisory Group	General Financial and Swap Advisory Services throughout the Year	N

MWBE Participation:

Year	# of Engagements	# of MWBE Firms Utilized on Each Transaction(s)	Total Fees Paid	Total Fees Paid to MWBE Firms	Total MWBE Fee as % of Total Fee
2009 Total	**3**	**0**	**$ 227,682.02**	**$ -**	**0.00%**

(1) Selected firms provide both financial and swap advisory services to the Corporation.
(2) First Southwest Company was selected as the Corporation's secondary financial advisor. Currently, contract execution with First Southwest Company is pending.

New York State Thruway Authority
Financial Advisory Services
Calendar Year 2009

Request for Proposal:

Date RFP Issued:	December 2005
Date Firm(s) Selected:	January 2006
Contract Term:	5 Years

Firm(s) Selected:	First Southwest Company

Firm	Engagement(s)	MWBE Firm Y/N
First Southwest Company	Pricing Services - Dedicated Highway & Bridge Trust Fund Series 2009A Bonds	N
First Southwest Company	Pricing Services - PIT 2009A (Transportation) Series 2009A Bonds	N
First Southwest Company	Pricing Services - Dedicated Highway & Bridge Trust Fund Series 2009B Bonds	N
First Southwest Company	Pricing Services - Consolidated Local Highway & Bridge Service Contract Series 2009 Bonds	N

MWBE Participation:

Year	# of Engagements	# of MWBE Firms Utilized on Each Transaction(s)	Total Fees Paid	Total Fees Paid to MWBE Firms	Total MWBE Fee as % of Total Fee
2009 Total	**4**	**0**	**$ 119,080.44**	**$ -**	**0.00%**

Dormitory Authority of the State of New York
Swap Advisory Services
Calendar Year 2009

Request for Proposal:

Date RFP Issued:	December 2004
Date Firms Selected:	January 2005
Contract Term:	2 years with 2 optional one-year renewals. (Single source exemption obtained for Public Financial Management effective April 1, 2009.)

Firm(s) Selected:	Public Financial Management
	CDR Financial Products

Firm	Engagement(s)	MWBE Firm Y/N
CDR Financial Products	CUNY 2003 Swap ARS to VRDB Conversion	N
Public Financial Management	Mental Health 2003C2-D2 Swap Terminations	N
Public Financial Management	Mental Health 2003F2 Swap Terminations	N
Public Financial Management	Mental Health 2003D2 Swap Terminations	N

MWBE Participation:

Year	# of Engagements	# of MWBE Firms Utilized on Each Transaction(s)	Total Fees Paid	Total Fees Paid to MWBE Firms	Total MWBE Fee as % of Total Fee
2009 Total	**4**	**0**	**$ 108,000.00**	**$ -**	**0.00%**

New York State Environmental Facilities Corporation
Swap Advisory Services
Calendar Year 2009

Request for Proposal:

Date RFP Issued:	October 2006
Date Firms Selected:	January 2007
Contract Term:	Three years with option to renew up to two one-year terms

Firm(s) Selected:	Swap Financial Group

Firm	Engagement(s)	MWBE Firm Y/N
Swap Financial Group	Development of Swap Policy	N
Swap Financial Group	Board Workshops	N
Swap Financial Group	2007D Investment Agreement	N
Swap Financial Group	AIG Investment Agreement Terminations	N

MWBE Participation:

Year	# of Engagements	# of MWBE Firms Utilized on Each Transaction(s)	Total Fees Paid	Total Fees Paid to MWBE Firms	Total MWBE Fee as % of Total Fee
2009 Total	**4**	**0**	**$ 129,000.00**	**$ -**	**0.00%**

EMPIRE STATE DEVELOPMENT CORPORATION (ESDC)
Swap Advisory Services
Calendar Year 2009

Request for Proposal:*

2007 Panel:

Date RFP Issued:	February 2007
Date Firms (Panel) Selected:	April 2007
Contract Term:	4 years with optional 1 year renewal

Firm(s) Selected:	Public Financial Management
	Public Resources Advisory Group
	SWAP Financial Group

2009 Panel:

Date RFP Issued:	June 2009
Date Firms (Panel) Selected:	August 2009
Contract Term:	2 years with two 6-month renewal options

Firm(s) Selected:	Public Financial Management
	Public Resources Advisory Group (FA)/Mohanty Associates (SWAPs) Partnership
	Butchermark(FA)/City View (SWAPs)/MFR (FA and Swap) Partnership

Firm	Engagement(s)	MWBE Firm Y/N
	No transactions involving SWAPs in 2009	

MWBE Participation:

Year	# of Engagements	# of MWBE Firms Utilized on Each Transaction(s)	Total Fees Paid	Total Fees Paid to MWBE Firms	Total MWBE Fee as % of Total Fee
2009 Total	**0**	**0**	**$ -**	**$ -**	**0.00%**

*See Financial Advisory Services Worksheet

New York State Housing Finance Agency
Swap Advisory Services
Calendar Year 2009

Request for Proposal:*

Date RFP Issued:	February 2008
Date Firm(s) Selected:	May 2008
Contract Term:	Multi-year term subject to annual Board Review

Firm(s) Selected:	Public Resources Advisory Group, Inc.
	NW Financial Group, LLC
	CSG Advisors Incorporated
	First Southwest Company
	Lamont Financial Services
	Piper Jaffray & Co.
	SWAP Financial Group

Firm	Engagement(s)	MWBE Firm Y/N
SWAP Financial Group	Swap Advisory Services For SONYMA Series 160-162	N

MWBE Participation:

Year	# of Engagements	# of MWBE Firms Utilized on Each Transaction(s)	Total Fees Paid	Total Fees Paid to MWBE Firms	Total MWBE Fee as % of Total Fee
2009 Total	**1**	**0**	**$ 39,000.00**	**$ -**	**0.00%**

* One RFP undertaken for both Swap Advisors and Financial Advisors.

New York Local Government Assistance Corporation
Swap Advisory Services
Calendar Year 2009

Request for Proposal:

Date RFP Issued:	NA - LGAC does not separately engage a swap advisor
Date Firms Selected:	NA
Contract Term:	NA

Firm(s) Selected:	NA

Firm	Engagement(s)	MWBE Firm Y/N
NA		

MWBE Participation:

Year	# of Engagements	# of MWBE Firms Utilized on Each Transaction(s)	Total Fees Paid	Total Fees Paid to MWBE Firms	Total MWBE Fee as % of Total Fee
2009 Total	**NA**	**0**	**$ -**	**$ -**	**0.00%**

New York State Thruway Authority
Swap Advisory Services
Calendar Year 2009

Request for Proposal:

Date RFP Issued:	December 2005
Date Firms Selected:	January 2006
Contract Term:	5 Years

Firm(s) Selected:	First Southwest Company

Firm	Engagement(s)	MWBE Firm Y/N
First Southwest Company	Daily Swap Valuation and Monitoring	N
First Southwest Company	CHIPs 2003C C1-C7 Swap Terminations	N

MWBE Participation:

Year	# of Engagements	# of MWBE Firms Utilized on Each Transaction(s)	Total Fees Paid	Total Fees Paid to MWBE Firms	Total MWBE Fee as % of Total Fee
2009 Total	**2**	**0**	**$ 38,300.00**	**$ -**	**0.00%**

Dormitory Authority of the State of New York
Insurance Services
Calendar Year 2009

Request for Proposal:

Line of Coverage:	Auto Liability
Date RFP Issued:	July 2007
Date Firm(s) Selected:	October 2007
Contract Term:	3 years

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
Wachovia/Wells Fargo	Broker	N

MWBE Participation:

Year	# of Transactions	Total Fees Paid	Total Fees Paid to MWBE firms	# of MWBE utilized	Total MWBE fee as % of Total fee
2009 Total	**1**	**$9,000.00**	**$ -**	**0**	**0.00%**

Dormitory Authority of the State of New York
Insurance Services
Calendar Year 2009

Request for Proposal:

Line of Coverage:	Blanket Crime
Date RFP Issued:	April 2008
Date Firm(s) Selected:	June 2008
Contract Term:	3 years

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
Lawley Services	Broker	Y

MWBE Participation:

Year	# of Transactions	Total Fees Paid	Total Fees Paid to MWBE firms	# of MWBE utilized	Total MWBE fee as % of Total fee
2009 Total	1	$3,780.00	$ 3,780.00	1	100.00%

Dormitory Authority of the State of New York
Insurance Services
Calendar Year 2009

Request for Proposal:

Line of Coverage:	Business Travel Accident
Date RFP Issued:	February 2005
Date Firm(s) Selected:	May 2005
Contract Term:	3 years

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
Brown & Brown	Broker	N

MWBE Participation:

Year	# of Transactions	Total Fees Paid	Total Fees Paid to MWBE firms	# of MWBE utilized	Total MWBE fee as % of Total fee
2009 Total	**1**	**$1,420.65**	**$ -**	**0**	**0.00%**

Dormitory Authority of the State of New York
Insurance Services
Calendar Year 2009

Request for Proposal:

Line of Coverage:	Third Party Administrator
Date RFP Issued:	N/A
Date Firm(s) Selected:	N/A
Contract Term:	N/A

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
Crawford & Company	Third Party Administrator	

MWBE Participation:

Year	# of Transactions	Total Fees Paid	Total Fees Paid to MWBE firms	# of MWBE utilized	Total MWBE fee as % of Total fee
2009 Total	72	$532,043.50	$ -	0	0.00%

Dormitory Authority of the State of New York
Insurance Services
Calendar Year 2009

Request for Proposal:

Line of Coverage:	Directors' & Officers' Condo Board Liability
Date RFP Issued:	N/A - policy under $5,000.00
Date Firm(s) Selected:	N/A
Contract Term:	N/A

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
Marsh USA, Inc.	Broker	N

MWBE Participation:

Year	# of Transactions	Total Fees Paid	Total Fees Paid to MWBE firms	# of MWBE utilized	Total MWBE fee as % of Total fee
2009 Total	**1**	**$117.80**	**$ -**	**0**	**0.00%**

Dormitory Authority of the State of New York
Insurance Services
Calendar Year 2009

Request for Proposal:

Line of Coverage:	Directors' & Officers' Liability
Date RFP Issued:	November 2004
Date Firm(s) Selected:	February 2005
Contract Term:	3 years

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
Marsh USA, Inc.	Broker	N

MWBE Participation:

Year	# of Transactions	Total Fees Paid	Total Fees Paid to MWBE firms	# of MWBE utilized	Total MWBE fee as % of Total fee
2009 Total	**1**	**$31,563.60**	**$ -**	**0**	**0.00%**

Dormitory Authority of the State of New York
Insurance Services
Calendar Year 2009

Request for Proposal:

Line of Coverage:	General & Excess Liability
Date RFP Issued:	May 2009
Date Firm(s) Selected:	September 2009
Contract Term:	3 years

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
Rose & Kiernan	Broker	N

MWBE Participation:

Year	# of Transactions	Total Fees Paid	Total Fees Paid to MWBE firms	# of MWBE utilized	Total MWBE fee as % of Total fee
2009 Total	**1**	**$150,000.00**	**$ -**	**0**	**0.00%**

Dormitory Authority of the State of New York
Insurance Services
Calendar Year 2009

Request for Proposal:

Line of Coverage:	Property/Builders' Risk
Date RFP Issued:	November 2007
Date Firm(s) Selected:	January 2008
Contract Term:	3 years

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
Marsh USA, Inc.	Broker	N

MWBE Participation:

Year	# of Transactions	Total Fees Paid	Total Fees Paid to MWBE firms	# of MWBE utilized	Total MWBE fee as % of Total fee
2009 Total	1	$225,000.00	$ -	0	0.00%

Dormitory Authority of the State of New York
Insurance Services
Calendar Year 2009

Request for Proposal:

Line of Coverage:	Construction Site Safety
Date RFP Issued:	June 2008
Date Firm(s) Selected:	July 2008
Contract Term:	10/1/08 - 9/30/09 with two (2) one-year options to extend

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
E. G. Bowman	Safety Consultant	Y
Marsh USA, Inc.	Safety Consultant	N

MWBE Participation:

Year	# of Transactions	Total Fees Paid	Total Fees Paid to MWBE firms	# of MWBE utilized	Total MWBE fee as % of Total fee
2009 Total	**244**	**$408,400.00**	**$ 236,400.00**	**1**	**57.88%**

Dormitory Authority of the State of New York
Insurance Services
Calendar Year 2009

Request for Proposal:

Line of Coverage:	Workers' Compensation
Date RFP Issued:	July 2007
Date Firm(s) Selected:	October 2007
Contract Term:	3 years

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
Wachovia/Wells Fargo	Broker	N

MWBE Participation:

Year	# of Transactions	Total Fees Paid	Total Fees Paid to MWBE firms	# of MWBE utilized	Total MWBE fee as % of Total fee
2009 Total	**1**	**$41,000.00**	**$ -**	**0**	**0.00%**

New York State Environmental Facilities Corporation
Insurance Services
Calendar Year 2009

Request for Proposal:

Line of Coverage:	N/A
Date RFP Issued:	N/A
Date Firm(s) Selected:	N/A
Contract Term:	N/A

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
N/A	N/A	N/A

MWBE Participation:

Year	# of Transactions	Total Fees Paid	Total Fees Paid to MWBE firms	# of MWBE utilized	Total MWBE fee as % of Total fee
2009 Total	0	$ -	$ -	0	0.00%

The New York State Environmental Facilities Corporation does not independently procure insurance services. All of EFC's insurance policies are handled by the New York State Office of General Services. EFC has not, and does not intend to issue an RFP for insurance related services.

EMPIRE STATE DEVELOPMENT CORPORATION (ESDC)

Empire State Development

Insurance Services

Calendar Year 2009

Request for Proposal:

Line of Coverage:	Property & Casualty, Workers Comp, Marine, Employee Dishonesty and Builders Risk
Date RFP Issued:	N/A
Date Firm(s) Selected:	
Contract Term:	December 2009 - January 2010

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
Keville Group	Insurance-related consulting services	Y

MWBE Participation:

Year	# of Transactions	Total Fees Paid	Total Fees Paid to MWBE firms	# of MWBE utilized	Total MWBE fee as % of Total fee
2009 Total	1	$ 800.00	$ 800.00	1	100.00%

Insurance policies for all lines of coverage, and associated broker services, were procured in calendar year 2009 through the OGS state-contract program. Issued RFP for selection of insurance broker for 2010.

New York State Housing Finance Agency/State of NY Mortgage Agency
Insurance Services
Calendar Year 2009

Request for Proposal:

Line of Coverage:	Auto, Crime, Travel, Media, Package, Umbrella and Directors/Officers Policies
Date RFP Issued:	February 2007
Date Firm(s) Selected:	May 2007
Contract Term:	1 Year initial term with renewal for an additional year followed by extension till 2011

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
E.G. Bowman	Agency Insurance Brokerage Firm	Y

MWBE Participation:

Year	# of Transactions	Total Fees Paid	Total Fees Paid to MWBE firms	# of MWBE utilized	Total MWBE fee as % of Total fee
2009 Total	**10**	**$ 261,233.98**	**$ 261,233.98**	**1**	**100.00%**

An RFP commenced on 2/12/07 for firms interested in providing insurance brokerage services in relation to Agencies' property, liability, auto, and other insurance coverages. The Agencies advertised the RFP in NYS Contract Reporter and posted on the Agencies' website. In addition, the Economic Development Corporation was contacted for a list of companies that were certified Minority and/or Women Owned Businesses that offered insurance brokerage services. Proposals were due back to the Agencies on 3/5/07. E.G. Bowman was chosen and approved by the Agencies Board Members and Directors on 5/3/07.

New York Local Government Assistance Corporation
Insurance Services
Calendar Year 2009

Request for Proposal:

Line of Coverage:	N/A

Date RFP Issued:	N/A
Date Firm(s) Selected:	N/A
Contract Term:	N/A

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
N/A	N/A	N/A

MWBE Participation:

Year	# of Transactions	Total Fees Paid	Total Fees Paid to MWBE firms	# of MWBE utilized	Total MWBE fee as % of Total fee
2009 Total	**0**	**$ -**	**$ -**	**0**	**0.00%**

New York State Thruway Authority
Insurance Services
Calendar Year 2009

Request for Proposal: Insurance Broker of Record

Lines of Coverage:

Tappan Zee Bridge Property and Revenue Policy
Use and Occupancy Policy & Miscellaneous Bridge Policy
Property Policy on Admin Hqts Bldg
General Liability Policy
All Risk Policy on Vessels
Employee Crime Policy

Date RFP Issued:	October 2005
Date Firm(s) Selected:	November 2005
Contract Term:	5 years

Firm(s) Selected:

Firm	Role	MWBE Firm Y/N
Rose & Kiernan	Broker	N

MWBE Participation:

Year	# of Transactions	Total Fees Paid	Total Fees Paid to MWBE firms	# of MWBE utilized	Total MWBE fee as % of Total fee
2009 Total	6	$ 95,000.00	$ -	0	0.00%

Dormitory Authority State of New York
Title Insurance
Calendar Year 2009

Firm(s) Utilized:

Firm	Engagement(s)	MWBE Firm Y/N
Advantage Title Agency Inc.	BOCES Nassau 2009 Bond Issue	N
Class Abstract Services	Northeran Westchester Hospital 2009 Bond Issue	N
Chicago Title Insurance Company	Hospital for Special Surgery 2009 Bond Issue	N
Commonwealth Land Title Insurance Co.	Pratt Institute 2009 Bond Issue	N
Fidelity National Title Insurance Company	North Shore LIJ 2009 Bond Issue	N
First American Title Ins. Co. of NY	Blythedale Hospital 2009 Bond Issue	N
First American Title Ins. Co. of NY	Brooklyn Law School 2009 Bond Issue	N
First American Title Ins. Co. of NY	NYSARC Inc. 2009 Bond Issue	N
Lawyer's Title Insurance Corporation	United Health Services 2009 Bond Issue	N
Monroe Title Insurance Corp.	Samaritan Medical Center 2009 Bond Issue	N
Monroe Title Insurance Corp.	St. Lawarence University 2008 Bond Issue	N
Monroe Title Insurance Corp.	LeMoyne College 2009 Bond Issue	N
Newell & Talarico Title Agency, Inc.	Wagner College 2009 Bond Issue	N
Royal Abstract of New York LLC	Marymount Manhattan College 2009 Bond Issue	N
Sneeringer Monahan Provost Redgrave Title Agency Inc.	Siena College 2009 Bond Issue	N
Title Associates a Division of Stewart Insurance Co.	Bronx-Lebanon 2009 Bond Issue	N
Title Works Abstract Inc.	Mt. Sinai School of Medicine 2009 Bond Issue	N

MWBE Participation:

Year	# of Transactions	Total Fees Paid	Total Fees Paid to MWBE firms	# of MWBE utilized	Total MWBE fee as % of Total fee
2009 Total	**22**	**$ 2,874,885.74**	**$ -**	**0**	**0.00%**

Executive Order No. 10 Task Force

INCREASING THE UTILIZATION OF
MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISE (MWBE)
IN STATE DEBT OFFERINGS

Proposed Statutory and Administrative Implementation of Best Practices

Presented to Task Force Members and Advisors*
by

Paul T. Williams, Jr.
Executive Director, Dormitory Authority
Chair, Task Force

*Task Force Members and Advisors:
Charlotte Hitchcock, Chief of Staff and Director of Financial Regulation, Governor's Office; Dr. Celia Gonzalez, Deputy Comptroller, Office of the New York State Comptroller; Dennis Mullen, President and Chief Executive Officer, Empire State Development Corporation; Matthew Millea, Acting President, Environmental Facilities Corporation; Priscilla Almodovar, President and Chief Executive Officer, Housing Finance Agency; Michael Fleischer, Esq., Executive Director, Thruway Authority; James Cavanaugh, President and Chief Executive Officer, Battery Park City Authority; Michael Jones-Bey, Executive Director, Division of Minority and Women Business Development

July 21, 2009

Covered Topics

1. History of New York State MWBE Program
2. Selected Statutes Governing New York State MWBE Program
3. Perceived Limitations in Existing New York State MWBE Statutes
4. Areas for Further Discussion
5. Statutory Proposals to Increase MWBE Participation
6. Proposed Administrative Tools to Increase MWBE Participation
7. Enforcement of MWBE Initiatives in Other Jurisdictions
8. Potential Oversight, Enforcement and Compliance Models
9. Next Steps

History of NYS MWBE Program

- 1973 – NYS Office of Minority Business Enterprise: Established within the NYS Department of Commerce.
- 1981 – Executive Order No. 117: Prescribing Arrangements for Developing and Coordinating a State Program for Minority Business Enterprise.
- 1983 – Executive Order No. 6: Assigning Responsibilities of the State Department of Civil Service and Certain State Agencies for Insuring Equal Employment Opportunity for Minorities, Women, Disabled Persons and Vietnam Era Veterans in State Government and Establishing the Governor's Executive Committee for Affirmative Action.
- 1983 – Executive Order No. 21: Prescribing Arrangements for Establishing a State Program for Contract Compliance and Minority and Women-Owned Business Enterprise.
- 1988 – Executive Law Article 15-A: Participation by Minority Group Members and Women with Respect to State Contracts.
- 2003 – Executive Law Article 15-A: *Reauthorization* – Participation by Minority Group Members and Women with Respect to State Contracts.
- 2008 – Executive Order No. 10: Establishes a Task Force charged with Increasing the Utilization of Minority and Women-Owned Business Enterprise in State Debt Offerings.
- 2009 – Task Force to Improve Diversity in State Workforce.

Selected Statutes Governing MWBE Program

- Executive Law ("Exec. Law") Article 15-A
- State Finance Law ("SFL") §§136-b and 163(6)
- Public Authorities Law ("PAL") §2879

Summary ~ Article 15-A

- Enacted July 19, 1988.
- Comprised of Exec. Law §§310 – 318
- Authorized the creation of a Division of Minority and Women's Business Development to promote employment and business opportunities on State contracts for minorities and women.
- Reauthorized in 2003.
- Expires December 31, 2018.

Summary ~ Article 15-A

- Definitions (Exec. Law §310)
  - State Agency
    - Any State department, or division, board, commission or bureau of any State department, SUNY, CUNY, a board (a majority of whose members are appointed by the Governor), and certain specifically enumerated entities.
  - Minority or Women-Owned Business Enterprise:
    - At least 51% owned and controlled by minority and/or women;
    - Ownership interest must be is real, substantial and continuing;
    - Exercises the authority to independently control the day-to-day business decisions; and
    - Independently owned, operated and authorized to do business in New York State.
  - State Contracts:
    - A contract for labor, services, supplies, and equipment that is more than $25,000; or
    - An agreement for the acquisition, construction, demolition, replacement, major repair, renovation or improvements of real property that is more than $100,000.
    - "Services" does not include banking relationships, the issuance of insurance policies or contracts, or other contracts for the sale of bonds, notes or other securities.

Summary ~ Article 15-A

- Responsibilities of Contracting Agencies (Exec. Law §315):
  - Monitor contracts and recommend corrective action to the Director where appropriate;
  - Comply with rules and regulations promulgated by the Director;
  - Make available a current copy of the directory of certified minority and women-owned firms to prospective bidders and to contractors;
  - Report activities undertaken to promote M/WBE contract participation and employment of minorities and women to the Director; and
  - Generally provide such information and assistance as necessary to carry out the intent of the statute.
- Enforcement (Exec. Law §316): Requires the Director to take the following actions to promote participation by MWBE firms on State contracts:
  - Attempt to resolve complaints made by either a contractor denied a waiver, or an agency against a contractor for noncompliance;
  - Refer unresolved complaints to the American Arbitration Association for recommendations;
  - Adopt, reject or modify arbitration determination; the Director may not, however, impose a new greater sanction, penalty or fine than that recommended by the arbitrator(s).

MWBE Provisions
~ SFL ~

❑ Section 136-b: Selection of Underwriters by State Agencies

- Requires a State agency (as defined in Article 15-A) that sells its bonds, notes or other securities at private sale to consider the participation of firms certified under Article15-A and the ability of other non-MWBE firms to work with and assist participation by such MWBE firms in those private sales.

  [Expires December 31, 2018]

❑ Section 163(6): Discretionary Buying Thresholds

- Establishes a discretionary buying threshold for State agencies (as defined in Article 11 of the SFL) with respect to certain procurements.
- State agencies may purchase commodities or services from small business concerns or those certified pursuant to Article 15-A of the Executive Law (MWBEs) in an amount not exceeding $100,000 without a formal competitive process.

PAL §2879

- Requires:
  - "Each public authority [defined as a majority of whose members are appointed by the Governor or hold office ex officio] to adopt comprehensive guidelines which detail the corporation's operative policy and instructions regarding the use, awarding, monitoring and reporting of procurement contracts."
- Procurement Guidelines must provide for:
  - An identification of those areas or types of contracts for which minority or women-owned business enterprises may best bid so as to promote and assist participation by such enterprises.
  - Competitive selection of contractors unless board determines that non-competitive process may be utilized.

Perceived Limitations in Existing MWBE Statutes

- Article 15-A
  - Does not include the following services:
    - Banking relationships;
    - The issuance of insurance policies or contracts; and
    - Contracts with a contracting agency for the sale of bonds, notes or other securities.
  - Does not allow for sanctions against State agency that fails to meet goals.
  - Does not apply to all public entities.
  - Does not include sufficient reporting and compliance mechanisms.
  - Implementation / enforcement historically focused on construction contracts.
- PAL §2879
  - Does not specify criteria to be included in procurement guidelines.
  - Does not provide for sufficient reporting and compliance and enforcement mechanisms.
  - Does not provide for adequate oversight.

Areas for Further Discussion

- Scope of MWBE Program
  - To whom/ what entities should MWBE program apply?
  - What types of contracts should be included?
  - Should Article 15-A be expanded to include banking, insurance and bond financings?
  - Should MWBE scope apply to private contracts that involve the expenditure of significant State dollars?
  - Should State entities receive report card on MWBE utilization?
- Oversight, Compliance and Enforcement
  - Should we consider various models to oversee State entities' procurements and/or employment practices as well as compliance and enforcement responsibilities?
  - What types of compliance and enforcement mechanisms should be developed?
- Reporting
  - Should agency compliance reports be subject to more review and scrutiny?
  - Should we require reports similar to MWBE Task Force reports regarding MWBE utilization?
  - How should the reporting requirements for public entities be structured?

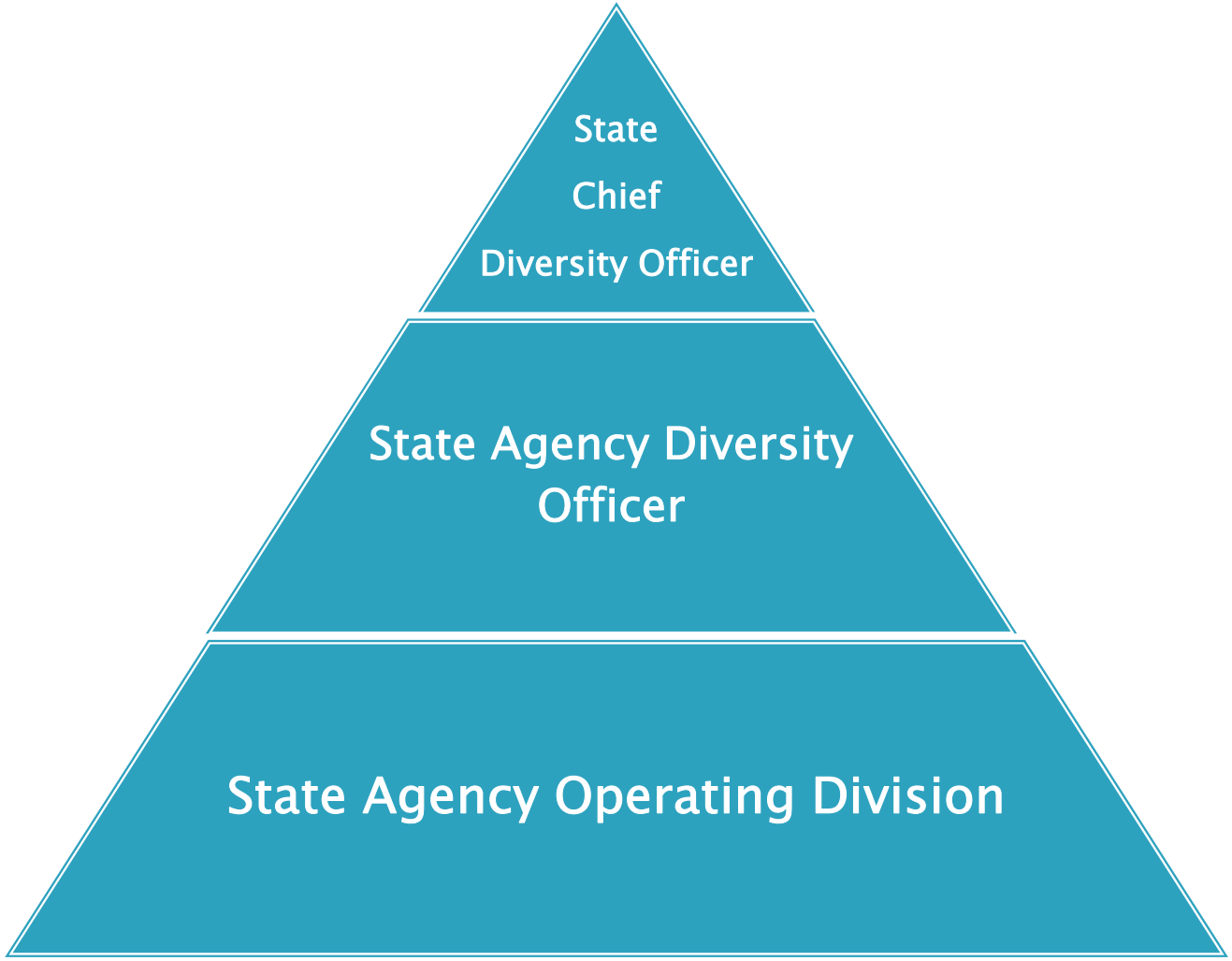
Statutory Proposals to Increase MWBE Participation ~ Article 15-A

- Expand Application of Article 15-A
  - SCOPE:
    - Include and make uniform for all State public authorities and other large public entities.
    - Include all contracts involving significant expenditure of State funds.
    - Include the excluded services (the issuance of insurance policies or contracts; and contracts with a contracting agency for the sale of bonds, notes or other securities).
    - Require diversity practices of all firms to be considered as part of competitive process when evaluating qualifications of firm.
    - State a specific intent to apply to the procurement of professional services (including, but not limited to, financial services, i.e., underwriters, swap advisors, money market funds, financial advisors and broker/ dealers).

Statutory Proposals to Increase MWBE Participation ~ Article 15-A

- OVERSIGHT, COMPLIANCE AND ENFORCEMENT:
  - Create a separate and independent oversight entity.
  - Provide for appointment of high level State official whose primary responsibility is to oversee MWBE programs for the State and monitor compliance with MWBE requirements (including workforce and supplier diversity).
  - Require each public entity to have employee whose primary responsibility is to oversee administration and compliance with MWBE program/requirements.
  - Hold each public entity accountable and subject to sanctions by oversight entity.
  - Develop compliance and enforcement mechanisms for failure of public entity to comply with MWBE requirements.
  - Debar contractors that fail to comply with MWBE goal from participating on future contracts for a specified period of time.

Oversight Model for State Agencies



Statutory Proposals to Increase MWBE Participation ~ SFL

- Expand Application of SFL 163(1)(j)
  - Pursuant to SFL § 163(1)(j), ""Best value" means the basis for awarding contracts for services to the offerer which optimizes quality, cost and efficiency, among responsive and responsible offerers. Such basis shall reflect, wherever possible, objective and quantifiable analysis."
  - Amend definition of "best value" to include consideration of a firm's diversity practices and or status as a certified MWBE.

Statutory Proposals to Increase MWBE Participation ~ PAL

- Amend PAL 2879

  - SCOPE:
    - Require that the procurement guidelines for each public authority incorporate Task Force's best practices for procuring professional services, including, but not limited to:
      - Notify professional MWBE organizations of procurement opportunities.
      - Maintain list of qualified MWBE firms/companies.
      - Set aspirational goal for participation by certified MWBE firms.
      - Eliminate barriers to participation.
      - Include diversity practices of firm as an evaluation criteria.

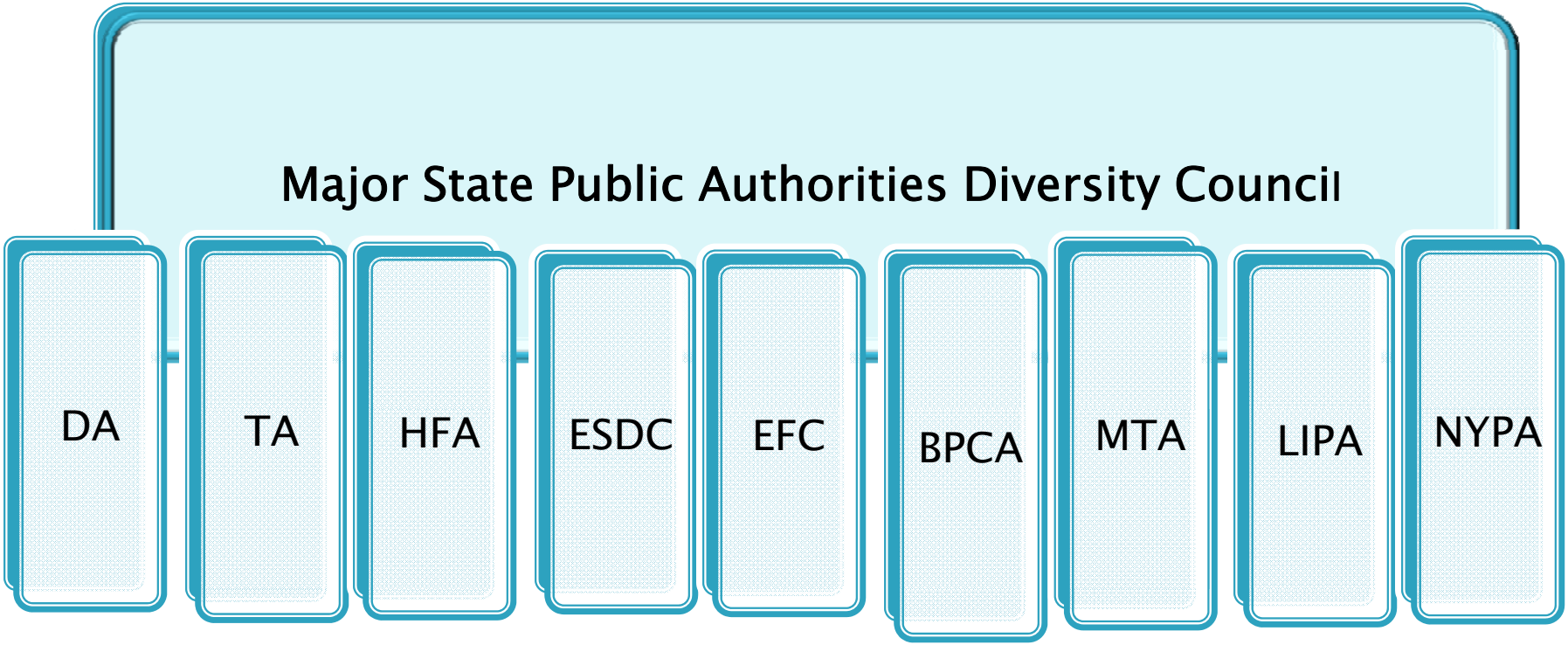
  - REPORTING:
    - Require that each public authority's Annual Procurement Report and Annual Report to Authority Budget Office include summary of the public authorities' MWBE participation goals and actual results achieved.
    - Require Reports to also describe the public authority's program(s) being utilized to promote and achieve MWBE participation goals.

Statutory Proposals to Increase MWBE Participation ~ PAL

- Amend PAL 2879 (continued)

- OVERSIGHT, COMPLIANCE AND ENFORCEMENT:
  - Create a self regulatory organization of public authority Diversity Officers to monitor each authority's compliance with MWBE programs.
  - Require each public authority to have employee whose primary responsibility is to oversee administration and compliance with MWBE program/ requirements.
  - Hold each public Authority accountable and subject to sanctions by the self regulatory organization.
  - Develop compliance and enforcement mechanisms for failure of public authority to comply with MWBE requirements.
  - Debar contractors that fail to comply with MWBE goal from participating on future contracts for a specified period of time.

Oversight Model for Public Authorities



Proposed Administrative Tools to Increase MWBE Participation

- Adopt policy formally stating that equal opportunity and diversity are important components of public entity's procurement program.
- Utilize discretionary purchases to allow development of programs to enhance participation of MWBEs.
- Develop other programs to promote development and growth of qualified MWBEs in New York (e.g., co-counsel, joint venture).
- Utilize diversity practices of firms when evaluating qualifications of firms.
- Institute awareness programs which emphasize that diversity practices are of vital concern to procuring entity.

Enforcement of MWBE Initiatives in Other Jurisdictions*

- Termination of non-compliant contracts.
- Decertification/debarment of contracting entity that fail to achieve MWBE goals.
- Imposition of penalties on state agencies that fail to achieve goal.
- Incentives for contractors that utilize MWBEs and/ or achieve employment goals.
- Appointment of official charged with overseeing diversity programs.

*Other jurisdictions include states other than New York and private entities.

Potential Oversight, Enforcement & Compliance Models

Chief Procurement Officer

- An executive role focused on supply management for an enterprise (includes oversight of both the entity and its suppliers).

Chief Diversity Officer

- Centralized management in leadership position empowered to oversee both employment and procurement practices of the entity.

Supplier Diversity Czar

- Investigator that examines the actions of government agencies to ensure compliance with established procurement laws and policies.

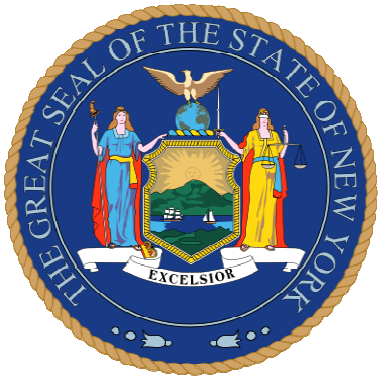
Self Regulatory Organization

- An organization that exercises some degree of regulatory authority over an industry or profession.
- May be utilized in addition to government regulation or to fill the vacuum of an absence of government oversight and regulation.

Inspector General Model

- Investigator that examines the actions of government agencies to ensure compliance with established policies.

Next Steps.



Governor David A. Paterson's E.O. 10 MWBE Task Force presents:

"Supporting Diversity in Government Contracting of Asset Managers and Broker Dealers"

Thursday, July 30, 2009

26 Federal Plaza
Sixth Floor
New York, NY 10278

Hosted by:

Program Agenda

Welcome 8:30 – 8:40 AM (Rooms A & B)

Taffi Woolward – Director, Opportunity Programs Group
Financial & Professional Services Diversity Programs
Dormitory Authority – State of New York

Paul T. Williams, Jr. – Task Force Chairman and
Executive Director of the Dormitory Authority – State of New York

Opening Remarks 8:40 – 9:00 AM

James Francis – Founding Board Member, The Council of Urban Professionals

Michael Jones-Bey – Executive Director, Division of Minority & Women's Business Development
Empire State Development Corporation

Heyward B. Davenport – Northeast Regional Director, U.S. Department of Commerce
Minority Business Development Agency

Panel 1 – Plan Sponsors 9:00 – 9:45 AM

Moderator: **Derek Jones**, Partner – Credit Suisse Private Equity

Speakers

- **Edward Lilly**, Executive Director – New York State Deferred Compensation Board
- **Larry Johansen**, Managing Director – New York State Teachers' Retirement System
- **Kevin McKenna,** Pension Investment Committee Chairman
  Manhattan & Bronx Surface Transit Authority
- **Tyson Pratcher**, Assistant Comptroller – New York State Office of the State Comptroller

Stretch Break 9:45 – 10:00 AM

Panel 2 – Plan Sponsors 10:00 – 10:45 AM

Moderator: **Michelle Clayman**, Founder, Managing Partner & CIO – New Amsterdam Partners

Speakers

- **Patrick McCoy**, Director of Finance – Metropolitan Transportation Authority
- **Sarah Barish-Straus**, Special Assistant to the President/CEO - Economic and Project Development New York State Power Authority
- **Commissioner David Ourlicht**, Board Member/Investment Committee New York State Insurance Fund
- **Anne Marie Mulligan, Treasurer–** Port Authority of New York and New Jersey
- **Joe Haslip**, Assistant Comptroller for Pensions – Office of the New York City comptroller

Speed Networking with Plan Sponsors 11:00 AM – 12:00 PM

(advance registration required) **(Rooms H & I)**

Networking Reception 11:00 AM – 1:00 PM (The Lounge)

Asset Management Forum
July 30, 2009 - 223 Attendees

Private Sector

A&L Management Services
Advent Capital Management
AIG Investor
Altura Capital Management
Attucks Asset Manager
Axel Capital Management
Bank of America Merrill Lynch
Barclays Capital
Bernstein Global Wealth Management
Blaylock Robert Van, LLC
Bryant & Partners LLP
Buffalo & Associates LLC
ButcherMark Financial Advisors
C.Y.L.E. Capital Partners
Cabrera Capital Markets
Calhoun Asset Management
Cameron Capital
Capstone Investments
Castle Oak Securities
Cedar Hill Real Estate
Centenium Capital
Citi
Clancy Financial Services, Inc.
Condata Consulting
Credit Suisse
Crown Jewel International, LLC
Divine Capital Markets
Earnest Partners
Edwards Angell Palmer & Dodge, LLP
Emys Capital
Esae Capital Partners
Ferry House Partners
First Southwest Co.
Fordworks Associates
Fortaleza Asset Management, Inc.
Franklin Templeton Real Estate Investors
Fundamental Credit Capital Partners
Goldman Sachs & Co.
Grant Park Capital Partners, LLC
Graves Advisory Group, LLC
GreenSpace Developments
Greentree Brokerage
Holland Capital Management
Hopkins Law Group / Reynolds
Hughes Capital Management
ICAP, North America
Invesco Ltd.
Jones Emerring Investment Advisor
JP Morgan
Kabrik Trading LLC
Kaufman Bros
Koshdan Capital Management
Lakeside Capital Management
Lebenthal Asset Management
Loop Capital
M. R. Beal & Company
MAGNA Securities
Manns Investments
Merrill Lynch
MFR Securities, Inc.
Midsummer Capital, LLC
Milbank Roy & Co.
Mission Trust Investment Mgmt.
Morgan Stanley Smith
Muriel Siebert &Co., Inc.
New Amsterdam Partners
New City Capital Partners
Nexos Capital Partners
Niagara Capital Advisers
Northern Trust
Oasis Capital Partners
Omni Research
Omnimacmedia
Paige Capital Management, LLC
Panoptic Advisors
Paradigm Capital Management
Penserra Securities LLC
Pensions & Investments
PenWest Capital Partners
PFM Asset Management
Piedmont Investment Advisors, LLC
Prendergast Capital
Profit Investment Management
Progress Investment Management
Provident Group Asset Management
Quattro Global Capital
Qubit Investment, LLC
R.V. Kuhns & Associates
Reynolds Securities
RG & Associates
Rice Financial Products
Royal Capital Management
Runnymede Capital
Samuel A. Ramirez & Co.
Sandgrain SEC
Sapience Capital Partners
Segall Bryant and Hamill
Siebert Capital Markets
Smith Whiley & Company
Starline Capital Advisors, LLC
Sturdivant Co.
The Anderson Group
The Williams Capital Group, L.P.
Toussaint Capital Partners
Tower Group, Inc.
Trajectory Asset Management, LLC
Uni-World Capital
Urban America, L.P.
Urban Financial Services
Utendahl Capital Partners
West Wheelock Capital, LLC
Westrock Advisors
Whitestone Capital Group, Inc.
Williams Capital Management Trust
Xavier Capital Management
Zephyr Management, LLC

Public Sector

Battery Park City Authority
Council of Urban Professionals
Dormitory Authority – State of New York
Empire State Development Corporation
Environmental Facilities Corporation
Manhattan & Bronx Surface Transit Authority
Metropolitan Transportation Authority
Nassau County Office of Minority Affairs
National Association of Securities Professionals
New York City Investment Fund
New York Power Authority
New York State Common Retirement Fund
New York State Deferred Compensation Board
New York State Insurance Fund
New York State Office of the State Comptroller
New York State Power Authority
New York State Teacher's Retirement System
New York State Thruway Authority
Office of the Governor
Office of the New York City Comptroller
Port Authority of New York and New Jersey
TIAA-CREF
Wall Street Project

Governor Paterson's Executive Order No.10
MWBE Task Force

March 1, 2010

Paul T. Williams, Jr.
Chair, Task Force
Executive Director, Dormitory Authority

Members:

Charlotte Hitchcock, Chief of Staff and Director of Financial Regulations, Governor's Office

Dennis Mullen, President and Chief Executive Officer, Empire State Development Corporation

Matthew Driscoll, President, Environmental Facilities Corporation

Judd Levy, Acting President and Chief Executive Officer, Housing Finance Agency/SONYMA

Michael Fleischer, Esq., Executive Director, Thruway Authority

Dr. Celia Gonzalez, Deputy Comptroller, Division of Diversity Programs, Office of the New York State Comptroller

Leading Questions:

What is sufficient capital in the issuance of municipal bonds?

How much weight should municipal issuers give capital in their selection of firms in the procurement and deal structuring processes?

Purpose:

This WebEx will serve as an educational opportunity for the participating State Authorities and Agencies. The purpose of this webinar is to clearly define the role capital plays in municipal bond underwriting and trade execution and present the case that the definition of sufficient net capital has changed since the Financial Crisis of September 2008.

Tom Mead, Managing Director

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New York, NY 10017
+1 (212) 416-5041
+1 (212) 385-1860 (F)
tmead@mfr.com

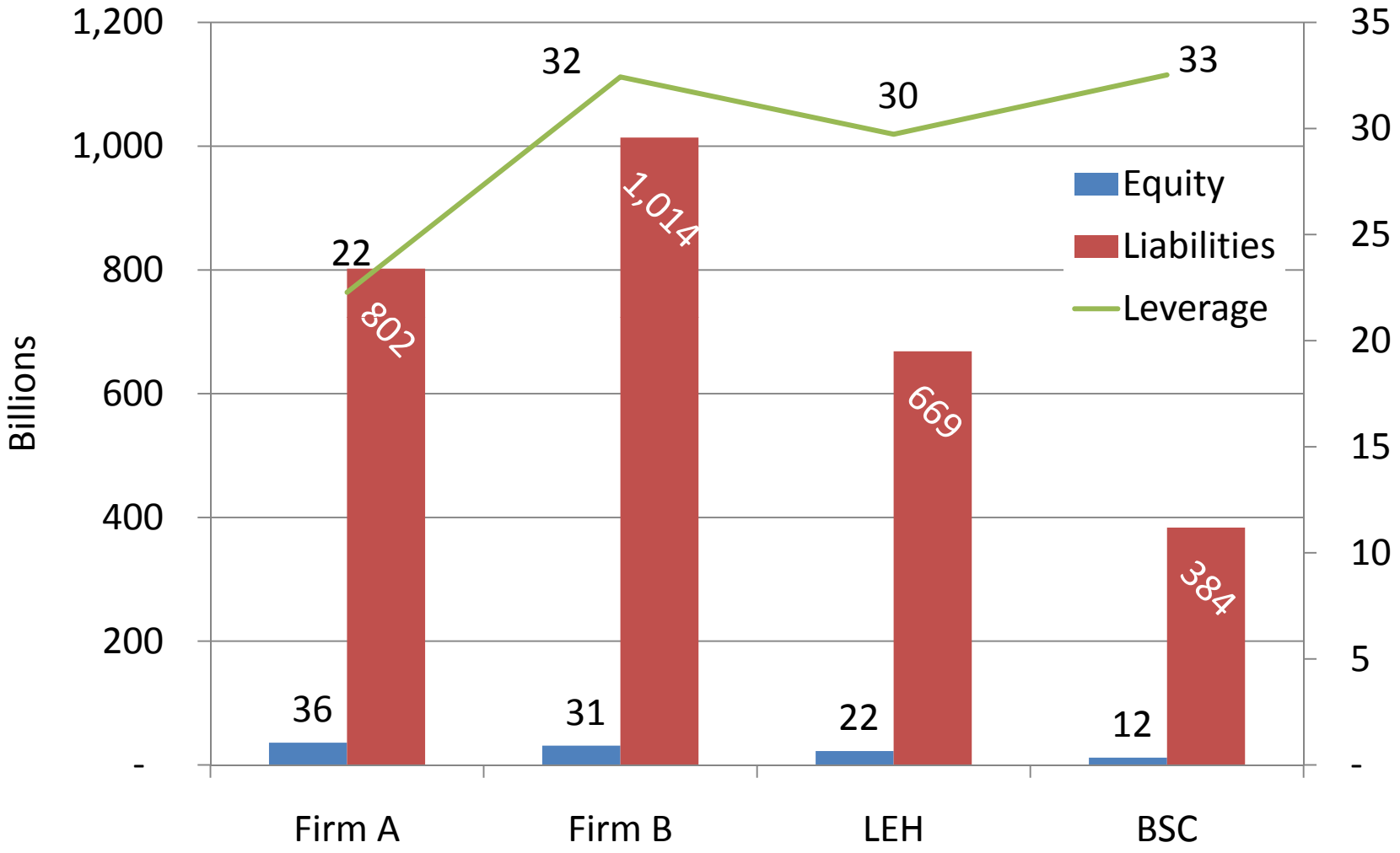
- Thomas M. Mead is a Managing Director in MFR Securities, Inc. Mr. Mead is a veteran of the municipal business. He spent 18 years at Salomon Brothers where he was the Managing Director responsible for the day-to-day activities of trading and syndicate departments. Mr. Mead was then President of WR Lazard, Laidlaw & Mead, Inc. where his responsibilities included the management of the investment banking, sales and trading departments.
- Mr. Mead is a past member of the Membership Committee, the syndicate and trading committee of the Bond Market Association and of the Arbitration Division of the Municipal Securities Rulemaking Board. He also served six years as board member and is currently a Trustee Emeritus of the Kent Place School in Summit., New Jersey.
- Mr. Mead attended the Public Finance Institute of the University of Michigan and is a graduate of Providence College.

Capital Requirements in the Post-September 2008 Economy

Time table of the financial crisis

2007	
June 7	2 Bear Stearns funds halt redemptions
July 19	Dow Jones closes above 14,000
2008	
March 16	Bear Stearns acquired by JP Morgan
Sept. 7	Federal takeover of Fannie Mae & Freddie Mac
Sept. 14	Merrill Lynch is sold to Bank of America
Sept. 15	Lehman Brothers declares bankruptcy
Sept. 16	Reserve Primary Fund breaks the “buck”
Sept. 17	AIG $85 billion federal bail out
Sept. 25	WAMU seized by FDIC assets sold to JP Morgan
Oct. 3	TARP is passed

2007 Leverage Ratios for Major Investment Banks



Comparing Balance Sheets

	Lehman Brothers	Sample MBE Firm
Assets	646,000	15
Liabilities	669,000	-
Equity	22,000	15
Leverage Ratio	30x	-
Market decline that would wipe out firm equity	3.48%	N/A

SEC Underwriting Fixed Income Haircuts

Corporate Bonds

Term	Haircut
Less than 1 year to maturity	2.0%
1 year but less than 2 years to maturity	3.0%
2 years but less than 3 years to maturity	5.0%
3 years but less than 5 years to maturity	6.0%
5 years but less than 10 years to maturity	7.0%
10 years but less than 15 years to maturity	7.5%
15 years but less than 20 years to maturity	8.0%
20 years but less than 25 years to maturity	8.5%
25 years or more to maturity	9.0%

Municipal Bond

Term	Haircut
Less than 1 year to maturity	1.0%
1 year but less than 2 years to maturity	2.0%
2 years but less than 3-1/2 years to maturity	3.0%
3-1/2 years but less than 5 years to maturity	4.0%
5 years but less than 7 years to maturity	5.0%
7 years but less than 10 years to maturity	5.5%
10 years but less than 15 years to maturity	6.0%
15 years but less than 20 years to maturity	6.5%
20 years or more to maturity	7.0%

Corporate haircuts are applied on the whole transaction, while muni haircuts are applied on the unsold balances.

Sample Underwriting Capital Requirements per Asset Class

		Municipal Bond Underwriting*			Corporate Bond Underwriting		
Maturity	**Par Amount**	**Haircut**	**Senior Manager**	**Co-Manager**	**Haircut**	**Senior Manager**	**Co-Manager**
Liability			50%	5%		50%	5%
5	$200,000,000	5.0%	1,250,000	125,000	7.0%	7,000,000	700,000
10	$200,000,000	6.0%	1,500,000	150,000	7.5%	7,500,000	750,000
15	$200,000,000	6.5%	1,620,500	162,500	8.0%	8,000,000	800,000
20	$200,000,000	7.0%	1,750,000	175,000	8.5%	8,500,000	850,000
25	$200,000,000	7.0%	1,750,000	175,000	9.0%	9,000,000	900,000
	$1,000,000,000		7,875,000	787,000		40,000,000	4,000,000

* Calculated w/ unsold balance of 25%

Questions
&
Answers

TO: PAUL WILLIAMS, DORMITORY AUTHORITY - STATE OF NEW YORK
TAFFI WOOLWARD, DORMITORY AUTHORITY - STATE OF NEW YORK

FROM: THOMAS MEAD, MFR SECURITIES, INC.

SUBJECT: FOLLOW UP ON CAPITAL REQUIREMENTS PRESENTATION

DATE: MARCH 5, 2010

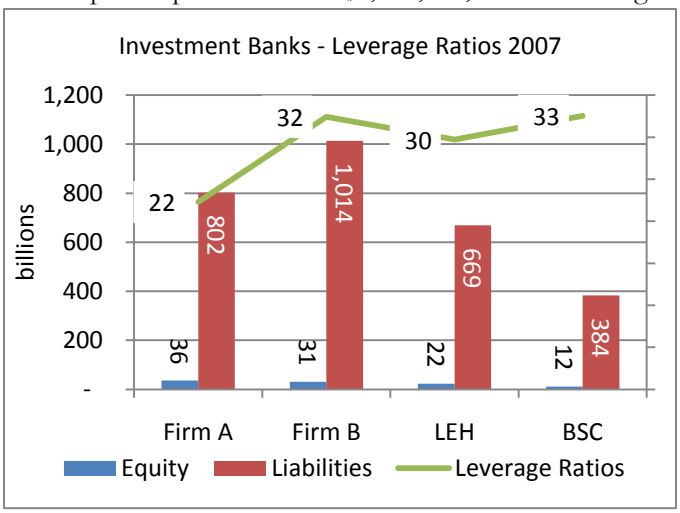
			Liability
Par Amount	1,000,000,000	Senior Manager	50%
Unsold Balance	25%	Co-Manager	5%

				Senior Manager		Co-Manager	
	[A]	[B]	[C]	[D]	[E]	[F]	[G]
Maturity	Par Amount	Unsold Bal.	Haircut	Liability	Capital Req.	Liability	Capital Req.
		25% * [A]		50% * [B]	[C] * [D]	5% * [B]	[C] * [F]
5	200,000,000	50,000,000	5.00%	25,000,000	1,250,000	2,500,000	125,000
10	200,000,000	50,000,000	6.00%	25,000,000	1,500,000	2,500,000	150,000
15	200,000,000	50,000,000	6.50%	25,000,000	1,625,000	2,500,000	162,500
20	200,000,000	50,000,000	7.00%	25,000,000	1,750,000	2,500,000	175,000
25	200,000,000	50,000,000	7.00%	25,000,000	1,750,000	2,500,000	175,000
	1,000,000,000	250,000,000		125,000,000	7,875,000	12,500,000	787,500

We modeled a $1 billion transaction and for simplification purposes, amortized it in five equal ($200 million) tranches every five years. We then assumed a 25% unsold balance as an extreme example. We assumed 50% and 5% liabilities for senior managers and co-managers respectively. Multiplied times the appropriate SEC assigned capital required haircut for that bond tenor we came up with the required capital requirement. On this transaction a senior manager would need $7,875,000 in capital and a co-manager would need $787,500.

An illustrative example would be to consider how much capital a co-manager would need to participate in all the deals for the week of March 8, 2010. Next week there will be 52 transactions with an expected par amount of $7,783,210,000. For a single firm to act as co-manager on all these transactions at the same time, assuming a 25% unsold balance and a bond tenor of 25 years of greater, the firm would need $6,810,308.75 in capital.[1]

For the Investment Banks – Leverage Ratios 2007 chart we took the equity and long term liabilities from four of the large bulge bracket investment banks for 2007 and calculated their leverage ratios of equity / liabilities. The ratios ranged from 22 to 33 times for Bear Stearns. The leverage ratio show how big of a 'market hit' these institutions could take on the assets they carried on their balance sheets. Although it seemed that these institutions had much larger amount of equity than an MBE firm, they were in a much more tenuous position to withstand a market correction.



[1] $7,783,210,000 * 25% *5%*7% = $6,810,308.75

Underwriting Capital Requirements for Municipal Managers - $1,000,000,000

Par Amount	1,000,000,000
Unsold Balance	25%

	Liability
Senior Manager	50%
Co-Manager	5%

				Senior Manager		Co-Manager	
	[A]	[B]	[C]	[D]	[E]	[F]	[G]
Maturity	Par Amount	Unsold Balance	Haircut	Liability	Capital Requirement	Liability	Capital Requirement
		25% * [A]		50% * [B]	[C] * [D]	5% * [B]	[C] * [F]
1			2.00%				
2			3.00%				
3			3.00%				
4			4.00%				
5	200,000,000	50,000,000	5.00%	25,000,000	1,250,000	2,500,000	125,000
6			5.00%				
7			5.50%				
8			5.50%				
9			5.50%				
10	200,000,000	50,000,000	6.00%	25,000,000	1,500,000	2,500,000	150,000
11			6.00%				
12			6.00%				
13			6.00%				
14			6.00%				
15	200,000,000	50,000,000	6.50%	25,000,000	1,625,000	2,500,000	162,500
16			6.50%				
17			6.50%				
18			6.50%				
19			6.50%				
20	200,000,000	50,000,000	7.00%	25,000,000	1,750,000	2,500,000	175,000
21			7.00%				
22			7.00%				
23			7.00%				
24			7.00%				
25	200,000,000	50,000,000	7.00%	25,000,000	1,750,000	2,500,000	175,000
26			7.00%				
27			7.00%				
28			7.00%				
29			7.00%				
30			7.00%				
	1,000,000,000	250,000,000		125,000,000	7,875,000	12,500,000	787,500

Underwriting Capital Requirements for Municipal Managers - $400,000,000

Par Amount	400,000,000
Unsold Balance	25%

	Liability
Senior Manager	50%
Co-Manager	5%

				Senior Manager		Co-Manager	
	[A]	[B]	[C]	[D]	[E]	[F]	[G]
Maturity	Par Amount	Unsold Balance	Haircut	Liability	Capital Requirement	Liability	Capital Requirement
		25% * [A]		50% * [B]	[C] * [D]	5% * [B]	[C] * [F]
1			2.00%				
2			3.00%				
3			3.00%				
4			4.00%				
5	80,000,000	20,000,000	5.00%	10,000,000	500,000	1,000,000	50,000
6			5.00%				
7			5.50%				
8			5.50%				
9			5.50%				
10	80,000,000	20,000,000	6.00%	10,000,000	600,000	1,000,000	60,000
11			6.00%				
12			6.00%				
13			6.00%				
14			6.00%				
15	80,000,000	20,000,000	6.50%	10,000,000	650,000	1,000,000	65,000
16			6.50%				
17			6.50%				
18			6.50%				
19			6.50%				
20	80,000,000	20,000,000	7.00%	10,000,000	700,000	1,000,000	70,000
21			7.00%				
22			7.00%				
23			7.00%				
24			7.00%				
25	80,000,000	20,000,000	7.00%	10,000,000	700,000	1,000,000	70,000
26			7.00%				
27			7.00%				
28			7.00%				
29			7.00%				
30			7.00%				
	400,000,000	100,000,000		50,000,000	3,150,000	5,000,000	315,000

Underwriting Capital Requirements for Municipal Managers - $200,000,000

Par Amount	200,000,000
Unsold Balance	25%

	Liability
Senior Manager	50%
Co-Manager	5%

				Senior Manager		Co-Manager	
	[A]	[B]	[C]	[D]	[E]	[F]	[G]
Maturity	Par Amount	Unsold Balance	Haircut	Liability	Capital Requirement	Liability	Capital Requirement
		25% * [A]		50% * [B]	[C] * [D]	5% * [B]	[C] * [F]
1			2.00%				
2			3.00%				
3			3.00%				
4			4.00%				
5	40,000,000	10,000,000	5.00%	5,000,000	250,000	500,000	25,000
6			5.00%				
7			5.50%				
8			5.50%				
9			5.50%				
10	40,000,000	10,000,000	6.00%	5,000,000	300,000	500,000	30,000
11			6.00%				
12			6.00%				
13			6.00%				
14			6.00%				
15	40,000,000	10,000,000	6.50%	5,000,000	325,000	500,000	32,500
16			6.50%				
17			6.50%				
18			6.50%				
19			6.50%				
20	40,000,000	10,000,000	7.00%	5,000,000	350,000	500,000	35,000
21			7.00%				
22			7.00%				
23			7.00%				
24			7.00%				
25	40,000,000	10,000,000	7.00%	5,000,000	350,000	500,000	35,000
26			7.00%				
27			7.00%				
28			7.00%				
29			7.00%				
30			7.00%				
	200,000,000	50,000,000		25,000,000	1,575,000	2,500,000	157,500

Capital Requirements in the Post-September 2008 Economy
Monday, March 1, 2010

Total attendees: 53 WebEx, 10 present

Agency/Authority

Battery Park City Authority
DASNY
Empire State Development Corporation
Environmental Facilities Corporation
New York Power Authority
NYSHFA
Office of the State Comptroller
State Senate
Thruway Authority

Firms

AEG, P.C.
AMCC Corp.
Ammann & Whitney
Barclays Capital
BASSI. LLC
Blaylock Robert Van, LLC
Cabrera Capital Markets, LLC
Citigroup Global Markets Inc.
Frasca & Associates
Gonzalez Saggio & Harlan LLP
Greentree Brokerage Services
Kaufman Bros., L.P.
Kaye Scholer LLP
Lebenthal & Co.
Loop Capital Markets, LLC
MFR Securities
MULTITRADE SECURITIES LLC
NW Financial Group
NYSDCP
Pacific American Securities, LLC
Rice Financial Products Company
Roosevelt & Cross
Samuel A. Ramirez & Co., Inc.
Squire, Sanders & Dempsey L.L.P.
Toussaint Capital Partners, LLC

New York State Minority and Women Owned-Business Enterprises Task Force Meeting

August 11, 2008
11:00 a.m.

The New York State Minority and Women Owned-Business Enterprises Task Force met in a Regular Meeting at the Dormitory Authority of the State of New York's Albany Office at 515 Broadway, Albany, New York, at 11:00 a.m. on August 11, 2008.

The Meeting was called to order by Paul T. Williams, Jr., Chair. Roll call was taken and a quorum was present. Those Members present and absent for the Meeting were as follows:

Members Present:

Paul T. Williams, Jr., Chair – Executive Director, Dormitory Authority of the State of New York
Carl Andrews – Acting Deputy Secretary for Intergovernmental Affairs, Governor Paterson's Office
Charlotte Hitchcock – Deputy Secretary for Labor and Financial Regulation, Governor Paterson's Office
Raudline Etienne – Chief Investment Officer, Office of the State Comptroller
Michael Fleischer, Esq. – Executive Director, New York State Thruway Authority
Priscilla Almodovar – President and Chief Executive Officer, Housing Finance Agency/State of New York Mortgage Agency
Matthew Millea – Acting President, Environmental Facilities Corporation
Frances Walton – Chief Financial Officer, Empire State Development Corporation

Visitors:

James Cavanaugh – President and Chief Executive Officer, Battery Park City Authority
John Bryan – Chief Financial Officer, New York State Thruway Authority
Tracie Sandell, Esq. – Assistant Counsel, New York State Thruway Authority
Sarah Lewis, Assistant Secretary for Policy, Governor Paterson's Office (by telephone)
Marian Zucker – Executive Vice President, Housing Finance Agency / State of New York Mortgage Agency (by telephone)
James Gebhardt – Chief Financial Officer, Environmental Facilities Corporation
Michael Jones-Bey – Executive Director, Division of Minority and Women Business Development, Empire State Development Corporation

Also Present:

Dormitory Authority Staff:
Michael T. Corrigan, Deputy Executive Director
Portia Lee, Managing Director of Public Finance and Portfolio Monitoring
Jeffrey M. Pohl, Esq., General Counsel
Debra Pulenskey Drescher, Esq., Managing General Counsel
Paul J. Burgdorf, Director, Marketing and Communications
Mark E. Violette, Press Officer

Mr. Williams called the Meeting to order. He welcomed those in attendance and introduced the Task Force Members, guests, and Dormitory Authority staff in attendance. He indicated that the Meeting would briefly adjourn at 11:45 a.m. so that certain Members could attend an unrelated conference call with the Governor's Office.

General Organizational Issues

Mr. Andrews moved the adoption of the following entitled resolution:

A RESOLUTION ELECTING THE CHAIR OF THE NEW YORK STATE MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISE TASK FORCE

Ms. Hitchcock seconded the motion and the resolution was unanimously adopted.

The Chair then reviewed with the Members Executive Order No. 10 mandates and timelines. He noted that the Executive Order contains a number of dates by which certain actions of the Task Force are to be completed. He noted that, in accordance with the Order, on July 15 2008, certain public authorities were asked to provide current information with respect to their respective practices for selecting underwriters and utilizing M/WBE firms. The Chair further noted that responses to this request were due August 1, 2008, and that all responses were received timely. He thanked the representatives of the various public authorities for their cooperation.

The Chair stated that Executive Order No. 10 provides that by September 1, 2008, the Task Force shall develop recommended procurement guidelines to be used for the development and issuance of new solicitations for underwriting services, and for underwriting performance measures to evaluate all investment banks awarded bond underwriting contracts. He further stated that by October 15, 2008, each state-supported debt issuers' Board shall consider implementation of new practices for selecting M/WBE firms as underwriters and evaluating performance, which shall be consistent with the Task Force guidelines. He reviewed additional deadline dates related to the work of the Task Force.

The Chair next reviewed with the Members a proposed work plan that had been distributed to them for their consideration. He noted that while the Executive Oder focused on utilization of investment bankers and underwriters, the Order also states that the Task Force shall consider ways to increase utilization of M/WBE firms. The Chair indicated that he felt that other service providers that the task force should consider are bond counsel, financial advisors, brokers, banks, trustees and accounting firms. Mr. Andrews replied that he felt that the Task Force should look at pension funds and asset management providers. Ms. Etienne stated that this area of financial service providers is a whole industry onto itself. She stated that it might be difficult to consider this industry with the timetable constraints on the core mission of the Task Force.

Mr. Andrews asked whether any of the authorities present could address the issue regarding their use of asset managers. Mr. Fleischer stated that the Thruway Authority invests its monies through the State. Mr. Cavanaugh stated that Battery Park City Authority also participates through the State Pension Fund, but that it does have a number of accounts that it is managing. He further stated that Battery Park is using financial advisors to assist it with these funds and accounts. The Chair noted that there is probably a very small universe of financial advisors, but that there is also probably insufficient minority participation. He stated that he felt that asset management should be included as one of the categories.

Mr. Jones-Bey noted that he felt that the insurance industry should also be the subject of the Task Force's review. He stated that there appears to be no concerted effort to improve M/WBE utilization in that industry. The Chair stated that some of the initial work to be performed by the Task Force with respect to underwriters may be utilized in other areas with respect to procurement and barriers to entry. He noted that best practices by the various authorities can be used in evaluating other financial service

industries. Ms. Etienne stated that she felt that the Task Force needed to be concerned with matters of jurisdiction when dealing with procurement and pensions.

Mr. Andrews asked for elaboration on what is necessary to be involved in the insurance industry. Mr. Cavanaugh stated that Battery Park has a very extensive insurance program. He noted that there are essentially, two opportunities for participation: brokers and the large insurance companies. He stated that there will not be many M/WBE firms that are large insurance companies, but that there are M/WBE brokers. He indicated that this very well might be an area that could be targeted for more M/WBE participation. Mr. Andrews asked what type of selection process might be utilized by an authority. Mr. Corrigan responded that brokers may be hired with respect to specific insurance policies. He stated that, for example, the Dormitory Authority might have eight separate RFPs, one for general liability, one for workers' compensation, one for property, and so forth.

Ms. Almodovar stated that she felt that considering M/WBE participation in the insurance industry was beyond the scope of the Task Force. Ms. Hitchcock stated that if what the Task Force is reviewing is broad enough to include insurance, then it should be considered, but that she would hesitate to support its inclusion if it is really an issue that should be considered separately. The Chair indicated that consideration of adding the insurance industry to the list of providers to be reviewed would be tabled.

The Chair stated that he felt that the Task Force should focus first and foremost on underwriters, and that after the Task Force concludes its work in that area, it can turn to other service providers. He further stated that the Task Force should focus on general procurement guidelines and underwriter procurement guidelines, including barriers to entry and improving the RFP process. He noted that the Task Force should formulate practices to maximize M/WBE participation. He indicated that areas to be considered include formation of syndicates, compensation, and joint ventures.

The Meeting temporarily adjourned at 11:45 a.m.

The Meeting reconvened. Ms. Almodovar stated that she felt that the list of issues identified for discussion was excellent. She questioned whether M/WBE participation was to be limited to those entities that are incorporated in New York State or whether they could be incorporated elsewhere. The Chair stated that perhaps a New York presence could be the first baseline considered. Mr. Cavanaugh shared with the Members information regarding a recent M/WBE joint venture in a transaction with Battery Park City Authority.

Mr. Andrews stated that he felt it important that some of the authorities were trying to implement a change in culture to make all parties aware that M/WBE participation should be a focus. He acknowledged the Thruway Authority and the MTA had undertaken recent transactions in which they insisted upon M/WBE participation. The Chair stated that it was his hope that while the authorities were waiting for the Task Force to complete its deliberations, they would go about conducting their own business with heightened awareness and accompanying appropriate changes to the manner in which they conduct business.

Ms. Walton stated that the Empire State Development Corporation was trying to include M/WBE firms in its top underwriting tier. She stated that ESDC has a January financing that is slated to be competitively bid. She noted that such competitive transactions preclude an authority from utilizing M/WBE participation. She indicated that perhaps the Task Force should undertake discussions with the Division of the Budget as to whether such required competitive transactions will continue as about half of ESDC's transactions are competitively bid. Mr. Millea agreed that such competitive issues are

problematic in increasing M/WBE participation. The Chair stated that this topic would be added to the areas of study to be undertaken by the Task Force.

The Chair and Ms. Lee next discussed underwriter performance measures. The Chair stated that he felt that the ability to assess performance of firms in five, ten or fifteen years is critical. He noted that it is also important for the Task Force, at the end of its mission, to assess its effectiveness. The Chair also noted that he felt that it was extremely helpful to hear from participants in the financial community regarding the mission of the Task Force. He recommended that a day be set aside for hearings to be conducted at which members of the underwriting community could make suggestions regarding the identification of barriers to entry and increasing M/WBE participation. The other Members agreed that such hearings would be desirable.

The Chair encouraged each Member of the Task Force to work with investment banking firms in letting them know that hearings concerning the topic would be scheduled. He also encouraged the Members to devote staff time to researching best practices in other jurisdictions.

The Chair stated that Executive Order No. 10 establishes some very aggressive dates. He stated that the genesis of this was to drive home the point that Governor Paterson expects to see concrete progress in these areas. He noted that recently there have been more M/WBE senior-managed State transactions. He further noted that the sensitivity to the issue is at an all-time high. The Chair stated that the Task Force should not delay in reaching its conclusions and recommendations. He noted, however, that the work identified as being necessary for the Task Force to meet its goals is significant. The Chair stated that he would, therefore, like to suggest that the Task Force contact Governor Paterson's Office to request that the September 1, 2008 deadline for the Task Force to develop recommended procurement guidelines and underwriter performance measures be extended until November 1, 2008, and that the October 15, 2008 deadline for state-supported debt issuers' Boards to consider implementation of new practices for selecting M/WBE firms as underwriters be extended to December 31, 2008.

Ms. Hitchcock expressed concern about possible timing issues as they relate to legislative action in the upcoming Legislative Session. Ms. Lee indicated that she felt that the new dates would provide enough time for legislative consideration, if applicable. The Chair stated that most recommendations probably would not require legislative action in any event.

Ms. Walton moved the adoption of the following entitled resolution:

RESOLUTION AUTHORIZING THE CHAIR TO CONSULT WITH GOVERNOR DAVID A. PATERSON'S OFFICE REGARDING THE POSSIBLE EXTENSION OF CERTAIN DATES CONTAINED IN EXECUTIVE ORDER NO. 10

Ms. Almodovar seconded the motion and the resolution was unanimously adopted.

The Chair then asked Ms. Lee to review with the Members certain underwriter utilization data to be collected. She indicated that certain baseline underwriter data concerning the time period January 1, 2006 through January 30, 2008 would be requested. She noted that this usage information should include lead underwriters, co-senior underwriters, co-managers and selling groups. Ms. Almodovar suggested that another set of data that could be collected would involve actual distribution. Mr. Andrews stated that fees should also be considered. Ms. Lee stated that the Dormitory Authority would formulate a template and distribute for comment. The Chair asked that each authority identify a "go-to" person for follow-up issues or information.

The Chair suggested September 18, 2008 as the date of the hearing to be held at the Dormitory Authority's Offices at One Penn Plaza, New York City. He also suggested that the next regular Meeting of the Task Force occur at the same location on September 29, 2008. The Chair concluded the Meeting by congratulating everyone for such an enlightening, productive first meeting. He thanked Ms. Lee and other Authority staff for their assistance.

Mr. Andrews moved that the Meeting adjourn, Ms. Walton seconded the motion and the Meeting adjourned at approximately 12:58 p.m.

Respectfully submitted,

Paul T. Williams, Jr.
Chair

The New York State Minority and Women Owned-Business Enterprises Task Force met in a Regular Meeting at the Dormitory Authority of the State of New York's New York City Office at One Penn Plaza, New York, New York, at 11:00 a.m. on September 29, 2008.

The Meeting was called to order by Paul T. Williams, Jr., Chair. Roll call was taken and a quorum was present. Those Members present and absent for the Meeting were as follows:

Members Present:

Paul T. Williams, Jr., Chair – Executive Director, Dormitory Authority of the State of New York
Carl Andrews –Deputy Secretary for Intergovernmental Affairs, Governor Paterson's Office
Charlotte Hitchcock – Deputy Secretary for Labor and Financial Regulation, Governor Paterson's Office
Dr. Celia Gonzalez– Deputy Comptroller, Office of the State Comptroller
Michael Fleischer, Esq. – Executive Director, New York State Thruway Authority
Priscilla Almodovar – President and Chief Executive Officer, Housing Finance Agency/State of New York Mortgage Agency
Matthew Millea – Acting President, Environmental Facilities Corporation
Michael Jones-Bey – Executive Director, Division of Minority and Women Business Development, Empire State Development Corporation

Additional Attendees:

James Cavanaugh – President and Chief Executive Officer, Battery Park City Authority
John Bryan – Chief Financial Officer, New York State Thruway Authority
Tracie Sandell, Esq. – Assistant Counsel, New York State Thruway Authority
Marian Zucker – Executive Vice President, Housing Finance Agency / State of New York Mortgage Agency
Gloria Boyd –Program Administrator, Housing Finance Agency/ State of New York Mortgage Agency
James Gebhardt – Chief Financial Officer, Environmental Facilities Corporation
Marian Roslyn –Director Program Development, Empire State Development Corporation
Robert Godley –Treasurer, Empire State Development Corporation
Michael T. Corrigan, Deputy Executive Director, Dormitory Authority of the State of New York
Portia Lee, Managing Director of Public Finance and Portfolio Monitoring, Dormitory Authority of the State of New York
Jeffrey M. Pohl, Esq., General Counsel, Dormitory Authority of the State of New York
Debra Pulenskey Drescher, Esq., Managing General Counsel, Dormitory Authority of the State of New York
Paul J. Burgdorf, Director, Marketing and Communications, Dormitory Authority of the State of New York
Taffi Woolward, Director, Public Finance M/WBE Programs, Dormitory Authority of the State of New York
Gayle Katzman, Director, Executive Projects, Dormitory Authority of the State of New York
Leigh Favitta, Director, Information Services, Dormitory Authority of the State of New York
Mark E. Violette, Press Officer, Dormitory Authority of the State of New York

Visitors:

Ted Phillips - *Bond Buyer*
Mike Quint - *Blumberg News*
Bernice Greene - *Our Time Press*
James Woods – *Minority Commerce Weekly*

The Chair called the Meeting to order. He thanked the Members of the Task Force and their respective staffs who participated in the recently conducted public hearings concerning MWBE participation in the financial services industry. He stated that he also wished to acknowledge those firms which participated as well. The Chair stated that the feedback he has received has been overwhelmingly positive. He noted, also, that the quality of the information that was presented at the hearings was high. The Chair termed the hearings as historic.

The Chair stated that in now turning to the Task Force's job at hand, he wanted to task the Task Force Members with three objectives. He noted that the first objective is for the Members to keep their eyes on the ultimate goal. He stated that Executive Order No. 10 calls on the Task Force to examine the State process that exists today and to find ways to increase utilization of minority and women-owned firms in State financings. The Chair stated that the second thing he wanted to suggest to the Members was that they look beyond their own current experience. He noted that it is clear that many of the authorities have a slightly different process, with slightly different rules, requirements, criteria and methods for evaluating both existing and potential new underwriters. He indicated that Members should keep an open mind in evaluating new ideas. The Chair stated that as his third point, he wished to urge all Members and their respective staffs to bring to the process the same level of creativity that they would bring in connection with running their own individual organizations. He indicated that the Members should view the process as a creative one and not as a static process.

The Chair directed the Members' attention to the draft Minutes of the August 11, 2008 Meeting. He suggested that the Members review the draft Minutes and further stated that they would adopt them at the next regular Meeting with whatever additions or revisions may be necessary.

The Chair thanked the Members for the work that they undertook between the hearings and the Task Force Meeting. He then introduced Ms. Lee to discuss the Request for Proposal ("RFP") process for selection of underwriters. She noted that the Dormitory Authority has a three-year cycle and stated that the Dormitory Authority last selected underwriters in April 2006. She further stated that the next selection cycle is coming upon us fast. Ms. Lee stated that the Thruway Authority also has a three-year cycle, with two optional one-year renewals. She noted that Environmental Facilities Corporation also has a three-year cycle with two optional one-year renewals. She reported that EFC had last selected underwriters in 2004 and had sent out an RFP in August. Ms. Lee reported that the New York State Housing Finance Agency ("HFA") has the ability to add to its current list adopted in 1998 by Board action, which they did most recently in May 2008. She further reported that the Empire State Development Authority ("ESDC") last selected its panel in 2007. She stated that ESDC plans to go through the process again in 2011.

Ms. Lee stated that she also wished to discuss the various factors that are reviewed during panel selection. She stated that they are fairly uniform among the authorities. She stated that the broad issues which are generally focused upon are: financial strength, the ability to support or distribute funds; technical and quantitative experience and expertise, and innovation. Ms. Lee further stated that she felt that these broad categories should be reviewed to ensure that there are no unintended barriers to entry embedded in those broad categories.

Ms. Lee discussed selection of underwriters for individual transactions. She stated that the various authorities, again, appear to take a similar approach in looking at the expertise of the various

firms and in following some sort of rotational aspect to ensure that there is a fair distribution across the panel.

Ms. Lee next reported on the public hearings held on September 18, 2008. She reported that representatives from 21 different firms participated, ranging in size from small to large firms. She stated that some firms were minority firms and some were majority firms. Ms. Lee stated that testimony was heard from 9:00 a.m. until 4:30 p.m. She indicated that a great deal of information was shared from various viewpoints.

Ms. Lee reported that several of the different authorities each took a topic of interest raised at the public hearings and to be studied by the Task Force to summarize. She stated that Mr. Bryan would discuss the Thruway Authority's review of RFP issues. Mr. Bryan first discussed the issue of timing of RFPs. He stated that he had been asked by a number of minority firms whether the authorities were going to undertake the next RFP process in tandem and whether the terms would be comparable, or whether there might be an opportunity for some overlapping and in and out mix of firms on each of the panels. Mr. Bryan reported that he had also been asked after the public hearings whether it made sense for each individual authority to continue to undertake its own RFP process or whether it might make sense for there to be a collective effort and a master panel from which State authorities might select underwriters. He stated that he felt that this option raises some intricate issues, as many of the authorities have very different types of bond issues. He noted that the Thruway Authority does dedicated highway and bridge trust funds, so they typically look at underwriters with that type of background. Mr. Bryan stated that the Dormitory Authority probably looks for underwriters with higher education and hospital experience. Mr. Bryan noted, as well, that usually there are panels for large transactions and those for smaller denomination transactions.

Mr. Bryan then discussed the concept of allowing MWBE firms to move to higher tiers to fill vacancies in the panel. He gave the example of allowing a book runner to select a minority firm from a co-manager pool or a co-senior pool to work together on leading a transaction. He indicated that he believed that ESDC allows this type of arrangement. Mr. Bryan stated that a related issue centers on parameters for filling vacancies. He stated that mergers and failures have created a number of vacancies on many panels. He further stated that the Thruway Authority had six or seven vacancies on its list – quite a substantial number. Mr. Bryan stated that the parties should undertake consideration of how those vacancies should be filled, including whether they can be filled mid-term or whether a new RFP should be done.

Mr. Bryan reported that the last issue of concern regarding RFPs is the term of the panels. He stated that he was intrigued about the possibility of short term panels. He noted, however, that there are also benefits to longer terms. He stated that he felt that the authorities should discuss the pros and cons of each, along with whether or not contractual extensions should be continued.

Mr. Bryan next discussed barriers to entry. He explained that a typical complaint that is heard is that the authorities ask for specific experience with the specific authority, but that is a Catch -22, because they cannot obtain experience if they can't get the job in the first place. He stated that firms also complain about capitalization requirements. Mr. Bryan stated that there is also a feeling that the authorities put too much weight on the size of the firms. He stated that often the authorities look at a firm's distribution capability, especially if they can move a high volume of bonds relatively easily. He noted that a smaller firm may be able to move the same volume of bonds, but by working a little bit

harder. He suggested focusing on the experience of individual team members assigned to the transaction, rather than the size of the firm.

Mr. Bryan stated that a couple of RFP issues which were not raised at the public hearings, but which should be factored into any RFP discussion deal with insight, innovation and creativity, and completeness, clarity and the overall quality of the proposal. He noted that minority firms are creative and most have interesting ideas, so creativity should not be a barrier to entry.

The Chair stated that, historically, RFPs usually yielded the same players, more or less, in that the marketplace just did not change that much over a three-year period. He noted, however, that with the marketplace in its current state, the authorities' mindset should probably be that in the years ahead, we will most likely see more dynamic change within the market structure of investment banking than has been seen up to this point in time. The Chair stated that this factor should be kept in mind when evaluating the term and prioritization of teams.

Ms. Lee noted that once a decision is made regarding the appropriate time between RFP cycles and if the ability to periodically reassess the term and allow movement both upwards and perhaps downwards based on performance is available, then perhaps authorities could annually review performance and make some judgment as to potential movement. Ms. Zucker agreed. She stated that flexibility within the cycles helps the firms, as well as the authorities, conduct business. Ms. Zucker suggested that authority RFPs could include language that reserves their right to make certain changes mid-cycle. Mr. Andrews suggested that perhaps certain authority Board policies should be reassessed if they do not currently allow some of the changes being suggested, such as movement within tiers. The Chair agreed that there may need to be some changes at the various Board levels, and he noted that it was important that what the Task Force adopts is effective. Mr. Jones-Bey agreed with both Mr. Andrews and the Chair, noting that the various Boards need to discuss the matter. Mr. Andrews thanked Mr. Bryan for his presentation.

Ms. Lee stated that perhaps when previous experience is a prerequisite, experience in a particular sized municipal financing for issuers throughout the country would suffice, as opposed to specific experience with the New York issuer. She noted that it is experience with a particular type of credit and a particular size of financing that is paramount. She indicated that she felt that there are ways to ascertain whether a firm has appropriate experience, which may not present as many barriers to entry as are currently met by certain firms. Mr. Millea stated that the Environmental Facilities Corporation would be happy to develop RFP language since it will probably be undertaking an RFP in November or December. He indicated that EFC would be happy to work with the Task Force as it works through the process, including development of the RFP, contract drafting and development of Board resolutions and processes. The Chair indicated that this would be a welcomed approach. He stated that he hoped that a format can be developed which can be shared and utilized across the Board so that the industry itself will understand and anticipate that the glitches in the system have been addressed system-wide and there won't be a continued focus from one issuer to the next concerning some of the basic questions as to how firms are evaluated. Ms. Lee stated that, hopefully, the authorities will then have a template that each authority may then add to in order to address specific issues. Mr. Millea stated that EFC reserves the right to not defer to the group, based upon what its Board might desire.

Mr. Andrews asked about the possibility of developing a centralized list for all of the authorities from which they might choose firms with particular expertise. He stated that then there would be one central list that everybody knows exists and everyone should use, as opposed to each entity developing its

own list or a preferred list. He further stated that if an authority has specific needs, that type of expertise could also be categorized on these lists. The Chair stated that this idea should certainly be further explored. He noted that while he has yet to be through an RFP process in his short tenure at the Dormitory Authority, he has been through the process of meeting with the firms and he has also been hearing from certain firms. The Chair stated that he has thought about the notion of a universal qualifying process. He indicated that while there are many positives to this approach, something can be said for an individual authority taking the time to understand the commitment and approach of individual firms to the type of business that each authority undertakes.

Ms. Woolward then briefly discussed approaches taken in other geographic regions of the country. She stated that the City of Atlanta had taken the template approach with a general RFP, and then had supplemented information regarding specific areas of expertise. She suggested that perhaps New York could have one general application, with different supplemental applications which would qualify them for particular areas of expertise.

Ms. Lee asked Mr. Godley to discuss the Empire State Development Corporation's review of designation policy issues. Mr. Godley stated that equitable distribution of compensation is the key to maximizing opportunities for MWBE firms by providing incentives for firms to perform and rewarding syndicate members for performance. He stated that designation provides an incentive to the MWBE firm to go out and market the bonds to the investors. He indicated that investors have proven that they will accept various designation policies. Mr. Godley directed the Members' attention to examples of MWBE designation language from recent pricing wires from four other jurisdictions – the City of Houston, the State of California, the City of Chicago, and the State of Illinois. He indicated that these examples provide helpful information which might be incorporated into New York authority pricing wires.

Mr. Godley stated that the Task Force needs to consider how many MWBE firms are appropriate to designate in pricing wires. He indicated that once this is determined, the Members need to determine the percentage of designation that is appropriate. He stated that the State of California has a law which prohibits the use of the term "MWBE" in its designation language. He explained that instead they refer to smaller firms. He stated that the Task Force also needs to consider whether or not retention of bonds or holdback provisions might limit the competitiveness of a transaction. Ms. Lee stated that how big a transaction is often plays a role in terms of how designation policies are viewed. Mr. Godley stated that ESDC already has Board approval to rotate four minority firms and to put them in senior manager positions. He further stated that everyone should be careful to discuss various options for designation policies including holdback provisions. He suggested that MWBE firms be consulted to see what approach they would prefer.

Mr. Andrews stated that the example designation policies presented might be based on laws of those jurisdictions. He indicated that he felt that perhaps certain benchmarks should be set that would work in New York. Ms. Almodovar stated that she felt it was important to identify the goal that the Task Force is trying to accomplish. She questioned whether the goal is to reward performance or just to maximize the number of MWBE firms. She noted that depending on the ultimate goal, appropriate processes to achieve it may be developed. Mr. Jones-Bey stated that it was his impression that the goal was to achieve participation that was cost-neutral. He further stated that he thought that there were enough qualified firms to achieve this goal.

The Chair stated that he wanted to make it clear that when discussing the designation policy, the Task Force is not creating a new way of compensating firms. He further stated that designations have

been in existence for a long time as a way of compensating firms in the industry. He noted that what the Task Force is considering is how to take an existing vehicle or method of compensation and make sure that the minority and women firms in the marketplace have a fair and adequate opportunity to participate. The Chair stated that this is an area where the Task Force probably needs to appoint a sub-committee for further consideration. He noted that the Task Force wants to make recommendations such that implementation thereof would promote competitiveness and cost-effectiveness in the industry. He asked for volunteers to serve on a sub-committee to explore the issue further. Ms. Hitchcock volunteered to serve on the sub-committee, noting that she wished to underscore the point just made by Almodovar that it is important to look at the mission. She stated that the Task Force can grow the business more systemically or it can grow a few businesses more rapidly. Mr. Bryan volunteered, as did Ms. Zucker. Ms. Lee stated that most of the authorities would probably want to serve on the sub-committee. The Chair stated he felt that there was so much work for the Task Force to undertake that he wished to begin appointing sub-committees to study different topics. The Chair indicated that he would appoint a sub-committee to study this topic. Ms. Almodovar indicated that she felt that it was one of the most important issues to be considered.

Ms. Zucker presented the Housing Finance Agency's review of the underwriter performance measure issue. She began her presentation by noting that things that are monitored tend to improve. Ms. Zucker stated that underwriters could be measured based on quantitative criteria such as total bonds sold and optimal pricing, as well as more qualitative measures such as execution of the transaction, provision of useful research and ideas, and furtherance of issuer objectives. She explained that an underwriter's performance in placing going away orders could be reviewed. She stated that the willingness of an underwriter to place stock orders in either a difficult market or a difficult portion of the yield curve could also be considered. Ms. Zucker stated that consideration should also be given to an underwriter's ability to perform market research and effectively communicate its findings, including information regarding other State issues ready to go to market. Ms. Zucker stated that on the qualitative side, consideration may be given to the underwriter's responsiveness to market conditions. She stated that in terms of syndicate management, the ability of the senior manager to facilitate communication between all of the co-senior managers and the selling group members is important. She noted that access to good ideas is harder to measure, but important as well.

Ms. Lee stated that she felt that looking at performance at both quantitatively and qualitatively would be a good way to gather and evaluate information. Ms. Gonzalez stated that the Task Force should be careful with respect to how it gathers information. She further stated that the data should be collected in the same manner. Ms. Lee stated that the Dormitory Authority had put together a draft template for evaluating underwriter performance, but that she was interested in knowing how it might work for others. The Chair asked that this template be circulated again for comment.

The Chair asked Ms. Zucker about the suggestion that to ensure adequate evaluation of the pricing of a particular transaction, issuers might employ an independent entity to review the proposed pricing structure. He asked whether this suggestion was a proposal to consider the value of financial advisors vs. underwriters. Ms. Zucker responded that she did not believe that there was universal agreement on this topic and that it should be open for further discussion. The Chair stated that one topic that appeared to be missing from the discussion of underwriter performance is the idea of compensation. He stated that reviewing compensation is one of the areas that the Task Force is tasked with undertaking.

Ms. Almodovar stated that she thought there were two things that should be measured – how underwriters were doing and the performance of the authorities in engaging MWBEs as well. Ms. Lee

stated that the templates that had been distributed capture MWBE utilization both in the aggregate and in a deal-by-deal summary. She thanked all those who previously provided information regarding these areas of consideration

The Chair stated that he wished to discuss a performance measure that does not relate specifically to the work on any particular deal, but the idea that if qualified firms are given the opportunity to participate in a fair way, they will step up and perform adequately. He stated that as a correlation to this, he would hope that as some of the firms see a greater investment from the industry, they would invest further in themselves as business entities in terms of growing their capital base, growing their expertise, and growing their technical capabilities. He stated that he hoped that they would help to build opportunity in New York State by expanding their employee base by participating in models that would help introduce investment banking to sectors of the community that might not otherwise see it. The Chair stated that one of the objectives that he would like to see accomplished is that if significant and productive changes are undertaken in the way New York does business, five years from now there will be a different playing field as far as MWBE firms go, in that the firms are stronger, larger, and better equipped to undertake a wide range of opportunities. The Chair stated that he would like the Task Force Members to collectively think before the next Task Force Meeting how to achieve this goal.

The Chair asked whether anyone had any additional comments with respect to underwriter performance. Ms. Woolward stated that looking at the quality of orders might be another performance measure to be considered, such as orders that diversify an issuers' investor base.

Mr. Gebhardt next presented Environmental Facilities Corporation's review of deal management/syndicate formation issues. He stated that the primary focus is to reduce barriers to entry. He further stated that the basic underlying issue to be considered is whether tiering works better than a flat-lining approach. He suggested that perhaps flat-lining might work better where there might be a rotation of roles among all selected managers or a competitive process to determine manager roles from top to bottom for each underwriting. He stated that the establishment of a qualified pool of MWBE underwriters that could be rotated among management roles within syndicates or into and out of underwriting syndicates from transaction to transaction might also be desirable. He described for the Task Force Members recent experience of EFC in this area. He noted that he felt that the question of hierarchy vs. flat-lining goes hand in hand with the type of cycle to be employed. He explained that hierarchy may come into play more when there is a three to four deal cycle, vs. when there may be ten or more transactions over a three to four year period.

Mr. Gebhardt stated that there are basically two views – the idea that there can be a subset of MWBE bankers that may be rotated in and out of transactions, whereby more would be able to participate permanently, or all MWBE bankers could be part of the stable of underwriters and a competitive format could be established in which those MWBE bankers would be required to compete with a smaller group.

Mr. Gebhardt stated that a focus of testimony at the recent public hearings were recommendations that State debt issuers undertake smaller size deals underwritten by smaller management syndicates. He explained that smaller deal size would allow smaller firms to be competitive as bookrunning managers while small syndicates would increase the opportunity for MWBEs to be looked to as important members of the management team that will need to sell bonds to assure successful deal pricing. He noted that the testimony asserted that smaller deals and smaller syndicate size would not hurt results. Mr. Gebhardt stated that there is a bit of an issue with this suggestion in that there is some conflict between MWBE goals and goals of the State itself in how it constructs transactions for cost effectiveness. He explained

that it would be possible to carve up deals, but that from a deal management standpoint, it would present some critical management issues. He stated that he felt that there are other tools that can be used to drive achievement such as partnering. He reported that three or four firms discussed this concept at the hearings. Mr. Gebhardt gave a few examples of how this partnering might work.

Mr. Gebhardt stated that one requirement that should be adhered to is the requirement that managers maintain open books that can be monitored. He further stated that he felt that such monitoring could help insure that whoever is book running is enforcing fair treatment, making sure that managers are engaged in the process, are paying attention, and are in fact being given the opportunity to put bonds away with the orders that they have brought to the transaction.

Mr. Gebhardt stated that he also felt it helpful to have the ability to bring managers into the group in mid-cycle. He explained that perhaps a firm did not originally make the cut at the time of RFP, but that over time, they have picked up the ability to perform, while others may have dropped out of the panel. He stated that it would be helpful to have the ability to bring such firms on board mid-cycle.

Mr. Gebhardt next discussed capital requirements. He reported that two major themes were presented at the hearings regarding capital needed for underwriting. He stated that the first was that capital was not central to the underwriting success of the major firms and that actual capital committed to transactions is a small percentage of bonds underwritten. He stated that the second theme was that in order to overcome real and perceived capital entry barriers small firms needed greater access to capital. He acknowledged that, generally, an underwriting decision is made with a really strong book of orders behind it. Mr. Gebhardt opined that in the current market the question of capitalization may become more important, however. He reported that just that morning the Erie County Stabilization Finance Authority was not able to have bonds placed in the market through its underwriter and the underwriter was not able to get a loan to backstop the purchase.

The Chair asked whether any issuers have a set capital requirement, whether set by the Board, legislation, a court, or when the panel was formed. Mr. Bryan responded that the Thruway Authority asks for capitalization numbers as part of its RFP and includes the category as part of its selection criteria. Mr. Fleischer stated that this practice was a staff decision made many years ago which was RFP driven. He indicated that the Thruway Authority may need to change its RFP in the future and that was why review of the RFP process was so important to the Thruway Authority.

The Chair stated that one issue on the table is whether the Task Force is going to recommend that there be a specific minimum capitalization requirement other than what is required by the industry. Ms. Zucker suggested that the Task Force Members go back to their respective organizations and gather information so that the topic may be further discussed by all. The Chair stated that he just wished to echo the point that in real life, there is a minimal likelihood that firms have to actually commit their own capital into the negotiated sale process. He also stated that historically speaking, past performance of securities underwriters bears no indication of future outcome.

Ms. Almodovar stated that currently there are failed remarketings but the larger firms are not committing their capital as they may have in the past. She noted that in the past, they might take the securities in as inventory and then remarket later, but this is not necessarily happening in the current market. Mr. Gebhardt stated that the current market is in a state of turmoil and that sometimes there are market conditions that may not be addressed no matter what a firm's capitalization. He stated, however, that there are times when higher capitalization may have an impact on the structure of the transaction.

Mr. Andrews stated that he felt that there were similar issues associated with the use of financial advisors. The Chair stated that review of the utilization of MWBE financial advisors was within the purview of the Task Force, but that he thought that it should be considered when the Task Force looks at use of MWBE bond counsel and the area of asset management. He indicated that the Task Force needed to first "hit a home run" relative to the use of MWBE underwriters, and that if this issue can be adequately addressed, some of the resolution of that issue may be applied to other related areas of financial services.

Mr. Andrews stated that one of the things that some of the minority firms have pointed out is that when a deal is constructed, the firm may be listed as a co-senior manager, but depending on how it is finally structured, the firm might not get the points that is commensurate with this position. He encouraged issuers to be careful with respect to such reporting.

Ms. Woolward then discussed select best practices. She reviewed with the Task Force Members the highlights from the State of Massachusetts 2008 Request for Qualifications ("RFQ"), including information related to the term of selection, participation, expectations, experience, certification, underwriting capacity, capital structure and exposure. She noted that the RFQ takes into account current market conditions as well as the utilization of MWBE firms.

Ms. Woolward highlighted the fact that the Massachusetts RFQ uses language that the State reserves the right to utilize other firms from time to time. She indicated that this type of language could be used in New York RFPs to keep open the option of adding firms mid-cycle. She stated that the RFQ also specifically addresses MWBE participation. She noted that the RFQ states the Treasurer's Office's commitment to diversity and equal opportunity. She further noted that the RFQ stated that there would be a good faith effort to achieve 5% MWBE participation. Ms. Woolward stated that the RFQ also clearly states the expectation that each prospective book-running senior manager to propose a syndicate include at least one MWBE firm as a co-manager.

Ms. Woolward noted that experience to be considered by Massachusetts includes the experience of the underwriting team, turnover in the municipal bond department and the level of importance of the municipal bond department in the firm. She noted that MWBE certification is strictly voluntary in Massachusetts. Ms. Woolward reported that as part of its submission to the RFQ, a firm must indicate how much uncommitted excess net capital is allocated to the municipal finance area of the firm, with comparable data from 2006-2008. She noted that each firm must indicate the extent of the firm's involvement in the subprime mortgage market and if this exposure poses any capital, credit or other risk to the firm. Mr. Andrews commented that gathering this particular information was a very good idea. Mr. Fleischer questioned whether the results of the RFQ had been obtained yet, to which Ms. Woolward responded that they had not yet been obtained.

The Chair noted that Massachusetts had undertaken an RFQ rather than an RFP to assess the market to see what firms might be qualified. He further noted that generally an RFQ is to see what firms are available and qualified, where an RFP is to choose particular firms for particular transactions. Mr. Andrews stated that he would discuss with his counsel the differences between an RFQ and an RFP. Mr. Pohl stated that each authority should review its procurement guidelines and procedures. Mr. Fleischer asked whether an RFQ could be utilized to see what firms were qualified, from which firms could then be selected using an RFP. Mr. Pohl stated that it is possible to generate a pre-approved panel. He further stated that it is more difficult to add to the panel at a later point in time.

Ms. Hitchcock stated that she felt that it would be more instructive to know how many firms from the RFQ actually entered into contracts to perform work or sell bonds. Ms. Woolward stated that the RFQ does state that they are expecting to choose a certain number of senior managers and co-managers.

Mr. Bryan stated that he thought that the RFQ question regarding exposure and expected write downs was timely. The Chair stated that he felt that this question also goes to the issue of whether the firm may stand behind a transaction.

The Task Force Members then discussed potential dates for their next meeting. The Chair noted that while all Task Force Members were busy, it was critical that the Members work diligently toward fulfilling their mission.

Mr. Andrews moved that the Meeting adjourn, Ms. Hitchcock seconded the motion and the Meeting adjourned at approximately 12:57 p.m.

Respectfully submitted,

Paul T. Williams, Jr.
Chair

New York State Minority and Women Owned Business Enterprises 10/16/2008
Task Force Meeting 3:00 p.m.

The New York State Minority and Women Owned-Business Enterprises Task Force met in a Regular Meeting at the Dormitory Authority of the State of New York's New York City Office at One Penn Plaza, 52nd Floor, New York, New York, at 3:00 p.m. on October 16, 2008.

The Meeting was called to order by Paul T. Williams, Jr., Chair. Roll call was taken and a quorum was present. Those Members present and absent for the Meeting were as follows:

Members Present:

Paul T. Williams, Jr., Chair – Executive Director, Dormitory Authority of the State of New York
Carl Andrews –Deputy Secretary for Intergovernmental Affairs, Governor Paterson's Office
Charlotte Hitchcock – Deputy Secretary for Labor and Financial Regulation, Governor Paterson's Office
Dr. Celia Gonzalez– Deputy Comptroller, Office of the State Comptroller
John Bryan – Chief Financial Officer, New York State Thruway Authority
Marian Zucker – Executive Vice President, Housing Finance Agency / State of New York Mortgage Agency
James Gebhardt – Chief Financial Officer, Environmental Facilities Corporation
Frances Walton, Chief Financial Officer, Empire State Development Corporation

Additional Attendees:

James Cavanaugh – President and Chief Executive Officer, Battery Park City Authority
Tracie Sandell, Esq. – Assistant Counsel, New York State Thruway Authority
Gloria Boyd –Program Administrator, Housing Finance Agency/ State of New York Mortgage Agency
Robert Godley –Treasurer, Empire State Development Corporation
Marian Roslyn –Director Program Development, Empire State Development Corporation
Michael Jones-Bey – Executive Director, Division of Minority and Women Business Development, Empire State Development Corporation
Michael T. Corrigan, Deputy Executive Director, Dormitory Authority of the State of New York
Portia Lee, Managing Director of Public Finance and Portfolio Monitoring, Dormitory Authority of the State of New York
Jeffrey M. Pohl, Esq., General Counsel, Dormitory Authority of the State of New York
Debra Pulenskey Drescher, Esq., Managing General Counsel, Dormitory Authority of the State of New York
Taffi Woolward, Director, Public Finance M/WBE Programs, Dormitory Authority of the State of New York
Gayle Katzman, Director, Executive Projects, Dormitory Authority of the State of New York
Mark M. Rufer, Senior Director, Public Finance, Dormitory Authority of the State of New York
Andrew T. Purcell, Assistant Director, Public Finance, Dormitory Authority of the State of New York
Paul J. Burgdorf, Director, Marketing and Communications, Dormitory Authority of the State of New York
Mark E. Violette, Press Officer, Dormitory Authority of the State of New York
Leigh Favitta, Director, Information Services, Dormitory Authority of the State of New York

Visitors:
Jeanette Weldon, P.G. Corbin & Co.
Jacqui Williams, P.G. Corbin & Co.
Daniel Small, P.G. Corbin & Co.

The Chair called the MWBE Task Force Meeting to order. He stated that Mr. Andrews and Ms. Hitchcock would be delayed fulfilling their official duties, but that they would join the Meeting in progress. The Chair stated that before the agenda is considered, he wanted to express his sincere appreciation to all of the Task Force Members who have spent a considerable amount of time in the intervening days since the last Meeting reviewing several very critical issues concerning the work of the Task Force. The Chair stated that he also wished to commend the Members' staffs with respect to their participation in the process. He further stated that he wished to acknowledge the Dormitory Authority's staff, Ms. Lee, Ms. Woolward, and Ms. Katzman. The Executive Director noted that he felt that working through the process, including the hearings, has lead to a crystallization of some of the important potential initiatives. He noted that the progress is an excellent reflection on the employees working to better the State of New York. Mr. Bryan thanked Ms. Lee and the rest of the Dormitory Authority staff for their efforts. He stated that they have done an excellent job at coordinating efforts. Mr. Jones-Bey concurred.

The Minutes of the August 11, 2008 MWBE Task Force Meeting were reviewed and approved, with the Chair noting that the draft Minutes would be amended to reflect Mr. Jones-Bey as an additional designee of the Empire State Development Corporation. The Chair stated that the draft Minutes of the September 29, 2008 Meeting would be considered at a future Meeting once the Members have had the opportunity to review them.

The Chair stated that the Members were about to embark on a historic journey as they work through the nuts and bolts of the mission of the Task Force, which is increased opportunity and utilization of minority and women-owned business firms in the State of New York. He stated that the Task Force is founded upon the assessment of the Executive Branch of the government that in the recent history of the State, spanning back multiple years, while there have been MWBE firms qualified to do business in the State, which have been included on the panels of the various State issuers represented on the Task Force, the outcome with respect to participation fell far short not only the State's expectations, but also far short regarding the experience of these vary same firms across jurisdictions outside of New York. He noted that this result has raised some significant concerns, not the least of which was the issue concerning the prospect of these firms being able to grow and develop in the State. The Chair stated that there are significant issues in this regard and he believes that it is appropriate for Governor Paterson to make this an early initiative of his term as Governor. He indicated that recognition of this initiative and the work of the Task Force represent history in the making. The Chair stated that there are many on the Task Force and others who do not take their work lightly and who are viewing this process with great expectation that there will be an appropriate set of recommendations from which the industry may move forward.

The Chair stated that he would first review with the Task Force Members the draft recommendations for underwriter requests for proposals ("RFP"). He stated that all of the recommendations have been an attempt to synthesize a great deal of information, from the hearings to the submissions by the Members, to the independent research that was completed in the last month.

The Chair stated that the first recommendation is that the Task Force should consider recommending shorter RFP cycles. He stated that certain firms are, in some instances, locked out of participating in the RFP opportunities because the RFP process might yield three year terms, with one or two renewal periods available. He explained that in extreme circumstances, there may be a five-year period before new firms could have a real opportunity at entering the process of moving up in the syndicate. The Chair stated that one proposal is to shorten the cycle to a two-year period and allow one six month renewal and an additional six month renewal only upon extraordinary circumstances.

The Chair informed the Task Force Members that another recommendation is that the State-supported debt issuers review their underwriter panels after one year to assess performance of the firms on the panels. He indicated that issuers would be allowed to move firms on the panel up and down between tiers based on performance.

The Chair stated that another recommendation is to allow State-supported debt issuers to fill vacancies at any time from among the firms on the Issuer's panel and allow selling group members to join the panel at any time to provide access to qualified firms.

The Chair noted that another recommendation is to require all firms which are included on State-supported debt underwriter panels to update their capital information annually. He stated that firms should notify issuers if there is a significant change or impairment of their capital. He further stated that it is important for issuers to be aware of the capital positions of the firms serving in senior roles in underwriting syndicates.

The Chair then discussed timing of RFP issuance. He stated that it was being recommended that RFP issuances be staggered among the State-supported debt issuers. He noted that a coordinated approach among the five issuers whereby they would stagger the RFPs based on a particular schedule would provide maximum continual opportunities to firms. The Chair acknowledged that certain issuers are bound to undertake the RFP process sooner than others. He stated that the Dormitory Authority, for example, is required to consider undertaking an RFP before the end of the year. He directed the Task Force Members' attention to a prototype schedule for them to review.

The Chair next discussed a proposal that he indicated that he whole-heartedly endorsed – a Request for Proposal template. He explained that since State-supported debt issuers look for some of the same general characteristics when selecting an underwriter panel, adopting a university RFP template would be more efficient for the firms submitting the responses. The Chair stated that the universal template could allow for a section which addresses the specific business lines of each authority separate from State-supported debt.

The Chair indicated that another recommendation centers focuses on the revision of RFP questions to eliminate barriers to entry. He indicated that this goal was echoed by a number of firms that testified during the recent hearings. The Chair reviewed with the Task Force Members some of the highlights recommended. The Chair stated that one recommendation is that the issuers focus on the experience of the firms nationally, not just in terms of New York State experience. He indicated that this may be accomplished by including questions that would elicit a response demonstrating national experience with particular types of credits. He stated that this would also apply to sales and distribution capacity. He suggested that experience with smaller deals should be considered as well as larger deals.

The Chair stated that the notion of joint venture partnerships is also one that might be subject to further discussion because historically, joint venture partnerships were not favorable relative to the RFP process. Mr. Andrews and Ms. Hitchcock arrived at the Meeting.

The Chair reviewed with the Task Force Members the recommendation that the issuers ask for information regarding the firm's corporate citizenship. The Chair stated that the issuers are proposing that they qualify firms into smaller number of tiers to provide greater opportunity for the firms. He further stated that the panels should include senior managers, co-managers and selling group members.

The Chair stated that the final recommendation relating to the RFP process would be to require a uniform set of minimum review criteria to be used by the State-supported debt issuers that reflects the uniform RFP. He explained that this would tie back to the notion that the overall proposal in this area is to establish a process whereby performance is transparent and firms are transportable from one issuer to the next. The Chair concluded by saying that the State-supported debt issuers would then have a universal RFP, subject to a supplementary questionnaire for specific issues for each authority, and a uniform system to the evaluate the RFPs and performance.

Mr. Jones-Bey thanked the Chair for his excellent discussion of the recommendations. He indicated that he had a question concerning how the recommendation related to timing of RFP issuance fit into the current market conditions. The Chair replied that he felt that it will give the authorities a better opportunity to react to market conditions because the changing conditions are having an effect on the number of underwriters on the panel. He noted that the Dormitory Authority has two senior underwriters that are no longer in business, and that it has not been helpful to not replace those underwriters on the panel.

Ms. Lee stated that she believed that there were two main goals the Task Force was trying to achieve: an ongoing opportunity for firms to present their qualifications and an ability for Task Force Members to begin reacting and adapting to the recommendations. Ms. Lee stated that, toward that end, the time line distributed to the Members was developed. Mr. Bryan noted that the issuers should not burden the industry with making the firms answer five or six RFPs. Ms. Walton stated that she thought the recommended approach would do just the opposite. She explained that while she did not believe that a particular schedule must be adhered to like glue, staggering the RFPs and providing on-going opportunity would be beneficial for the firms. The Chair stated that there is a need, however, for each of the issuers to begin using this new paradigm in a reasonable period of time. Ms. Walton stated that she was not suggesting that the issuers should delay from the schedule, but that, in fact, certain of the issuers might want to undertake the RFP process sooner. She stated that ESDC might want to begin in August 2009, since ESDC tends to issue in the fall and would like the new team in place. Ms. Zucker arrived at the Meeting.

The Chair stated that given the volatility of the marketplace and the fact that some Boards of authorities have flexibility to move within the different levels co-senor and senior managers like HFA did, while others do not have that flexibility, what makes sense is for each Board to review their rules and then adopt policies that will allow them flexibility within their Board structure and by-laws. He stated that this is implicit in the recommendations begin made and that it is important that each authority take action based on the recommendations being made. The Chair stated that the desired outcome of the Task Force is that there will be a set of recommendations that the Boards of the various authorities will adopt. He indicated that this

would, in essence, change existing rules and policies to reflect the recommendations of the Task Force. The Chair stated that this is why the timeline is important, so that perhaps the Boards of the authorities may take action at their respective December 2008 meetings. The Chair stated that if the Members do not discuss issues, such lack of discussion will be seen as consensus to move forward in the direction outlined.

Mr. Levine stated that EFC was in the process of developing its RFP. He asked how broad the mid-year cycle review should be. He discussed examples of dealing with situations in which bond counsel groups of lawyers move from one firm to the next mid-year. The Chair stated that this example highlights the role of certain procurement requirements. Mr. Pohl stated that the Dormitory Authority has brought such issues to its Board for consideration, recommending the human capital involved and requesting that the new firms be added to the Dormitory Authority's approved panel. The Chair indicated that the Task Force should consider this issue.

Mr. Andrews suggested that the Members vote on each proposal. Ms. Gonzalez stated that she would like to discuss the recommendations with the Office of the State Comptroller debt group. The Chair stated that a vote will be taken at the next regular Meeting.

Mr. Gebhardt suggested that the vetting of the capital provisions of the firms should be a bit more comprehensive than suggested. He stated that he thought that not only should they be determining what the net capital is, but the issuer should also be getting a better sense of what kind of leveraging to undertake and what sources of funds a firm has to utilize. Mr. Gebhardt stated that he thought it important to obtain a better appreciation of how a firm's balance sheet is functioning, and that asking about net capital does not produce this result.

Ms. Lee discussed underwriter performance measures. She stated that one of the underwriters testifying at last month's hearings stated that things that are monitored tend to improve. Ms. Lee indicated that she saw a great deal of truth in that statement. She stated that the first step in formulating underwriter performance measures is to require senior managers to provide uniform data for each financing to capture overall participation and pricing execution by the management team. She directed the Members' attention to the spreadsheet distributed to them, noting that it attempts to capture the information that may be obtained from the underwriters. Ms. Lee stated that it would be helpful to see something specifically on orders and allotments, as well as designation, and initial and final orders by investors. She stated that all of these components will give the issuers a sense as to who the underwriters are actually performing Ms. Lee stated that these items provide quantitative information.

Ms. Lee stated that, on the qualitative side, she has attempted to provide a survey form for staff to provide feedback at the conclusion of the transaction. She stated that the question that arises is what does one do with such information. She further stated that, at a minimum, it would be helpful for the debt issuers to be able to share that information with each other. Ms. Lee stated that information sharing would be the next formal recommendation.

Ms. Lee stated that the next recommendation would require State-supported debt issuers to track uniform data regarding orders, allotments and designations for all firms on each financing. She explained that this data would enable issuers to track the economics of each transaction, as well as document which firms are supporting each deal. Ms. Lee thanked the Task Force Members for the individual information that they have provided to date.

Ms. Lee suggested that the firms should be required to report to the Task Force annually with respect to its number of employees, number of minority and women employees, average salary per employee, annual New York State taxes paid, unrestricted net capital, and number of internships or other examples of corporate citizenship.

The Meeting adjourned at approximately 4:38 p.m.

Respectfully submitted,

Paul T. Williams, Jr.
Chair

The New York State Minority and Women Owned-Business Enterprises Task Force met in a Regular Meeting at the Dormitory Authority of the State of New York's Albany Office at 515 Broadway, Albany, New York, at 11:30 a.m. on October 30, 2008.

The Meeting was called to order by Paul T. Williams, Jr., Chair. Roll call was taken and a quorum was present. Those Members present and absent for the Meeting were as follows:

Members Present:

Paul T. Williams, Jr., Chair – Executive Director, Dormitory Authority of the State of New York
Carl Andrews –Deputy Secretary for Intergovernmental Affairs, Governor Paterson's Office
Dr. Celia Gonzalez– Deputy Comptroller, Office of the State Comptroller
Frances Walton, Chief Financial Officer, Empire State Development Corporation
Michael Fleisher – Executive Director, New York State Thruway Authority
Marian Zucker – Executive Vice President, Housing Finance Agency / State of New York Mortgage Agency
Matt Millea – Acting President, Environmental Facilities Corporation
Charlotte Hitchcock – Chief of Staff and Director of Financial Regulation, Governor Paterson's Office (by phone)

Additional Attendees:

James Cavanaugh – President and Chief Executive Officer, Battery Park City Authority
Tracie Sandell, Esq. – Assistant Counsel, New York State Thruway Authority
John Bryan, Chief Financial Officer, New York State Thruway Authority
Gloria Boyd –Program Administrator, Housing Finance Agency/ State of New York Mortgage Agency
Sarah Lewis, Assistant Secretary for Policy, Governor Paterson's Office
James Gebhardt – Chief Financial Officer, Environmental Facilities Corporation
Robert Godley –Treasurer, Empire State Development Corporation
Michael Jones-Bey – Executive Director, Division of Minority and Women Business Development, Empire State Development Corporation
Michael T. Corrigan, Deputy Executive Director, Dormitory Authority of the State of New York
Portia Lee, Managing Director of Public Finance and Portfolio Monitoring, Dormitory Authority of the State of New York
Carra Wallace, Managing Director of the Office of Executive Initiatives
Jeffrey M. Pohl, Esq., General Counsel, Dormitory Authority of the State of New York
Debra Pulenskey Drescher, Esq., Managing General Counsel, Dormitory Authority of the State of New York
Taffi Woolward, Director, Public Finance M/WBE Programs, Dormitory Authority of the State of New York
Gayle Katzman, Director, Executive Projects, Dormitory Authority of the State of New York
Andrew T. Purcell, Assistant Director, Public Finance, Dormitory Authority of the State of New York
Paul J. Burgdorf, Director, Marketing and Communications, Dormitory Authority of the State of New York
Mark E. Violette, Press Officer, Dormitory Authority of the State of New York
Leigh Favitta, Director, Information Services, Dormitory Authority of the State of New York

Visitors:
David Womack, Rice Financial
Brian Jiguere, SIC Engineering
Patricia Warrington, Office of the State Comptroller
Robert Watson, Office of the State Comptroller

The Chair called the Task Force Meeting to order. The Minutes of the September 29, 2008 Meeting were reviewed and approved. The Chair stated that the Minutes of the October 16, 2008 Meeting would be considered at the next regular Meeting.

The Chair directed the Task Force Members' attention to the draft underwriter recommendations provided to the Members. He stated that the recommendations were the result of discussion with the Task Force Members and feedback from the industry. The Chair recognized and indicated that he appreciated the enormous amount of time and attention the Task Force Members and their staffs have invested in developing the document. The Chair indicated that he wished to elicit from the Members any final comments they might have concerning the various sections of the document containing the recommendations.

The Chair then reviewed the document section by section with the Task Force Members. Mr. Jones-Bey stated that he felt that the Dormitory Authority staff had done an excellent job of incorporating best practices into the document. Mr. Gebhardt asked whether the percentages listed in the recommendation regarding syndicate structure and designation policies were hard numbers or just suggested goals. The Chair responded that the percentages were just a guide for obtaining the goal to which the parties are aspiring. The Chair thanked Mr. Jones-Bey for his assistance in reviewing the MWBE Certification section of the recommendations.

The Chair stated that after having conducted hearings, having spent much time and energy and focus on the document, he was pleased to ask the Task Force Members for a motion to adopt the underwriter recommendations.

Ms. Walton moved the adoption of the following entitled resolution:

A RESOLUTION OF THE NEW YORK STATE MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISE TASK FORCE ADOPTING UNDERWRITER RECOMMENDATIONS

Mr. Jones-Bey seconded the motion and the resolution was unanimously adopted.

Mr. Milllea stated that the process has been very quick, but very thorough. He stated that EFC appreciated the Chair's leadership, along with all of the work undertaken by the Chair, his staff and all of the Task Force Members and their respective staffs. Mr. Millea stated that he felt that the recommendations represented a fine work product.

Ms. Hitchcock stated that with the diligence and professionalism that the Chair and his staff have displayed, the delivery of the product to Governor Paterson will surely assist in advancing one of the core missions of his administration. She stated that, on behalf of the Governor, she would like to thank the Chair and the entire Task Force for their endeavors.

Ms. Gonzalez stated that she wished to express appreciation for the opportunity to have the Office of the State Comptroller participate in the Task Force. She indicated that she also appreciated the collaboration with the Dormitory Authority's staff, as well as the other Task Force Members. Ms. Gonzalez stated that Dormitory Authority staff has been helpful in allowing the Task Force Members to state their respective positions and ideas. She added that to move so quickly has been an inspiration in that after serving in government for over thirty years, she was part of something that was accomplished in just two months.

The Chair then thanked Ms. Lee and her staff for their enormous efforts. Ms. Lee thanked her staff for the tremendous time and effort that they have expended on this project. She noted that they have accomplished this feat at a difficult time, given the dislocation of the financial markets. She also thanked the Task Force Members and their staffs, as well as the firms that provided input. She thanked in particular, her staff members, Mark Rufer, Andrew T. Purcell and Sharon Pieronek.

The Chair then introduced Carra Wallace, the Dormitory Authority's new Managing Director of the Office of Executive Initiatives, which includes the Dormitory Authority's Opportunity Programs Unit. He indicated that Ms. Wallace will be joining the Task Force meetings in the future.

The Chair stated that he felt that the level of examination undertaken and input received has been unprecedented. He indicated that the work done by the Task Force will show tremendous dividends for New York State, not just because some MWBE firms will be enabled and empowered, but creativity and competitive forces will be unleashed among the industry in general. The Chair stated that in both the short term and the long term, the State will be well-served. He indicated that he was also looking forward to better and more transparent service from underwriters. The Chair stated that he was looking forward to people committing their businesses to New York and growing in New York. Mr. Andrews congratulated all of the Members of the Task Force.

The Chair stated that in the future, Task Force meetings will be held the second Monday of the month at 11:30 a.m. in Albany. He indicated that if the principals are not available to attend, they may send designees or participate by telephone.

The Chair noted that the underwriter recommendations represented the largest piece of the Task Force's work, but he stated that this is not all that must be done. He stated that the next sector that will be reviewed will be legal work. He stated that the Task Force should extend this review beyond bond counsel, although bond counsel will be the primary focus. He noted that the State-supported debt issuers also utilize

underwriter's counsel and engage law firms to work on a variety of issues including real estate, tax, employment and environmental issues.

Ms. Zucker asked if the next meeting would focus on just legal services. Mr. Millea stated that EFC would produce a draft RFP for review prior to the next meeting. The Chair indicated that this RFP could be reviewed at the next meeting, and that feedback could perhaps be provided in advance of the meeting as well. Mr. Jones-Bey inquired as to when the Task Force might consider utilization of financial advisors. The Chair stated that the Task Force should first deal with the legal sector and then move on to financial advisors.

The Meeting adjourned at approximately 12:06 p.m.

Respectfully submitted,

Paul T. Williams, Jr.
Chair

New York State Minority and Women Owned Business Enterprises 12/08/2008
Task Force Meeting 11:30 a.m.

The New York State Minority and Women Owned-Business Enterprises Task Force met in a Regular Meeting at the Dormitory Authority of the State of New York's Albany Office at 515 Broadway, Albany, New York, at 11:30 a.m. on December 8, 2008.

The Meeting was called to order by Paul T. Williams, Jr., Chair. Roll call was taken and a quorum was present. Those Members present and absent for the Meeting were as follows:

Members Present:

Paul T. Williams, Jr., Chair – Executive Director, Dormitory Authority of the State of New York
Dr. Celia Gonzalez– Deputy Comptroller, Office of the State Comptroller
Frances Walton, Chief Financial Officer, Empire State Development Corporation (Via Teleconference in NYC)
Anita Laremont – General Counsel, Empire State Development Corporation (Via Teleconference in NYC)
Michael Fleisher – Executive Director, New York State Thruway Authority
Marian Zucker – Executive Vice President, Housing Finance Agency / State of New York Mortgage Agency (Via Teleconference in NYC)
Matt Millea – Acting President, Environmental Facilities Corporation
Charlotte Hitchcock – Chief of Staff and Director of Financial Regulation, Governor Paterson's Office (by phone)

Members Absent:

Carl Andrews –Deputy Secretary for Intergovernmental Affairs, Governor Paterson's Office

Additional Attendees:

Sharon O'Conor - General Counsel, New York State Thruway Authority
Tracie Sandell, Esq. – Assistant Counsel, New York State Thruway Authority
John Bryan, Chief Financial Officer, New York State Thruway Authority
James Gebhardt – Chief Financial Officer, Environmental Facilities Corporation
James Levine – General Counsel, Environmental Facilities Corporation
Joy Willig, Esq. – General Counsel, New York State Housing Finance Agency/State of New York Mortgage Agency (Via Teleconference in NYC)
J. Marc Hannibal – Assistant Counsel, Office of the State Comptroller
Robert Godley –Treasurer, Empire State Development Corporation (Via Teleconference in NYC)
Michael Jones-Bey – Executive Director, Division of Minority and Women Business Development, Empire State Development Corporation (Via Teleconference in NYC)
Michael T. Corrigan, Deputy Executive Director, Dormitory Authority of the State of New York
Portia Lee, Managing Director of Public Finance and Portfolio Monitoring, Dormitory Authority of the State of New York
Jeffrey M. Pohl, Esq., General Counsel, Dormitory Authority of the State of New York
Carra Wallace, Managing Director of the Office of Executive Initiatives, Dormitory Authority of the State of New York
Debra Pulenskey Drescher, Esq., Managing General Counsel, Dormitory Authority of the State of New York
Taffi Woolward, Director, Public Finance M/WBE Programs, Dormitory Authority of the State of New York

Gayle Katzman, Director, Executive Projects, Dormitory Authority of the State of New York
Paul J. Burgdorf, Director, Marketing and Communications, Dormitory Authority of the State of New York
Mark E. Violette, Press Officer, Dormitory Authority of the State of New York
Leigh Favitta, Director, Information Services, Dormitory Authority of the State of New York

The Chair called the MWBE Task Force Meeting to order. The Minutes of the October 16, 2008 MWBE Task Force Meeting were reviewed and approved. The Chair indicated that the draft Minutes of the October 30, 2008 MWBE Task Force Meeting would be considered at the next regular Meeting.

The Chair stated that one of the major recommendations of the Task Force was to establish a universal Request for Proposal ("RFP") template to standardize, to the extent practicable, the underwriter procurements of the State-supported debt issuers. He noted that the other State-supported debt issuers have been working with the Dormitory Authority to develop such a universal template. The Chair indicated that the draft universal template before the Task Force Members for their consideration provides uniformity with respect to issues that are common among the State-supported debt issuers. He noted that the form will help address certain barriers to entry traditionally encountered by MWBE firms and will promote transparency. The Chair stated that the universal template will also provide certain flexibility for the issuers with respect to identifying expertise with regard to a particular segment of the issuer's business. The Chair further stated that he was proposing that each Task Force Member promote utilization of the universal template in substantially the form presented.

The Chair stated that he believed that the Task Force should also monitor utilization of the universal template. He explained that while he appreciated the fact that each authority may need to adjust the RFP, it would probably be best to do so as a supplement. The Chair stated that if a supplement is needed, it should be developed consistent with the development of the RFP in general. He further explained that he believed that the Task Force should be made aware of such changes by an issuer in advance of the use of such a supplement, so that the Task Force may react to such proposed changes. He noted, however, that it was not intended that the Task Force become a regulator or an impediment to a timely issuance of an RFP. He indicated that the Task Force has no oversight role, but instead is looking for goals to be met.

The Chair then reviewed the proposed universal template section by section with the Task Force Members. The Chair stated that he wished to recognize, in particular, the Environmental Facilities Corporation staff, which has been particularly helpful with respect to the development of the universal template. He indicated that EFC staff had done an extraordinary amount of work in a short time, and he congratulated them on their success. Mr. Millea thanked Mr. Gebhardt and his staff for their invaluable assistance. Mr. Millea announced that EFC's RFP would be on the street in a week and that responses would be due by January 9, 2009. He noted that EFC expected to make recommendation for a panel selection at its February Board Meeting. He indicated that EFC would report the results of the RFP selection process to the MWBE Task Force.

Mr. Gebhardt agreed that the process had required high energy, and he thanked Ms. Lee of the Dormitory Authority for taking the lead role in the process. He indicated that things had gone quite smoothly in the development of the template.

Ms. Gonzalez stated that she appreciated Ms. Lee's efforts as well. She also thanked the Chair, and the staff of the Dormitory Authority and EFC.

Mr. Jones-Bey congratulated the Task Force and expressed overwhelming appreciation from the minority community.

The Chair stated that the Task Force had pursued its initiative and achieved a concrete outcome. He stated that having such a universal template will not only improve the process with respect to MWBE participation, but it will also play a role in overall accountability. He indicated that, therefore, the outcome is actually much broader in scope, noting that the people of the State of New York will surely benefit.

Mr. Millea moved the adoption of the following entitled resolution:

A RESOLUTION OF THE NEW YORK STATE MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISE TASK FORCE ADOPTING A UNIVERSAL TEMPLATE

Ms. Gonzalez seconded the motion and the resolution was unanimously adopted.

The Chair stated that he felt that the adoption of the universal template is a major step in improving MWBE participation. He further stated that EFC's initial experience is using it should provide others with valuable insight. The Chair stated that the template should assist with leveling the playing field and help promote transparency. He further noted that the firms should feel that the process is fair and uniform.

The Chair next discussed evaluation of responses to the RFP. He indicated that the framework concerning the relative weight related to scoring should be consistent. He noted that the spirit of the universal template is to level the playing field. The Chair gave as an example the fact that a traditional barrier to entry might be a question regarding experience working for the issuer. He noted that if the entity responding to the RFP has never worked for the Authority, then it will not score high in that category and the exclusion just becomes a self-fulfilling prophecy each time. Mr. Jones-Bey suggested that the Task Force appoint a sub-committee to review this issue. The Chair stated that this approach might be desirable, but that perhaps the Task Force should first see how EFC's RFP process goes.

The Chair stated that the next area that the Task Force will consider is legal services. He indicated that the focus will not be exclusively on bond counsel services, but on legal services generally. Mr. Pohl stated that the Dormitory Authority had collected information from each of the State-supported debt issuers concerning their use of outside counsel, selection process, evaluation criteria, method of allocation of work, and compensation methodology. He directed the Task Force Members' attention to a utilization chart that had been distributed summarizing this information. He thanked Ms. Drescher and his fellow General Counsels for their assistance in compiling the information.

Mr. Pohl briefly summarized the information contained in the utilization chart. He stated that many legal services are provided by in-house staff. He stated that the State-supported debt issuers engage counsel for a variety of legal matters, including litigation, environmental matters, real estate matters, and labor and employment matters. Mr. Pohl reported that counsel is selected through a competitive process in most instances. He indicated that it did not appear that any of the issuers currently used MWBE counsel. He stated that most of the authorities pay their outside counsel hourly rates, many with transactional caps. Mr. Pohl stated that some issuers choose underwriter's counsel, while others maintain veto power over underwriter's counsel selection.

Ms. Willig reported that HFA had just completed its RFP process and selected a new bond counsel panel which included two MWBE firms.

Mr. Pohl stated that each authority should take stock of its own departmental composition and take steps to lead by example. He indicated that another area that the Task Force should focus on is how the State-supported debt issuers may encourage the majority firms to be more diverse.

Mr. Pohl informed the Task Force Members that the Chair has suggested that the Task Force host a legal services panel discussion among lawyers from MWBE firms, majority firms and private corporations which would focus on obtaining data and perspectives that may have been missed in the past which would assist in identifying best practices. He reported that Ms. Woolward would be spearheading these efforts.

Ms. Woolward stated that she envisioned that the panel would be very interactive, and that the audience would include not only governmental lawyers, majority and minority firms, and private corporations, but other buyers of legal services. The Task Force Members then discussed possible dates for the legal services panel discussion.

Ms. Hitchcock suggested that it would be helpful to see how often MWBE firms which are selected to a panel are actually used for a transaction, and whether they ultimately grow beyond just being on an MWBE list. She also stated that it is important to the State that the issuers receive the best value for the legal services rendered. She explained that it is a privilege to do business for the State, and that top dollar value should not be charged. Ms. Hitchcock stated that there should not be inefficiencies in the use of multiple consultants.

The Chair stated that the Task Force would pursue Ms. Hitchcock's interests and would also identify more concrete potential dates for the legal services panel discussion.

Ms. Gonzalez stated that diversity may also be pursued within State agencies. The Chair agreed, noting that the Dormitory Authority is undertaking such an internal review. The Chair stated that traditionally MWBE officers have focused on 15-A services, but that this focus should expand.

The Chair stated that the next Task Force Meeting will be held on January 12, 2009. He indicated that the Task Force will work on the legal initiative for discussion at that Meeting. He wished everyone Happy Holidays and Happy New Year.

The Chair closed the Meeting by reviewing the schedule pursuant to which each State-supported debt issuer had or would adopt the recent Task Force recommendations concerning underwriter selection. It was noted that the Dormitory Authority had approved the recommendations at its December 3, 2008 Board Meeting; the Housing Finance Agency had approved the recommendations at its December 3, 2008 Board Meeting as well; Environmental Facilities Corporation is scheduled to consider the recommendations at its December 10, 2008 Meeting; Empire State Development Corporation will consider the recommendations at its December 18, 2008 Board Meeting; and the Thruway Authority will consider the recommendations at its January 21, 2009 Meeting. The Chair noted that it was gratifying to see action behind the words of the Task Force Members.

Mr. Jones-Bey stated that he would lead a sub-committee to review ways to simplify the certification process and make a report concerning this topic at the next regular Task Force Meeting

The Task Force Meeting adjourned at approximately 12:32 p.m.

Respectfully submitted,

Paul T. Williams, Jr.
Chair

New York State Minority and Women Owned Business Enterprises Task Force Meeting

January 12, 2009
11:30 a.m.

The New York State Minority and Women Owned-Business Enterprises Task Force met in a Regular Meeting at the Dormitory Authority of the State of New York's Albany Office at 515 Broadway, Albany, New York, at 11:30 a.m. on January 12, 2009.

The Meeting was called to order by Paul T. Williams, Jr., Chair. Roll call was taken and a quorum was present. Those Members present for the Meeting were as follows:

Members Present:

Paul T. Williams, Jr., Chair – Executive Director, Dormitory Authority of the State of New York
Charlotte Hitchcock – Chief of Staff and Director of Financial Regulation, Governor Paterson's Office
Dr. Celia Gonzalez – Deputy Comptroller, Office of the State Comptroller
Marisa Lago – President and Chief Executive Officer, Empire State Development Corporation
Michael Fleisher, Esq. – Executive Director, New York State Thruway Authority
James Levine, Esq. – General Counsel, Environmental Facilities Corporation
Joy Willig, Esq. – General Counsel, Housing Finance Agency / State of New York Mortgage Agency

Additional Attendees:

Robert Watson – Assistant Director, Bureau of Debt Management, Office of the State Comptroller
J. Marc Hannibal, Esq. – Assistant Counsel, Office of the State Comptroller
Michael Jones-Bey – Executive Director, Division of Minority and Women Business Development, Empire State Development Corporation
Anita Laremont, Esq. – General Counsel, Empire State Development Corporation
Benita Leigh-Lewis– Senior Certification Analyst, Empire State Development Corporation
Scott Munson – Associate Certification Analyst, Empire State Development Corporation (by phone)
Tracie Sandell, Esq. – Assistant Counsel, New York State Thruway Authority
John Bryan – Chief Financial Officer, New York State Thruway Authority
Sharon O'Conor, Esq. – General Counsel, New York State Thruway Authority
James Cavanaugh – President and Chief Executive Officer, Battery Park City Authority
Hector Calderon, Esq. – Affirmative Action Director, Battery Park City Authority
Michael T. Corrigan – Deputy Executive Director, Dormitory Authority of the State of New York
Portia Lee – Managing Director of Public Finance and Portfolio Monitoring, Dormitory Authority of The State of New York
Jeffrey M. Pohl, Esq. – General Counsel, Dormitory Authority of the State of New York
Carra Wallace – Managing Director of the Office of Executive Initiatives, Dormitory Authority of the State of New York
Taffi Woolward – Director, Public Finance M/WBE Programs, Dormitory Authority of the State of New York
Gayle Katzman – Director, Executive Projects, Dormitory Authority of the State of New York
Paul J. Burgdorf – Director, Marketing and Communications, Dormitory Authority of the State of New York
Mark E. Violette – Press Officer, Dormitory Authority of the State of New York
Leigh Favitta – Director, Information Services, Dormitory Authority of the State of New York
Dena T. Amodio, Esq. – Senior Counsel, Dormitory Authority of the State of New York

The Chair called the Task Force Meeting to order. Final copies of the approved Minutes of the August 11, 2008, September 29, 2008 and October 16, 2008 meetings were provided to the Task Force Members. The Chair stated that the Minutes of the October 30, 2008 and December 8, 2008 Meetings would be considered at the next regular Meeting.

The Task Force Members then discussed the MWBE certification process for financial services firms. Mr. Jones-Bey explained that the focus of the subcommittee was two-fold, namely to simplify the certification process and to address any unique finance sector issues. Mr. Jones-Bey referred to the standard New York State Certification Application. He pointed out that a number of documents are already required in the finance industry, such as broker-dealer registration and quarterly Focus Reports. He suggested that the standard application might be simplified by the inclusion of cross-references to other documents containing the required information.

Dr. Gonzalez asked how many MWBE firms exist in the financial services field. Ms. Woolward replied that there are approximately 30 broker-dealers and investment banks. Ms. Woolward noted that most are already certified but some are not because of ownership and control issues. Mr. Jones-Bey suggested that the subcommittee could benefit from assistance in its review of ownership and control issues, to be discussed further at a future meeting. The Chair thanked Mr. Jones-Bey for the work of the subcommittee.

The Chair then stated that the review of outside legal services utilized by the authorized issuers was significant and long overdue, and asked the various General Counsels present to discuss the composition of their internal legal staffs as well as outside firms performing legal services. Mr. Pohl stated that of the 15 attorneys at the Dormitory Authority, 9 are women and none are minorities. Of the 8 legal support staff, all are women, one of which is a person of color. Mr. Pohl described the nature of the legal services performed by the Dormitory Authority's outside counsel, including bond counsel services, construction litigation, real property, bankruptcy, and labor/employment matters. He explained that although diversity was not identified as a criteria for selection in the Dormitory Authority's last RFP, members of the panel have been advised that the Dormitory Authority wants minorities working on its transactions and other matters.

Ms. Willig then described the legal staff of Housing Finance Agency, State of New York Mortgage Agency, Affordable Housing Commission and the Municipal Bond Bank Agency. She stated that of 11 attorneys, 5 are women and 3 are Hispanic or other. She stated that none are African-American. She stated that of 7 paralegal and support staff, 3 are African-American and 1 is Hispanic or other. Ms. Willig explained that in addition to bond counsel, HFA/SONYMA retains outside counsel in employment, construction, environmental, real estate, litigation, bankruptcy, HUD section 8 and HUD compliance matters. Ms. Willig reported that two such firms are minority firms.

Ms. Laremont stated that of the 14 attorneys at the Empire State Development Corporation, 3 are women and 4 are minorities. She state that of the 10 support staff, all are women, of which 8 are minorities. Ms. Laremont reported that as to real estate, land use, transactional, environmental, condemnation and litigation matters requiring outside counsel, approximately 25% are handled by the Attorney General's Office and approximately 75% by outside firms. Ms. Laremont noted that ESDC includes a diversity category in its RFP, but that it

is somewhat ambiguous. She stated that several minority firms were selected for ESDC's panel in connection with its most recent RFP.

Mr. Pohl noted that the Dormitory Authority's private not-for-profit clients pay the bond counsel fees on conduit issues, and asked if the same is the case for other issuers. He pointed out that some Dormitory Authority clients have a strong preference for certain bond counsel. Ms. Willig stated that the bond counsel fees are currently part of the HFA fee, and Mr. Levine stated that the Environmental Facilities Corporation generally does not allow conduit borrowers to choose bond counsel.

Ms. O'Conor stated that of 10 attorneys on the Thruway Authority's legal staff, 8 are women and of 4 paralegals, 3 are women. She state that none are minorities. She stated that the Thruway Authority generally issues bonds three times each year, for which bond counsel assignments are typically rotated among its panel of 3 bond counsel firms. Ms. O'Conor explained that the Attorney General typically represents the Thruway Authority in litigation and collection matters, while outside firms handle environmental matters and Indian land claims.

Mr. Levine stated that of the 7 attorneys and 3 support staff at the Environmental Facilities Corporation, half are women and one is a minority. He stated that outside counsel is engaged to handle public finance, securities and environmental matters and, to a lesser extent, human resources, ethics and procurement matters. He explained that EFC is currently in the middle of a 5-year RFP cycle.

Mr. Hannibal then described the legal staff at the Office of the State Comptroller. He reported that of 57 attorneys, 29 are female and 7 are African-American. He further reported that of 9 paraprofessionals, 8 are female and 1 is a minority and of 14 clerical staff, 13 are women and 5 are minorities. Mr. Hannibal noted that OSC issues debt for the State and LGAC, and has 2 bond counsel firms on its panel. He state that other outside counsel are selected by RFP to handle retirement, contract, labor, debt and other matters.

Dr. Gonzalez pointed out that OSC also includes categories for self-identified gays and lesbians and persons with disabilities for purposes of its diversity monitoring. She noted that OSC's internship program provides its legal department with an effective pipeline for minorities. Ms. Willig noted that HFA also has an internship program, but HFA tends to hire more senior attorneys.

Mr. Pohl advised the Members that the General Counsels of the authorized issuers would exchange their legal services RFPs. The Chair thanked the General Counsels for their input.

The Chair then asked Ms. Woolward to describe best practices from inclusive corporate law firms and city and state governments. Ms. Woolward identified two ways to achieve diversity goals: first, to support certified MWBE firms, and second, to support minorities and women in majority firms. She directed the Members' attention to a chart summarizing interviews with representatives of the City of Chicago, the State of Connecticut and the City of Atlanta, all of which have been recognized for being inclusive in their selection of outside counsel. Ms. Woolward highlighted the City of Atlanta's mentoring program and the State of Connecticut's co-bond counsel program and broad outreach in connection with RFPs. Mr. Jones-Bey recommended that the Task Force fully explore the co-bond counsel partnering model and suggested that it would not only help MWBE firms but could potentially lead to lower costs. The

Chair noted that he was involved with New York State's co-bond counsel program in the mid-1980's, and that it was successful. He agreed that the Task Force should explore the co-bond counsel model.

Ms. Woolward then directed the Task Force's attention to the document entitled "Best Practices From Inclusive Corporate Law Firms," based on the Minority Corporate Counsel Association's publication entitled "Creating Pathways to Diversity: A set of Recommended Practices for Law Firms." Dr. Gonzalez noted that a review of best practices will serve a dual purpose and help the authorized issuers promote in-house development of minority attorneys, as well. Ms. Woolward discussed the common elements of a successful diversity program: a strong business case; senior leadership; top-down diversity training; accountability; effective mentoring; lateral hires; work-life balance; expanded recruitment; crediting diversity-related activities to billable hours; and equal treatment programs.

Ms. Woolward also discussed suggested criteria for evaluating law firm diversity, including requiring firms to describe their efforts to increase the hiring, promotion and retention of minority and women attorneys and assessing a firm's demographic profile as it relates to minority and women attorneys. She suggested that relevant areas of inquiry might include recruitment, retention, mentoring, promotion, collaborative efforts with community and bar associations and innovative practices that result in sustainable efforts to increase diversity. The Chair suggested that this framework provides an opportunity for the authorized issuers to review both internal and external practices and reflect on what those practices should be. Dr. Gonzalez pointed out that diversity is now one of six strategic initiatives under Comptroller DiNapoli, and that OSC is an environment where everyone is responsible and accountable for diversity issues.

Ms. Woolward then described a potential basis for scoring diversity in an RFP, using a 10-point scale ranging from 3 points for mere compliance, 6 points for a commitment to diversity and 10 points for demonstrated inclusion. Mr. Jones-Bey stated that the methodology described by Ms. Woolward seems like a blueprint for success, but expressed concern about awarding points on race-based criteria. Ms. Lago suggested that the criterion could be broadened to incorporate other disadvantaged workers, and would not simply be race-based. Ms. Willig opined that the goal of the criterion is to assess a firm's commitment to diversity and as such is not race-based. The Chair pointed out that the criterion would be just a part of the overall review process, and that diversity alone would not guide the decision to choose a particular firm. Mr. Jones-Bey requested that the Task Force look closely at Article 15-A of the Executive Law in an effort to increase opportunities. Dr. Gonzalez thanked Ms. Woolward for her exceptional work.

The Chair asked Ms. Woolward to update the Members regarding the upcoming MWBE Legal Panel Discussion. Ms. Woolward stated that the panel discussion – "Supporting Diversity in Government Contracting of Outside Legal Services: Challenges and Opportunities" – is scheduled for Friday, January 30 from 2:00 p.m. to 7:00 p.m. She explained that the panel discussions will focus on both the problems facing minority and women-owned firms and potential solutions. She reported that Chair Paul T. Williams, Jr. and Andrew Hahn will serve as moderators, and panel participants are expected to include representatives of Prudential Financial Inc., MetLife Inc., Dewey LeBoeuf LLP and Akin Gump Strauss Hauer & Feld LLP. The Chair asked Ms. Woolward to elaborate on the logistics and timeline. Ms. Woolward replied that the audience is expected to include Task Force members, other State agencies, representatives of firms engaged by authorized issuers and representatives of MWBE firms. She stated that

invitations will be sent by the Task Force, with a follow-up by phone. The Chair indicated that sample e-mail invitations would be provided to Task Force Members.

The Chair updated the Members regarding the adoption of the Task Force Underwriter Recommendations. He stated that four of the five authorized issuers had adopted the recommendations. He explained that the Thruway Authority did not have a December meeting, but would consider the recommendations at its next meeting. Mr. Levine stated that EFC had released its underwriter RFP on December 16, with responses due imminently. The Chair noted that the Dormitory Authority and HFA had released their underwriter RFPs on December 23 and January 9, respectively, and ESDC and the Thruway Authority are expected to release their RFP's later this year.

The Chair concluded the meeting by noting that the work of the Task Force was gaining national attention, and he thanked the Members. He reminded the Members that the next meeting would take place on February 9, 2009 in Albany.

The Meeting adjourned at approximately 1:35 p.m.

Respectfully submitted,

Paul T. Williams, Jr.
Chair

The New York State Minority and Women Owned-Business Enterprises Task Force met in a Regular Meeting at the Dormitory Authority of the State of New York's Albany Office at 515 Broadway, Albany, New York, and its offices at One Penn Plaza, New York, New York at 11:30 a.m. on February 9, 2009.

The Meeting was called to order by Paul T. Williams, Jr., Chair. Roll call was taken and a quorum was present. Those Members present for the Meeting were as follows:

Members Present:

Paul T. Williams, Jr., Chair – Executive Director, Dormitory Authority of the State of New York
Michael Fleisher, Esq. – Executive Director, New York State Thruway Authority
Robert Watson – Assistant Director, Bureau of Debt Management, Office of the State Comptroller
Michael Jones-Bey – Executive Director, Division of Minority and Women Business Development, Empire State Development Corporation
Joy Willig, Esq. – General Counsel, Housing Finance Agency / State of New York Mortgage Agency
Anita Laremont, Esq. – General Counsel, Empire State Development Corporation
Matthew Millea – Acting President, Environmental Facilities Corporation

Additional Attendees:

J. Marc Hannibal, Esq. – Assistant Counsel, Office of the State Comptroller
Tracie Sandell, Esq. – Assistant Counsel, New York State Thruway Authority
John Bryan – Chief Financial Officer, New York State Thruway Authority
Sharon O'Conor, Esq. – General Counsel, New York State Thruway Authority
James Cavanaugh – President and Chief Executive Officer, Battery Park City Authority
Hector Calderon, Esq. – Affirmative Action Director, Battery Park City Authority
Brian McClintock, Environmental Facilities Corporation
Orrin Getz, Empire State Development Corporation
Michael T. Corrigan – Deputy Executive Director, Dormitory Authority of the State of New York
Portia Lee – Managing Director of Public Finance and Portfolio Monitoring, Dormitory Authority of the State of New York
Jeffrey M. Pohl, Esq. – General Counsel, Dormitory Authority of the State of New York
Carra Wallace – Managing Director of the Office of Executive Initiatives, Dormitory Authority of the State of New York
Debra Pulenskey Drescher, Esq. – Managing General Counsel, Dormitory Authority of the State of New York
Monica Norris, Esq. – Assistant General Counsel, Dormitory Authority of the State of New York
Taffi Woolward – Director, Public Finance M/WBE Programs, Dormitory Authority of the State of New York
Gayle Katzman – Director, Executive Projects, Dormitory Authority of the State of New York
Paul J. Burgdorf – Director, Marketing and Communications, Dormitory Authority of the State of New York
Mark E. Violette – Press Officer, Dormitory Authority of the State of New York
Leigh Favitta – Director, Information Services, Dormitory Authority of the State of New York

The Chair called the Meeting to order. The Minutes of the October 30, 2008 Task Force Meeting were reviewed and approved. The Chair stated that he felt that the event held at The Association of the Bar of the City of New York on January 30, 2009, "Supporting Diversity in Government Contracting of Outside Legal Services: Challenges and Opportunities," was a resounding success. He indicated that he wished to publicly commend Mr. Pohl, Ms. Woolward and all of the Task Force agencies that played a role in the success of the event.

The Chair stated that the caliber and quality of the information presented was superb, as were the presenters. He further stated that the feedback that he has received has been reflective of that fact. The Chair stated that one thing that struck him in particular was that there was such a balanced representation from all sectors in attendance. He noted that there were a considerable number of public agency attorneys and representatives in the room, a large contention of representatives from large law firms, and an unprecedented collection of representatives from minority and women-owned firms in attendance, so it was a very unique gathering. The Chair indicated that there was a great deal of opportunity for networking, separate and apart from the Task Force, which was advantageous to all concerned. He noted that there were also many firms from out of State. The Chair reported that there were firms from as far away as California, Florida, Georgia and the District of Columbia in attendance. He stated that this highlights the fact that, in large part, the initiative embodies economic development. The Chair stated that if the Task Force can help identify ways that firms can come to New York, establish a presence in New York and grow, it helps both the firms and the people of the State of New York immensely.

Ms. Woolward provided a synopsis of the three panel discussions, noting that the first panel focused on the experiences of some minority attorneys, both as owners of MWBE firms and as members of large law firms. She stated that these participants were able to provide feedback with respect to how they had become successful in other jurisdictions. Ms. Woolward reported that the second panel focused on best practices for in-house corporate law departments. She noted that there were representatives from Prudential Financial Inc., MetLife, Inc., Dewey, LeBoeuf LLP, Akin Gump Strauss Hauer & Feld LLP, and Chubb & Son on the panel. She stated that Veta Richardson, Executive Director of the Minority Corporate Counsel Association, also participated. Ms. Woolward stated that Ms. Richardson had provided a law firm diversity guidebook to the Task Force. Ms. Woolward reported that the final panel, which was comprised of representatives from the Task Force, provided an opportunity for the authorities to discuss their in-house law departments, along with procurement opportunities. She indicated that she felt that this was very helpful and useful to the MWBE firms in the audience, as well as to some of the larger firms that have not had experience with the State of New York. She stated that many individuals had commented to her that this was the first event they had ever attended where they actually had the opportunity to engage with representatives of State government. The Chair stated that over 250 people had attended the presentation.

Mr. Pohl discussed factors to be considered in formulating best practices for procurements for legal services. He stated that these factors were identified through the panel discussion, through internal discussions with members of his legal staff and with his fellow General Counsel Task Force Members, and from discussions with Mr. Jones-Bey. Mr. Pohl began the discussion by noting that he thought that every request for proposal issued by a governmental entity for legal services should include the following statement of intent: "It is the goal of the governmental entity to utilize qualified law firms that have a demonstrated history of hiring, training, developing, promoting and retaining minority and woman attorneys and certified MWBE law firms. The firms will also be expected to demonstrate their commitment to diversity by assigning minority and

woman attorneys to work on transactions for the governmental entity and by training such staff to assume greater responsibility on these matters."

Mr. Pohl next reviewed information to be solicited by RFP from each law firm in order to assess its commitment to diversity. The Chair stated that the standard template used for soliciting this information is the vault survey model. Mr. Pohl stated that the vault model provides a good starting point, but that the working group of General Counsels and members of his staff have some additional ideas that they would like added. Mr. Levine stated that the vault model is essentially used for self-reporting. Mr. Jones-Bey stated that he thought it would be helpful to discuss possible content of the survey today and then include the results in any recommendations.

Mr. Pohl then discussed suggestions for how diversity data in response to the RFP may be utilized. He noted that a co-counsel program may be considered. Mr. Pohl stated that the purpose of the co-counsel is to assist MWBE firms in developing the expertise to manage transactions on a sole counsel basis. He further stated that responsibilities could be divided between co-counsel firms, with fees payable to each firm pursuant to separate contracts with each firm.

Mr. Pohl noted that it was important to make sure that RFP criteria does not unfairly penalize small MWBE firms. He noted that there were many small firms qualified to provide a wide array of services and size is not necessarily an obstacle to successful representation. He indicated that the RFP should not somehow unfairly reward large firms.

In response to an inquiry from Ms. O'Conor, Mr. Pohl responded that he believes that it would be important for a firm to have a New York presence to participate in the RFP process. Ms. O'Conor agreed. Mr. Levine stated that often underwriters in municipal bond transactions may want a large firm standing behind a 10-b(5) opinion. He stated that often it would be a function of their willingness to sell bonds in today's market.

The Chair stated that the experience of the individuals to be assigned to the work is as important as the experience of the firm. He noted that if an experienced individual left a large firm and went to a small MWBE firm, the experience level of the individual attorney has not changed and that experience should be given adequate weight in a selection process.

The Chair discussed the fact that a goal of the Task Force is to develop opportunities for companies and growth in New York State. He asked, however, whether firms that are totally out-of-state firms with no New York presence should be included in the RFP process. He indicated that he, personally, hoped that there would be New York attorneys able to do New York work. His fellow Task Force Members agreed. He also asked what the Members thought about firms with a New York presence who had attorneys with particular expertise in subject areas who were not located in the State. Ms. O'Conor stated that the issue could become complicated if the attorney was not licensed to practice in New York. Mr. Levine stated that MWBE firms might need to relocate to New York in order to ensure their future in the State. The Chair noted that the "What came first, the chicken or the egg?" scenario existed. He noted that often these small firms want to do business in New York, but they recognize that it is difficult to come into the State and incur costs without any real expectation of being able to attract work. He wondered whether some window for such a firm to compete would be a predicate to them establishing a permanent presence in the State. Mr. Levine stated that choosing such a firm in the RFP process runs the risk of creating expectations. He stated that perhaps, instead, the firm should invest resources, be in the State a year or two, and then be available to participate in the next RFP cycle.

The Chair stated that under no circumstance should a firm be relegated to the role of co-counsel forever. He stated that the goal is to move firms along the curve of development. He further stated that firms should be expected to invest in talent and technology over time and that their progress should be measurable over time. He indicated that perhaps a firm from out-of-state may be presented with a preliminary window of opportunity to apply, but that if they do not establish a permanent presence in New York, they would not be eligible for selection under the RFP.

Mr. Cavanaugh stated that there may be situations in which larger out-of-state firms may partner with smaller MWBE firms in New York. He noted that situations such as this would afford the smaller MWBE the opportunity to grow. Ms. Willig stated that if a firm was provided the opportunity to do work in New York, then the firm would need to be committed. She noted that it might be difficult for a firm to commit if it was only going to be assigned a limited number of transactions.

The Chair stated that he was not all that interested in firms that will remain out-of-state. The Chair further stated that when New York has a reservoir of talented firms in the State that are already underrepresented and perhaps underutilized, it is more important to focus on them. He stated that any firm that would make a decision to move into a new jurisdiction would not make that decision solely on the basis of their access to public sector work. The Chair stated that firms looking to come into New York are going to look at the work that might be available in New York, both private and public sector. He noted that it is always easier to make that decision if a firm knows that it has an anchor client to build around. Mr. Pohl agreed. He stated that he did not think that a firm would make a decision to obtain a New York presence based on, for example, possible work from the Dormitory Authority or HFA alone.

The Chair stated that if the law firms know that there is a definitive position with respect to non-New York participation, it might help point the firms in one direction or another. He stated that he believed that the Task Force should focus on the firms that are here in the State and that the State can best be served by developing those firms.

Ms. Willig stated that recently the Housing Finance Agency ("HFA") had undergone its RFP process for bond counsel. She reported that not one MWBE responded to the RFP. The Chair stated that there are out-of-state MWBE bond counsel firms that have the resources and experience to build a practice in New York if they were so motivated. Mr. Levine stated that the question is whether the State should try to lure those firms to New York or just let them know that we are here doing the State's business. Mr. Jones-Bey stated that this could be accomplished by encouraging joint ventures. He indicated that the City of Chicago has had a successful joint venture program which should be reviewed by the Task Force The Chair stated that he felt that the co-counsel/partnering concepts should be further discussed. He stated that a co-counsel program could be enacted in New York because it has been done successfully before. He noted that while sometimes large firms were not amenable to such partnering arrangements, success stories did exist in which some MWBE firms became stand-alone counsel. The Chair stated that it is often just a question of setting the framework to explore those kinds of arrangements in the present era.

Mr. Watson asked if an RFP could be structured such that a firm has two options whereby it could submit a proposal on its own or partner with an MWBE firm. The Chair stated that this

was a great point to consider. He indicated that he thought that the working group should have further discussions regarding this and all of the ideas that have been presented at the Meeting.

Mr. Pohl stated that the Chair has expressed a desire to have RFPs issued biannually, but that some have been concerned about the burden on resources such frequency of the RFP cycle may present. He indicated that the group should also focus discussions on this issue. The Chair explained that he felt that the legal industry itself is much more dynamic in this era than ever in the past. He explained that firms are merging, getting out of the business, and that new firms are evolving. The Chair stated that the Task Force is now encouraging joint ventures. He stated that with all of this change, he felt that it was important not to maintain static, stagnant panels of legal counsel. He indicated that maintaining panels for five years lessens the ability to take advantage of this time of dynamic change. The Chair stated that the authorities should also want to leverage the competition, both in terms of expertise as well as price value. The Chair stated that for all of these reasons, he is proposing a two year RFP cycle with possibly a one-year renewal option. Mr. Pohl stated that currently, the Dormitory Authority has a three-year term for its legal panel with two one-year optional renewals. Ms. Willig suggested that it might make sense to assess whether the two-year period will provide enough time to permit each panelist an opportunity to do the work.

Mr. Pohl discussed ongoing assessment of legal panel members. He indicated that the firms would be assessed with respect to performance and with respect to their commitment to diversity. The Chair stated that he felt that it would be important to have a managing partner of a law firm certify as to the diversity information provided by the firm. He indicated that often if the managing partner has a personal role in making sure the information is correct, he or she will make sure that such policies are followed.

The Meeting adjourned at approximately 12:42 p.m.

Respectfully submitted,

Paul T. Williams, Jr.
Chair

New York State Minority and Women Owned Business Enterprises Task Force Meeting

March 9, 2009
11:30 a.m.

The New York State Minority and Women Owned-Business Enterprises Task Force met in a Regular Meeting at the Dormitory Authority of the State of New York's Albany Office at 515 Broadway, Albany, New York, and its offices at One Penn Plaza, New York, New York at 11:30 a.m. on March 9, 2009.

The Meeting was called to order by Paul T. Williams, Jr., Chair. Roll call was taken and a quorum was present. Those Members present for the Meeting were as follows:

Members Present:

Paul T. Williams, Jr., Chair – Executive Director, Dormitory Authority of the State of New York
Charlotte Hitchcock – Chief of Staff and Director of Financial Regulation, Governor Paterson's Office (By Phone)
Dr. Celia Gonzalez – Deputy Comptroller, Office of the State Comptroller
Michael Fleisher, Esq. – Executive Director, New York State Thruway Authority
Michael Jones-Bey – Executive Director, Division of Minority and Women Business Development, Empire State Development Corporation
James Levine, Esq. – General Counsel, Environmental Facilities Corporation
Joy Willig, Esq. – General Counsel, Housing Finance Agency / State of New York Mortgage Agency

Additional Attendees:

Robert Watson – Assistant Director, Bureau of Debt Management, Office of the State Comptroller
J. Marc Hannibal, Esq. – Assistant Counsel, Office of the State Comptroller
Anita Laremont, Esq. – General Counsel, Empire State Development Corporation
Tracie Sandell, Esq. – Assistant Counsel, New York State Thruway Authority
Sharon O'Conor, Esq. – General Counsel, New York State Thruway Authority
James Cavanaugh – President and Chief Executive Officer, Battery Park City Authority
Hector Calderon, Esq. – Affirmative Action Director, Battery Park City Authority
Michael T. Corrigan – Deputy Executive Director, Dormitory Authority of the State of New York
Portia Lee – Managing Director of Public Finance and Portfolio Monitoring, Dormitory Authority of the State of New York
Jeffrey M. Pohl, Esq. – General Counsel, Dormitory Authority of the State of New York
Carra Wallace – Managing Director of the Office of Executive Initiatives, Dormitory Authority of the State of New York
Debra Pulenskey Drescher, Esq. – Managing General Counsel, Dormitory Authority of the State of New York
Monica Norris, Esq. – Assistant General Counsel, Dormitory Authority of the State of New York
Taffi Woolward – Director, Public Finance M/WBE Programs, Dormitory Authority of the State of New York
Gayle Katzman – Director, Executive Projects, Dormitory Authority of the State of New York
Paul J. Burgdorf – Director, Marketing and Communications, Dormitory Authority of the State of New York
Mark E. Violette – Press Officer, Dormitory Authority of the State of New York
Leigh Favitta – Director, Information Services, Dormitory Authority of the State of New York

The Chair called the MWBE Task Force Meeting to order. He indicated that the draft Minutes of the December 8, 2008 and January 12, 2009 Task Force Meetings would be considered at the next Meeting after the Task Force Members have a chance to review them.

The Chair directed the Task Force Members' attention to a resolution before them directing him, as Chair, to request that the date for the MWBE Task Force to issue to the Governor, a preliminary report evaluating each State supported debt issuer's performance practices, be changed from April 15, 2009 to April 28, 2009. The Chair explained that there were holidays in the upcoming weeks that would have the effect of shortening the time available to prepare the report. He indicated that he felt that it would be wise to request such an extension.

Dr. Gonzalez moved the adoption of the following entitled resolution:

A RESOLUTION DIRECTING THE CHAIR TO REQUEST THAT THE DATE FOR SUBMISSION TO THE GOVERNOR OF A PRELIMINARY REPORT EVELUATING EACH STATE SUPPORTED DEBT ISSUER'S PERFOMANCES PRACTICES BE EXTENDED FROM APRIL 15, 2009 TO APRIL 28, 2009

Mr. Fleischer seconded the motion and the resolution was unanimously adopted.

The Chair asked Mr. Pohl to forward the request to the Governor's Counsel's Office. He indicated that he did not expect there to be any objection to the request.

The Chair stated that Mr. Pohl would present and discuss the draft "Recommendations Regarding Best Practices for MWBE Participation in Procurements for Legal Services." The Chair acknowledged the time, attention, effort, and creative thinking that went into formulating the Best Practices. He commended the working group for their efforts. He stated that even though it was a draft report, it clearly reflects a great deal of time, attention, and input from those involved. The Chair asked Mr. Pohl to review the document with the Task Force Members.

Mr. Pohl thanked Alan Leibowtiz and Mr. Jones-Bey of Empire State Development Corporation for their efforts, as well as the General Counsels of the Task Force members. He noted that the goal was to identify any open issues so that the Best Practices can be adopted at the next Task Force Meeting to be held on April 21, 2009.

Mr. Pohl stated that the document begins with an overview which provides a summary of the Task Force's creation, background, and activities to date. He noted that it also includes the rationale for encouraging diversity in procuring legal services.

Mr. Pohl next discussed outreach. He stated that the Best Practices provide methods for making sure that there is appropriate outreach to MWBE law firms, including notification to professional organizations, consultation with the Department of Economic Development database, and maintenance of an internal database of firms that have expressed interest in doing business with the public authority.

Mr. Pohl reviewed the Request for Proposals Process recommendations. He stated that each Request for Proposal ("RFP") should include the following statement of intent:

"*It is the goal of the Governmental Entity to utilize qualified law firms that have a demonstrated history of hiring, training, developing, promotion and retaining minority and woman attorneys and to encourage participation by qualified certified MWBE law firms.*"

Mr. Pohl stated that the Best Practices call for each public authority to establish an overall aspirational goal for participation by certified MWBE law firms with respect to the total amount of legal fees paid for outside legal services. He stated that the RFP may also allow for participation goals with respect to firms having offices in different geographic locations in the State, if appropriate to the nature of the engagement. He noted, for example, that the Dormitory Authority believes that it is helpful to have firms from various geographic areas of the State serve as real estate counsel.

Mr. Pohl stated that the Best Practices stated that law firms responding to the RFP shall submit a utilization plan in accordance with Article 15-A of the Executive Law. He stated that the Best Practices also suggested that the RFP encourage partnering arrangements among responding law firms, thereby giving MWBE law firms the opportunity to partner with other law firms, if feasible. He further stated that the RFP should also solicit information with respect to a firm's prior joint venture relationships. He asked for feedback from the members with respect to the topics discussed thus far.

Mr. Levine stated that he believed that each draft of the Best Practices shared with the working group was easier to read than the previous draft and that addressing the topics in chronological order improved the document. Ms. O'Conor expressed some concern with respect to the aspirational goal of 10 % participation by certified MWBE firms in the total amount of legal fees paid for outside services. She stated that for other than bond counsel, the Thruway Authority uses outside counsel sporadically. She further stated that this fact could frustrate attempts to meet such an aspirantional goal. Mr. Pohl acknowledged the issue. He stated that he had reviewed the Dormitory Authority's legal panels and believes that the goal is achievable. Ms. O'Conor questioned whether it might be possible for each authority to establish its own aspirational goal. Mr. Hannibal stated that OSC generally sets a higher aspirational goal. He agreed with Ms. O'Conor that it might be advantageous to allow each public authority to establish its own goal so the goal could be tailored to what is more appropriate for each authority.

The Chair responded that the overarching goal is to have procurers of legal services in government think about how to reach and encourage MWBE law firms to participate in the process, so that when the issuer gets to a point in the process where it is thinking about establishing a panel, the issuer is thinking about a process that is inclusive of MWBE law firms. The Chair stated that since this is relatively new territory for many of the issuers, it is hard to predict with any real level of certainty what the outcome will be. He indicated, however, that the critical process involves removing barriers to entry.

The Chair stated that in terms of setting goals, it would be reasonable to provide some flexibility. He noted that the legal services arena is different from the investment banking industry in which there has been a long history of participation and involvement of MWBE firms. The Chair stated that it would make sense for the authorities to set their own goals, including whether to do it on a discipline by discipline basis.

The Chair indicated that he had a concern with respect to the provisions regarding proof of MWBE status. He stated that he thought it advantageous to consider as many MWBE firms as possible. He noted that, historically, not many MWBE law firms have been registered in New York. The Chair further stated that he was concerned with denying firms the opportunity to participate simply because

they had not registered when, in fact, there are others ways to assess their MWBE status, either in the course of registration or even before registration. The Chair stated that he would hate to cut off really good participants merely because they have not registered or because they may be in the process of registering. He stated that with respect to Article 15-A, participants know that they are supposed to register, but firms may be unaware of this in the professional services arena. The Chair stated that perhaps self-certification, with penalties attached, should be considered. He indicated that lawyers are accustomed to signing affidavits or affirmations and that perhaps this mode of attestation could be utilized.

Mr. Pohl stated that ESDC felt very strongly that a firm must be registered. He explained that ESDC stated that under 15-A, a firm is either certified or it is not. Mr. Pohl further explained that ESDC was not persuaded that if a firm was certified in another state or was in the process of registering in New York they should be eligible to be categorized as an MWBE law firm. Ms. Laremont agreed. Mr. Jone-Bey stated that DED has a system in place whereby firms may participate in a project prior to receiving their certification, but that DED works with them to assist them in obtaining their certification prior to completion of the job, and that then the firm may be counted toward MWBE participation goals. Ms. Laremont stated that the RFP should encourage all firms to respond. Mr. Fleisher questioned whether MWBE status should be part of the RFP process or be part of the evaluation of response. Mr. Pohl agreed that it should be part of the evaluation.

Mr. Pohl next reviewed the diversity practices questionnaire. He noted that the questionnaire solicits information regarding the firm's overall demographic profile, as well as the demographic profile of staff proposed to be assigned to the engagement and important strategic plan and diversity initiatives of the firm.

Mr. Pohl discussed RFP cycles. He stated that the Best Practices require shorter RFP cycles. Pohl explained that RFPs issued for legal services typically have a five-year RFP cycle. He indicated that this generally includes a three-year standard contract term with up to two one-year renewals. Mr. Pohl stated that the Best Practices recommend that issuers issue RFPs for legal services sufficiently often to permit new qualified law firms to have an opportunity to compete for work with the governmental entity. He further stated that the recommendation is that authorities shall undertake RFPs for legal services at least every two years and firms selected under an RFP shall be engaged for an initial period of two years with the opportunity for two six-month extensions in appropriate instances. Mr. Pohl stated that an exception may be made for engagements involving work of a limited or infrequent nature.

Ms. Willig stated that she had suggested that the initial engagement term be three years rather than two years, with two annual extensions. The Chair stated that he understands that there is some interest in having a longer initial period. He noted that an important thing to keep in mind is that the process should take into account the fact that there are firms in the industry making the investment to come to New York to grow, and that it is important to encourage this or there will be a self-perpetuation of the status quo. The Chair stated that a shorter RFP cycle will allow firms that may not make it in the first round a clear window to see when they may try again. He indicated that it will also provide enhanced opportunities for joint venture arrangements. Mr. Jones-Bey agreed.

Ms. Laremont stated that ESDC sometimes may not use a law firm on its approved list during the cycle, as there may be no opportunity for such use. Ms. Laremont noted that in the bond arena where there is a fairly steady level of business, the shorter cycle would clearly work. She explained that in those practice areas where assignments are made infrequently, two years is just too short of a

time to expect that firms will be utilized. She stated that she felt that the shorter cycle would work so long as there is an exception for engagements involving work of a limited or infrequent nature.

Mr. Pohl discussed evaluation of responses to RFPs. He reviewed the proposed evaluation criteria. Mr. Pohl noted that the Best Practices recommend that the public authority reserve the right to negotiate fees with any law firm that is otherwise qualified but which has submitted a fee proposal that the governmental entity deems too high based upon the other proposals. Mr. Levine stated that he was in agreement with this recommendation and provided some examples of situations in which the ability to negotiate would be advantageous to the issuer. The respective General Counsels of the Task Force Members discussed opportunities for better coordination of rates charged by the various common law firms used by the entities. Ms. Willig noted that she had coordinated with Mr. Pohl and Ms. Laremont when HFA was recently establishing its bond counsel panel.

Ms. O'Conor stated that the Thruway Authority would need to have discussions regarding the recommendations with the Office of the State Comptroller and the Attorney General, which both approve Thruway Authority contracts. She stated that the Thruway Authority utilizes separate committees for evaluation and weighing the scores and that the Thruway Authority does not negotiate fees.

Mr. Pohl reviewed the Best Practices recommendations for allocation of work among empanelled law firms. He indicated that the goal is to obtain equal allocations of work among the firms that are on the panel, whether it be through co-counsel programs or allocating specific work for specific transactions to more than one law firm.

Mr. Pohl discussed periodic evaluation of empanelled law firms, including the ability to remove firms from the panel if they do not adhere to their representations or MWBE utilization plan or they otherwise fail to perform in a satisfactory manner. Mr. Pohl stated that the working group expects to create a standardized evaluation form.

Mr. Pohl indicated that the changes to the document reflecting the issues discussed at the meeting would be made and distributed to the Members. He thanked Mr. Jones-Bey, Ms. Woolward, and his staff, Ms. Drescher and Ms. Norris, for their assistance with synthesizing the comments received to date from the working group.

The Chair stated that the next Task Force Meeting would be held on April 21, 2009. He indicated that it was his hope that the Best Practices could be adopted at that meeting, after the updated document is distributed and meetings are held with OSC and the Thruway Authority. He reminded the Members that on April 30, 2009, an event will be held at the County Lawyers Association in New York City where the Task Force will introduce issues relative to other financial services areas such as financial advisors, broker dealers, banks and trustees, and accountants.

The Chair thanked the Task Force Members for their participation and the Meeting adjourned at approximately 11:32 a.m.

Respectfully submitted,

Paul T. Williams, Jr.
Chair

New York State Minority and Women Owned Business Enterprises Task Force Meeting — April 21, 2009, 11:30 a.m.

The New York State Minority and Women Owned-Business Enterprises Task Force met in a Regular Meeting at the Dormitory Authority of the State of New York's Albany Office at 515 Broadway, Albany, New York, and its offices at One Penn Plaza, New York, New York at 11:30 a.m. on April 21, 2009.

The Meeting was called to order by Paul T. Williams, Jr., Chair. Roll call was taken and a quorum was present. Those Members present for the Meeting were as follows:

Members Present:

Paul T. Williams, Jr., Chair – Executive Director, Dormitory Authority of the State of New York
Charlotte Hitchcock – Chief of Staff and Director of Financial Regulations, Governor Paterson's Office (By Phone)
Dr. Celia Gonzalez – Deputy Comptroller, Office of the State Comptroller
Michael Fleischer, Esq. – Executive Director, New York State Thruway Authority
John Bryan – Chief Financial Officer, New York State Thruway Authority
Michael Jones-Bey – Executive Director, Division of Minority and Women Business Development, Empire State Development Corporation
Joy Willig, Esq. – General Counsel, Housing Finance Agency / State of New York Mortgage Agency
Marian Zucker – Executive Vice President, Housing Finance Agency / State of New York Mortgage Agency
James Gebhardt – Chief Financial Officer, Environmental Facilities Corporation

Additional Attendees:

Robert Watson – Assistant Director, Bureau of Debt Management, Office of the State Comptroller
Donna Benson – Senior Investment Officer, Office of the State Comptroller
J. Marc Hannibal, Esq. – Assistant Counsel, Office of the State Comptroller
Tracie Sandell, Esq. – Assistant Counsel, New York State Thruway Authority
James Cavanaugh – President and Chief Executive Officer, Battery Park City Authority
Hector Calderon, Esq. – Affirmative Action Director, Battery Park City Authority
Robert Godley – Treasurer, Empire State Development Corporation
Marian Roslyn –Director of Program Development/Portfolio Management, Empire State Development Corporation
Genevieve D'Agostino – Senior Vice President / Treasurer, Housing Finance Agency / State of New York Mortgage
Gloria Boyd – Program Administrator, Housing Finance Agency / State of New York Mortgage Agency
Judith A. Avent, Esq. – Deputy General Counsel, Environmental Facilities Corporation
Portia Lee – Managing Director of Public Finance and Portfolio Monitoring, Dormitory Authority of the State of New York
John G. Pasicznyk – Chief Financial Officer, Dormitory Authority of the State of New York

Jeffrey M. Pohl, Esq. – General Counsel, Dormitory Authority of the State of New York
Carra Wallace – Managing Director of the Office of Executive Initiatives, Dormitory Authority of the State of New York
Debra Pulenskey Drescher, Esq. – Managing General Counsel, Dormitory Authority of the State of New York
Monica Norris, Esq. – Assistant General Counsel, Dormitory Authority of the State of New York
Taffi Woolward – Director, Public Finance MWBE Programs, Dormitory Authority of the State of New York
Gayle Katzman – Director, Executive Projects, Dormitory Authority of the State of New York
Paul J. Burgdorf – Director, Marketing and Communications, Dormitory Authority of the State of New York
Mark E. Violette – Press Officer, Dormitory Authority of the State of New York
Leigh Favitta – Director, Information Services, Dormitory Authority of the State of New York

The Chair welcomed everyone and moved to adopt the December 8, 2008 and January 12, 2009 Minutes. He stated that the Task Force would be discussing the Best Practices in the legal arena as well as recommendations relating to various types of financial services and how they were used by the various public authorities. He stated that the Task Force would be given the opportunity to review and discuss the Best Practices further. Any additional comments from OSC and others would be incorporated into the Best practices would be adopted at the May Task force meeting. He then turned the meeting over to Jeff Pohl to review the Best Practices.

Mr. Pohl directed the Task Force to a revised draft of the Best Practices that reflected changes made from the previous evening (that were not included in the original draft e-mailed to Task Force Members) based on comments from the Office of the State Comptroller ("OSC") and others, which he proceeded to review. He pointed out that there were no comments on the "Overview" section of the Best Practices. He stated that the next section, "Request for Proposals," had generated some comments. Per OSC, if the guidelines were to pertain to State agencies § 163 of the State Finance Law would govern some aspects. Therefore, they suggested limiting the Best Practices and their application to public authorities. Mr. Hannibal pointed out that the rules for agencies were different than those for authorities and authorities were given greater latitude in negotiating fees with empanelled firms. He stated that State agencies had less latitude to negotiate price because "best value" under the SFL included the lowest price. Mr. Pohl stated that, in evaluating responses, the Dormitory Authority first rated the firms based on their technical qualifications and reserves the right to renegotiate fees. While that process may work for public authorities, however, it does not work for State agencies. Ms. Sandell stated that the Thruway does not include the relative weight assigned to each evaluation factor in its RFPs; therefore that requirement should be taken out of the Best Practices. The Chair expressed interest in applying the Best Practices to both agencies and authorities. Mr. Hannibal offered to discuss this issue further internally at OSC and get back to the Task Force.

Mr. Pohl then moved to the "Outreach" section of the Best Practices and noted that there were no substantive comments. He noted that OSC had a technical comment in the "Request for Proposals" process which was addressed by Ms. Norris (the Policy was revised and now read "it is **the** (rather than "**a**") goal of the governmental entity to utilize qualified law firms.)" Mr. Pohl also referred to language that related to "proof of MWBE status" and geographic participation that were removed at the behest of OSC as being redundant. The next change was reflected in paragraph (H), which required shorter RFP cycles, as a result of comments from Ms. Laremont, ESDC. The Best Practices now required RFPs every two years except: (i) for services that are infrequent or limited in nature – every five years; or (ii) if it is a service that is used regularly and the authority does not want to go through the RFP process every two years, you would use the five year cycle with a refresher every second or third year.

Another substantive issue was raised in relation to the "Evaluation Criteria" (section (A)(4)(iv)). OSC wanted to delete that section and EFC wanted it included. The language in question read as follows, "in evaluation criteria, among the things that you would look at is the law firm's utilization plan or partnering or joint venture arrangement proposed by the law firm." Mr. Pohl stated that a separate discussion should be had on this issue. Mr. Jones-Bey suggested that Mr. Pohl involve Alan Lebowitz and Anita Laremont in further discussions on this issue. Mr. Pohl stated that he believed OSC's point was that when there is a panel of firms one is unable to assess the utilization plan until there is a specific engagement. However, some of the factors that were enumerated before can be viewed in terms of assessing diversity and applying the appropriate rating criteria. Mr. Pohl then stated that this issue would be best addressed in a smaller setting. The Chair then suggested that Section "D"- "Evaluation Committee," include a requirement that the Evaluation Committee includes a representative who is responsible for diversity and/or MWBE involvement for the authority. It was pointed out that the Thruway Authority currently had such a requirement with respect to its engineering contracts. Mr. Jones-Bey suggested that the Task Force working group recruit Jim Cavanaugh as the Battery Park City Authority currently included diversity performance as part of its performance evaluations.

The next issue Mr. Pohl addressed was the tracking of legal fees. That discussion included issues raised by OSC with respect to the detailed level of information being requested from outside counsel. Mr. Jones-Bey stated that he would like the Task Force to issue a set of Best Practices that allowed public authorities to do all they could to promote MWBE participation, as well as issue guidance for executive agencies. It was agreed that the Best Practices would be written so that the requirements could easily be

incorporated within section 163 of the State Finance Law, which governs procurements by State agencies.

Mr. Pohl then reviewed the two evaluation forms which had previously been circulated to the Task Force members. The first form implemented some of the requirements of the Best Practices (the removal of non-performing firms) by requiring the evaluation of the performance of the outside counsel on the panel by the public authority. The second form provided for a 'self-evaluation' by the outside counsel. It included a breakdown of legal fees, who worked on a particular engagement and their gender and ethnicity. The Chair expressed his wish that the May recommendations for legal services Best Practices include the performance evaluation templates. Dr. Gonzalez thanked the Chair for allowing her agency to comment on the Best Practices and expressed OSC's willingness to continue to work in a collaborative manner.

The Chair next addressed the Task Force Preliminary Report ("Report"). He stated that he expected the Task Force to adopt a resolution relative to the Report at the end of the meeting based on the fact that the Task Force was required to present a Final Preliminary Report to the Governor by April 28th. He then turned the meeting over to Ms. Lee who proceeded to discuss the contents of the Report. She stated that the Report outlined two major accomplishments of the Task Force, the underwriter request for proposals ("RFP") and increasing the participation of MWBE firms in the State–Supported debt issues. With respect to the underwriter RFP process, three of the five debt issuers issued RFPs using the common RFP template and have increased the number of MWBE firms on each panel. The second accomplishment discussed in the Report pertained to the specific performance practice of each individual State-supported debt issuer together with their accomplishments in terms of the increased utilization of MWBE firms. The Report identified a current MWBE utilization of approximately 24%, an increase from 4% in 2008. Ms. Lee then discussed the section of the Report that related to Performance Measures.

The Chair then discussed the "Next Steps" section of the Report. He stated that he expected to submit a Final Report in January 2010. However, the Task Force would have to consider some critical issues and develop further guidance in those areas. One such issue to be considered related to the institutionalization of the review process and determining where it should be housed, so that the accountability developed by the Task Force would be maintained over time. Another issue to be considered was whether there should be more specific guidelines developed around designation policies. The final issue was whether legislative initiatives should be developed with respect to the Task Force, which would, in essence, ensure that the good work of the Task Force was maintained for the benefit of the people of New York throughout the

years. The Chair commented that the draft Report was substantive and contained a lot of information. He thanked Ms. Lee and others for a job well done. He then solicited comments from the Task Force members. Dr. Gonzalez commented that OSC would like to utilize the Best Practices through LGAC. She also expressed her appreciation for the work that had been done. The Resolution regarding the Report was adopted.

The Chair then discussed the Task Force's agenda as it related to the various existing financial services sectors. Mr. Bryan (Thruway) presented on the selection of financial advisors, including the method of procurement, terms of the contracts, fees and outreach for MWBE financial advisor ("FA") services. Specifically, he stated that outreach for MWBE FA services were generally done through an authority's existing general procurement policies and practices and, while they encouraged MWBE participation, most procurement policies did not specifically require that MWBEs serve as FAs. Furthermore, none of the authorities had established evaluation criteria similar to those established for the underwriters.

Next, Mr. Gebhardt (BPC) presented on swap advisors. He noted that the public authorities' procurement of swap advisors was similar to what was discussed for the FAs and that 2012 was a demarcation date for turnover of all the swap advisors. He further noted that there were currently no aspirational goals established with respect to MWBE inclusion or diversity participation within majority firms.

Mr. Pasicznyk (Dormitory Authority) then discussed accountants. He too stated that the public authorities' procurement of accountants reflected what was previously discussed. The biggest utilization for most of the public authorities was their annual financial audit, however, the Dormitory Authority utilized a separate forensic audit, HFA had some program compliance audits and OSC did some examination of trustee records.

Ms. D'Agostino (HFA) then presented on banks and financial institutions. She stated that the services were procured through an RFP process and, for the most part, the agencies' procurement processes promoted participation of minority and women-owned businesses and included a review of the respondent's affirmative action policy. Among other things, she pointed out that for the agencies that utilized banks for investment of funds, the eligibility criteria were dependent upon a particular agency's investment guidelines regarding minimum capital and rating requirements and the investments were generally awarded on a best bid basis.

Ms. Benson (OSC) then presented on broker-dealers. She stated that all authorities indicated that broker-dealers were used for trades. With respect to outreach, the consensus was that, with the exception of those limited to primary dealers, MWBEs were encouraged to apply or submit a questionnaire as long as they met the qualifications.

Mr. Godley (ESDC) then presented on money market funds. He stated that only DASNY and EFC utilized money market mutual funds and must invest in accordance with their investment guidelines. Firms must have at least $125 million and be rated in the highest short-term rating category by at least one nationally recognized rating agency.

The Chair then informed the Task Force that there was a financial services panel discussion scheduled for April 30, 2009 at the New York County Lawyers' Association. At that time, a lot of the information would be dissected further. Also, there would be additional opportunities for further input. Ms. Woolward then gave an overview of the schedule and agenda for the April 30th event. The first panel would address accounting services, the second panel would address banks, trusts and money market funds, the third panel would address financial advisors and swap advisors and the fourth panel would address broker-dealers. There would also be a pre-networking reception from 12:00 to 12:30 PM and a networking session from 4:30 to 6:00 PM following the panel discussions. Mr. Jones-Bey commended Ms. Woolward and requested that the Task Force gather baseline information in terms of performance and utilization of MWBEs in the financial services areas by Task Force members similar to what was done for underwriters in 2007 and 2008.

The Chair stated that it was certainly an achievable goal and pointed to two things that have been revealed throughout the process. First, it had allowed the Task Force to identify new and superior talent, and second, it had allowed both majority and MWBE firms to get acquainted with each other. He stated that the next Task Force Meeting was scheduled for May 11, 2009.

The Meeting adjourned at approximately 1:10 PM.

Respectfully submitted,

Paul T. Williams, Jr.
Chair

New York State Minority and Women Owned Business Enterprises Task Force Meeting

May 11, 2009
12:30 p.m.

The New York State Minority and Women Owned-Business Enterprises Task ("MWBE") Force met in a Regular Meeting at the Dormitory Authority of the State of New York's Albany Office at 515 Broadway, Albany, New York, and its offices at One Penn Plaza, New York, New York at 12:30 p.m. on May 11, 2009.

The Meeting was called to order by Paul T. Williams, Jr., Chair. Roll call was taken and a quorum was present. Those Members present for the Meeting were as follows:

Members Present:

Paul T. Williams, Jr., Chair – Executive Director, Dormitory Authority of the State of New York
Charlotte Hitchcock – Chief of Staff and Director of Financial Regulation, Governor Paterson's Office (by phone)
Dr. Celia Gonzalez – Deputy Comptroller, Office of the State Comptroller
Michael Fleischer, Esq. – Executive Director, New York State Thruway Authority
James Levine, Esq. – General Counsel, Environmental Facilities Corporation
Joy Willig, Esq. – General Counsel, Housing Finance Agency / State of New York Mortgage Agency
Anita Laremont, Esq. – General Counsel, Empire State Development Corporation
James Gebhardt – Chief Financial Officer, Environmental Facilities Corporation

Additional Attendees:

Robert Watson – Assistant Director, Bureau of Debt Management, Office of the State Comptroller
J. Marc Hannibal, Esq. – Assistant Counsel, Office of the State Comptroller
Patricia Warrington– Assistant Comptroller for Debt Management, Office of the State Comptroller
Michael Jones-Bey – Executive Director, Division of Minority and Women Business Development, Empire State Development Corporation
Scott Clay– Analyst, Empire State Development Corporation
Robert Godley– Treasurer, Empire State Development Corporation
Marian Roslyn– Director of Program Development/Portfolio Management, Empire State Development Corporation
James Levine, Esq., General Counsel, Environmental Facilities Corporation
Katherine McCartney – Deputy Counsel, New York State Thruway Authority
Tracie Sandell, Esq. – Assistant Counsel, New York State Thruway Authority
John Bryan – Chief Financial Officer, New York State Thruway Authority
James Cavanaugh – President and Chief Executive Officer, Battery Park City Authority
Hector Calderon, Esq. – Affirmative Action Director, Battery Park City Authority
Genevieve D'Agostino –Senior Vice President/Treasurer Housing Finance Agency / State of New York Mortgage Agency
Tyrone Benton – Executive Director, NYS Black, Puerto Rican, Hispanic & Asian Legislative Caucus

Benita Lewis – NYS Senate Majority
Michael T. Corrigan – Deputy Executive Director, Dormitory Authority of the State of New York
John G Pasicznyk – Chief Financial Officer, Dormitory Authority of the State of New York
Portia Lee – Managing Director of Public Finance and Portfolio Monitoring, Dormitory Authority of the State of New York
Jeffrey M. Pohl, Esq. – General Counsel, Dormitory Authority of the State of New York
Carra Wallace – Managing Director of the Office of Executive Initiatives, Dormitory Authority of the State of New York
Debra Pulenskey Drescher, Esq. – Managing General Counsel, Dormitory Authority of the State of New York
Monica Norris, Esq. – Assistant General Counsel, Dormitory Authority of the State of New York
Taffi Woolward – Director, Public Finance M/WBE Programs, Dormitory Authority of the State of New York
Gayle Katzman – Director, Executive Projects, Dormitory Authority of the State of New York
Andrew T. Purcell - Assistant Director, Public Finance
Paul J. Burgdorf – Director, Marketing and Communications, Dormitory Authority of the State of New York
Mark E. Violette – Press Officer, Dormitory Authority of the State of New York
Leigh Favitta – Director, Information Services, Dormitory Authority of the State of New York

The Chair welcomed everyone and called the Task Force Meeting to order. He stated that the Task Force would adopt best practices for legal procurements ("Best Practices"), discuss issues raised at the April 30th panel presentation and discuss the next steps that would be undertaken by the Task Force. The Chair turned the meeting over to Mr. Pohl who stated that the Task Force would adopt a resolution approving the Best Practices. He pointed out that, based on discussions from the last Task Force Meeting; the Best Practices were changed to limit their application to State public authorities as they are defined in Executive Order No. 10, however, the Task Force would urge State agencies to adopt the Best Practices when they undertake legal procurements. Another change made to the Best Practices required that at least one member of the public authority's Evaluation Committee have responsibilities that related to diversity. Mr. Pohl assured the Task Force, however, that the general premise of the Best Practices remained unchanged. They require broad outreach, the setting of aspirational goals, encourage joint ventures, formalize the process by which public authorities assess the competence of a firm and require periodic evaluations of empanelled firms.

Mr. Calderon asked for clarification regarding year one, two and three with respect to the Diversity Questionnaire. Mr. Pohl stated that it was intended to get the history on the three years preceding the date on which the proposal was undertaken. Mr. Pohl informed the Task Force members that the Resolution before them would require each authority Board to adopt in substantial form the Best Practices no later than August 31, 2009. He also stated (following further discussions) that the first paragraph of the resolution would be amended to read as follows: "The recommendations

regarding best practices for the procurement for legal services are hereby adopted and each State public authority shall take the necessary steps to ensure that the Best Practices are utilized by the State public authority when procuring legal services."

The Chair requested a motion for the adoption of the resolution. Mr. Jones-Bey made a motion and the motion was adopted. The Chair commended Mr. Pohl, Task Force members and staff for their hard work and diligence on work that had not been previously undertaken. The Chair further stated that the work that had been done by the Task Force had not gone unnoticed and had gained a lot of attention nation-wide. The Chair then proceeded to discuss his experience as a bond counsel and the evolution of business in New York. He noted however, that the work being done by the Task Force, particularly in the legal services arena, has had and will continue to have an impact in ways that will help strengthen competition. The Chair further stated that the Task Force had opened the door to joint or co-ventures and proposed a formalized process to assess the overall performance of firms. The Chair again thanked Mr. Pohl for his hard work, who in turn thanked his colleagues, general counsels, Ms. Drescher and Ms. Norris – stating that it was a team effort.

The Chair pointed out that the April 30th event was the Task Force's third event and that it had exceeded prior events held by the Task Force. He stated that there were over 200 people in attendance and that the private sector attendees had an opportunity to hear about the State and get acquainted with each other. The Chair then turned the meeting over to Portia Lee who led the discussion surrounding the April 30th event. Ms. Lee stated that there were four separate discussions at the April 30th panel presentation and that each of the panelists that represented the authorities would give a general overview of what transpired on their panel.

The first presenter was John Pasicznyk, Dormitory Authority, who presented to the Task Force on what transpired with respect to the accounting sector. He informed the Task Force that there was a lot of material covered in a short period of time at the April 30th event; therefore, he would continue to reach out to the panel participants for more formal feedback. Per Mr. Pasicznyk:

> Most accounting work that is done by the public authorities relates to their annual audit, therefore, the procurement opportunities exist in that area. However, there are other areas that include program compliance audits, trustee audits and concession audits. Some of the areas that can be addressed by the Task Force include unbundling of services, wider outreach and defining accounting more broadly. The Task Force should look at the RFP process and require a broader array of experience from proposers. He also discussed establishing evaluation criteria that incorporate diversity goals as well as encouraging joint ventures.

The Task Force next heard from Genevieve D'Agostino, HFA, regarding banks. Ms. D'Agostino's presentation was as follows:

The number one barrier to entry is that there are no trustee banks that are MWBEs. Additional barriers were ratings, capital and collateralization requirements. Suggested best practices centered around holding more forums, outreach, reviewing and revising the individual authority's investment guidelines, encouraging major banks to use MWBE suppliers, diversity of the empanelled banks, partnering approaches, allocation of work, and unbundling some of the banking services.

The Task Force next heard from Rob Godley and Marian Roslyn, ESDC, regarding money markets. Ms. Roslyn's presentation was as follows:

The money market fund discussion on April 30th was very enlightening, particularly because only a couple of the State issuing entities currently uses money market funds. The panelist who represented Duncan Williams was very informative in terms of the kinds of things that the issuers should focus on, particularly capitalization and capital appreciation, investment strategies and ratings. Also, there were extraordinary equity demands placed on the money market funds following events that started last September, therefore, the liquidity requirements should be increased. Also, the Task Force should look at rating agencies, as well as a AAA rating on the money market funds, as the rating agency is a very critical component in assessing the viability of the funds. Another factor that might preclude participation by private money market funds is their track record and experience in terms of capital preservation. With respect to best practices, there should be more forums, the entities should develop and maintain a list of MWBE money market funds, post information on each authority's website, and review and update investment guidelines to include money market funds and setting specific utilization goals. Finally, in terms of assessing and measuring diversity in terms of the procurement process, the authorities should review the firm's employment practices and hiring practices to determine what the firm's trends are with respect to diversity.

The Task force next heard from James Gebhardt, EFC, regarding financial services. Mr. Gebhardt's presentation was as follows:

The financial service advisors play a major role with respect to the service they provide the issuers in relation to their financing programs. Also, looking at the structuring issues that impact funding programs as well as particular deals, the price dynamics in the marketplace and keeping all the information current so that the issuer can make a proper assessment of marketing issues and make decisions with respect to the kinds of debt structuring that should be undertaken and the actual pricing activity in working with underwriters and ensuring that the structuring and the pricing that the issuer elicits from the marketplace is the best that the issuer can expect under the market conditions at the time the deal is in the market. Swap advisors is a more targeted environment. With respect to

> barriers to entry, there were a lot of similarities with underwriters. There has been a tendency by issuers to focus on firm experience and enter into periods of engagement that are extensive. Other significant areas include cost and the tendency to focus on full-service firms. The best practices should clearly communicate that the State is an open shop, and provide for major outreach to firms using the Contract Reporter, website and provider list. The RFP should be state-of the-art with respect to eliciting the various approaches issuers undertake to ensure that the services the financial advisors and swap advisors can be segmented or unbundled. Also, the Task Force should establish proper evaluation criteria that incorporate appropriate diversity goals. With respect to partnering, segmentation is important as there has been successful partnering and the Task Force should be able to assess the trends of the firms with respect to diversity.

The Task Force next heard from John Bryan, Thruway, regarding broker-dealers. Mr. Bryan's presentation was as follows:

> Task Force members generally use broker-dealers to buy short-term investments of high quality and treasuries. They are selected from pools that are procured in a wide variety of fashions, ranging from a formal RFP process to just adding them to a list. There does not appear to be any statutory or regulatory constraints that are barriers for utilizing MWBEs. However, the capital requirements that some of the issuers utilize can present a barrier.

At that point Mr. Jones-Bey asked whether the standards were set by the authorities or the industry, to which Mr. Bryan responded, yes, they were usually set in the authorities' investment policies. Mr. Bryan agreed that this sometimes lead to discrepancies between the authorities' standards and the industry standards. Mr. Jones-Bey requested of the Chair that the Task Force examine that issue to ensure there are no artificial barriers. The Chair agreed that it should be examined. Mr. Bryan then continued as follows:

> The best practices are the same as those discussed earlier, having more forums and engaging in outreach. However, this scenario is a bit different because it is a high-bid scenario where the bid is awarded to the highest yielding investment. Mr. Bryan stated that partnering may not work in this case, however, as far as assessing diversity, the Task Force should examine past performance, team diversity, MWBE broker utilization and having standardized evaluation criteria.

The Chair then congratulated the presenters then solicited questions. Mr. Jones-Bey referred to Mr. Bryan's best practices and cautioned that any set-asides, etc. be done in a race-neutral vacuum that allowed the same opportunities for small businesses. A discussion ensued about goals versus set-asides. It was determined that the issue of set-aside was not relevant as the best practices would establish goals and not set-asides.

The Chair then discussed the "next steps" to be undertaken by the Task Force. He stated that the next Task Force Meeting was scheduled for June 8, 2009, at which time he would like the Task Force to consider recommendations in the areas that were covered. In the interim, however, further discussions would continue to ensure that the recommendations were as comprehensive as possible and go below the surface to determine what really needs to be done in order to make a difference. The Chair further stated that there was a briefing with the Governor concerning the Preliminary Report and subsequent to that briefing key legislative leaders were briefed. Further discussions are scheduled for May 26, 2009 with key legislators who had expressed interest in the areas the Task Force has pursued. Mr. Cavanaugh asked how the Task Force could take some of the work being done by the Task Force into the non-State-supported debt authorities or agencies. Mr. Jones-Bey stated that Scott Clay from his office handled compliance for the Division of Minority and Women Business Development and that it was their intention to bring the best practices to other agencies and have them incorporate them just as they were doing with training on other issues that were not addressed by the Task Force.

Mr. Cavanaugh expressed the need to have an on-going evaluative process so that when the Task Force was no longer in existence, two years later one could point to the accomplishments that were made. Mr. Jones-Bey stated that his Division now collected information on commodities, construction and professional services; he intended to collect information in these new areas going forward so that when the Task Force sunsets there will be a mechanism in place to collect the information. The Chair stated that he would clarify the applicability of the Executive Order to State authorities beyond the Task Force members. He further stated that the life of the Task Force extended to the end of January 2010, though it may be extended in order to issue a definitive report that included performance for 2009. Furthermore, one of the things the Task Force was charged with was looking at ways to institutionalize the benefits that were derived and ensure ongoing accountability. He stated that this was an issue with which the legislative partners were currently involved. The Chair thanked everyone.

The Meeting adjourned at approximately 12:30 p.m.

Respectfully submitted,

Paul T. Williams, Jr.
Chair

The New York State Minority and Women Owned-Business Enterprises Task Force met in a Regular Meeting at the Dormitory Authority of the State of New York's Albany Office at 515 Broadway, Albany, New York, and its offices at One Penn Plaza, New York, New York at 11:30 a.m. on June 8, 2009.

The Meeting was called to order by Paul T. Williams, Jr., Chair. Attendance was taken and a quorum was present. Those Members present for the Meeting were as follows:

Members Present:

Paul T. Williams, Jr., Chair – Executive Director, Dormitory Authority of the State of New York
Charlotte Hitchcock – Chief of Staff and Director of Financial Regulation, Governor Paterson's Office
Dr. Celia Gonzalez – Deputy Comptroller, Office of the State Comptroller
John Bryan – Chief Financial Officer, New York State Thruway Authority
Maureen McGrath – Deputy Director of Corporate Operations, Environmental Facilities Corporation
Michael Jones-Bey – Executive Director, Division of Minority and Women Business Development, Empire State Development Corporation

Additional Attendees:

Marco Carrion – Governor Paterson's Office
Sheila Robinson – Deputy to the CFO, Empire State Development Corporation
Carlos Otero – Vice President Contract Administration, Empire State Development Corporation
Marian Roslyn –Director of Program Development/Portfolio Management, Empire State Development Corporation
Tracie Sandell, Esq. – Assistant Counsel, New York State Thruway Authority
James Cavanaugh – President and Chief Executive Officer, Battery Park City Authority
Hector Calderon, Esq. – Affirmative Action Director, Battery Park City Authority
Michael T. Corrigan – Deputy Executive Director, Dormitory Authority of the State of New York
John G Pasicznyk – Chief Financial Officer, Dormitory Authority of the State of New York
Portia Lee – Managing Director of Public Finance and Portfolio Monitoring, Dormitory Authority of the State of New York
Jeffrey M. Pohl, Esq. – General Counsel, Dormitory Authority of the State of New York
Carra Wallace – Managing Director of the Office of Executive Initiatives, Dormitory Authority of the State of New York

Monica Norris, Esq. – Associate General Counsel, Dormitory Authority of the State of New York
Taffi Woolward – Director, Public Finance M/WBE Programs, Dormitory Authority of the State of New York
Gayle Katzman – Director, Executive Projects, Dormitory Authority of the State of New York
Paul J. Burgdorf – Director, Marketing and Communications, Dormitory Authority of the State of New York
Mark E. Violette – Press Officer, Dormitory Authority of the State of New York
Leigh Favitta – Director, Information Services, Dormitory Authority of the State of New York
Joel Pierre Louis – Senior Director, Operations, Dormitory Authority of the State of New York
Mitzi Stewart – Government Affairs Program Coordinator, Dormitory Authority of the State of New York
Christina Nicholson – Confidential Administrative Assistant, Dormitory Authority of the State of New York
John Moye – Executive Director, Office of Minority Affairs, Nassau County
Dean E. Bennett – Deputy Director, Office of Minority Affairs, Nassau County
Benita Leigh-Lewis – NYS Senate Majority
Brenda Calhoun – Calhoun Insurance Company, Inc.
Charles I. Amboi – Calhoun Insurance Company, Inc.
Eileen Frank – JP West
Leiquisha Ridgeway – JP West
Ellen Berry – Berry Abstract
Frances Bartlett – Rose & Kiernan, Inc.
John Murray – Rose & Kiernan, Inc.
Kandey Elliott – Horizon Land Services, LLC
Stephanie Rodigas – Horizon Land Services, LLC
Patricia Madsen – Winston & Strawn LLP
Daniel W. Mahle – Marsh USA, Inc.
Jeff Johnson – Wachovia Insurance Services
Anthony K. Greene – Insurance Brokers Association of New York
Harry Ennevor – E.G. Bowman Co. Inc.
Marjorie Young – E.G. Bowman Co. Inc.
Andrew Maloney – Bagwell Title Insurance

The Chair called the meeting to order, thanked everyone for attending and explained that there would be a slight change to the agenda. He stated that the Task Force would first adopt the minutes for February 1, 2009, followed by "next steps," and finally, close with the insurance industry briefing. The Minutes of the February 9, 2009 Task Force Meeting were reviewed and adopted without discussion.

The Chair advised the Task Force of the need to revise its production timeline. He stated that the Task Force had held a number of sessions, including on centered on financial advisers, swap advisers, accountants, banks and money markets. He stated that the information gathered thus far made it clear that there are a number of issues to be clarified prior to adopting definitive recommendations in those areas. He noted that it would take time, so, rather than submit those recommendations in July the Task Force would have them ready in September. He proposed that the Task Force have more discussions regarding potential legislative and or regulatory solutions to proposals in this area for the July meeting. He stated that the Task Force would not meet in August but would return in September with recommendations in the accounting/financial adviser, insurance and title insurance arena.

The Chair continued by stating that the Task Force would be briefed in the general and title insurance areas with respect to what the Dormitory Authority does in those areas, what some of the issues were and what the market looked like in terms of MWBE firms. He stated that the presentations would be split between general and title insurance and that Taffi Woolward, Director of Opportunity Programs for Financial Services, had taken the lead in organizing this session. He then turned the meeting over to Ms. Woolward.

Ms. Woolward stated that the Task Force would be given a general overview of how the Dormitory Authority utilized general liability and other types of insurance. She asked the other authorities to also provide comments in the area of general liability insurance after the presentations. She stated that the Task Force would hear presentations from 10 industry professionals who would discuss other jurisdictions' policy/practices for utilization of MWBE firms, procurement issues/barriers to entry, firms' criteria for measuring diversity, and partnering and joint venturing programs between MWBEs and majority firms. She noted that DASNY currently had an open procurement for general liability insurance and asked the presenters to refrain from referencing the RFP or using the session to boast their credentials. She then called on Ann Dodson to give a general overview of DASNY's use of general liability insurance.

Ms. Dodson, Assistant Director of Risk Management Safety for DASNY, gave a quick overview of how the Authority used brokers and how it procured them. She stated that the Dormitory Authority procured insurance brokers for seven different lines of coverage, including auto liability, commercial and general excess liability, crime; two directors and officers programs, all risk property insurance, travel accident and workers compensation. Premiums range from a little over $1,000 to several million depending on the size and nature of the coverage. Insurance brokers are used by the Authority to place all of its policies for all lines of coverage and generally those brokers are procured using a request for proposals process. She cited as exceptions two policies

whose premiums fall below the $5,000 procurement level - the travel accident and one of the officers and directors policies. According to Ms. Dodson, the broker's first function is to place the insurance policy with carriers selected for the terms and conditions of their policies, the related conditions and services that they provide and the premium levels. The Authority selects only one broker per line of coverage and that broker is expected to market DASNY's account to any and all carriers who can offer a viable insurance program for that line of coverage. The Authority looks for an aggressive marketing effort and brokers who have access to a broad range of carriers, including domestic and international insurance carriers. Brokers must be able to provide knowledge and resources commensurate with the complexities of the insurance program for which they have been selected. She stated that the Authority looks for brokers to help with interpretation of policy terms and conditions. Brokers also provide claim service, administrative services and loss control services. Claims services are used more frequently and requires regular and active participation in claims meetings. Brokers are generally procured on a three year cycle and the dates staggered by the Authority. She discussed the selection criteria used by the Authority, stating that until recently the Authority did not formally take MWBE status into account but that things have changed with current and recent procurements and she expected that change to continue for future procurements. Furthermore, all brokers must be licensed and are required to provide evidence of errors and omissions commensurate with the exposure presented by the program. Brokers are informally evaluated throughout the year and the Authority may remove a broker at anytime if we feel that broker is not meeting our needs. Finally, brokers are compensated either by fee paid by DASNY or by commission paid by the insurance carrier. Whether compensation is in the form of a fee or commission is based on the program and industry practice. In all cases the Authority requires the broker to disclose both the source and the amount of all compensation they receive in association with the placement of those policies.

The Chair noted that different programs will require a broker to engage in services on an ongoing basis. He then asked if there were any rhyme or reason with respect to those programs where the broker participate in an ongoing service to the Authority that they are paid either on a fee or commission basis.

Ms. Dodson responded yes, stating that the commissions are generally associated with the very small policies - those that fall below the $5,000 procurement threshold. All the others were fee based and that fee was negotiated with the broker based on the level and type of service that we anticipate.

Ms. Woolward gave a brief overview of the title insurance area noting that the authorities were not directly involved in the selection process of title insurance companies. She stated that borrower's counsel usually made the decision with respect to title insurance. She noted that DASNY had one situation where it had real property

transactions and if a title search was needed in that instance DASNY would utilize firms from a prequalified list.

The Chair stated that he had made inquiries in this area with respect to some of the lawyers and other service providers that the Authority uses in this area and found that there was a historic period now where borrower's counsel tends to fulfill the role of selecting the insurer, although it hadn't always been that way. He further stated that he had not found anyone to say that given the reason the authorities procure insurance (usually security for a mortgage that is being offered for bond deals) - whether that insurance is being offered for the benefit of investors or for the benefit of the issuer, there is clearly an interest of the issuer involved in that process – no one had said that this conflicted with the authorities having a role in this area – in fact, probably just the opposite.

1. Rose & Kiernan, Inc.

Ms. Woolward introduced *John Murray (President & CEO) and Frances Bartlett (Senior Vice President and Chief Operating Officer)*. They provided a copy of their presentation to the Task Force members. John introduced the agency as family-owned and providing personal lines insurance, placement and service, commercial property, casualty insurance placement service, and surety bonding services. His presentation was as follows: The majority stockholder is an Employee Stock Ownership Plan (employees vest after two years) and 39.2% of current shareholders are women or minorities. The services provided include negotiation and placement of programs such as general liability, excess liability and related liability programs; review of third party insurance specifications and contracts; and facilitation of insurance carrier relationships. Rose & Kiernan has a large presence in the public benefits sector. Broker services available to specific clients include design, placement and implementation of insurance products; COBRA administration; and consolidation of billing services. Though a large broker, for purposes of the Chamber of Commerce it is considered a small business and thus has limited resources. Some of the challenges facing insurance agents and brokers for developing a diverse workforce include recruiting, limited in-house training resources. R&K recruits from insurance carriers and seldom from colleges. In the last 20 years he has seen a reduced access to insurance company regional personnel, i.e., the place where they can recruit employees. Most insurance carriers have hubs in larger cities, which have lead to more extensive traveling in order to recruit. R&K actively pursues outsourced partners for the services of property casualty insurance for the benefit of their clients. Common joint venture property/casualty partners include actuary services, legal reviews, loss control services and environmental safety. There are also some common joint venture programs on the benefits side. He concluded his remarks by referring to the "Encouraging Diversity Growth and Equity (EDGE)" program in Ohio that encourages collaboration through mentor-protégé programs. Ms.

Bartlett stated that R&K look to find and are looking to find the highest qualified insurance professionals for its offices and would accept assistance in finding those professionals. Such a task is difficult as they are limited in their resources.

The Chair referred to the "Issues for Consideration" topic on page three of the handout and asked Mr. Murray if he was referring to areas that R&K customarily outsourced. Additionally, the Chair asked had he identified the pool of firms that he uses now and was that relationship on a client-by-client basis or some other type of basis?

Mr. Murray stated that typically they would have resources in the aggregate that they would go and try to make as broad an offering as possible and let the customer determine which one suited their needs. The work that R&K does allow them to work in a collaborative effort, thereby expending less resource while at the same time taking on more work within the firm. He saw this as a win-win situation.

Dr. Gonzalez asked if R&K had an aging workforce population.

Mr. Murray stated that they had two issues – an aging workforce and a growing business. They had a program at Hudson Valley Community College that was in its second year.

Dr. Gonzalez then commented that that this would lead to tremendous opportunities for the new generation, to which Mr. Murray agreed.

2. Wachovia Insurance Services

Ms. Woolward then introduced the next presenters - *Jeff Johnston*, *Senior Vice President* (his presentation will be e-mailed to Ms. Woolward at a later date.)

Mr. Johnston's presentation was as follows: Wachovia will trade under the name of Wells Fargo in the next month or two. They are the third largest U.S. based insurance brokerage firm, fifth largest in the world. Their approach to their business model is how to source it internally through minority participation for themselves as well as partnering with minority partners. They have a stable of partners, but they need more. They are inadequate both internally and externally. They look beyond just a joint venture on brokerage, have to look beyond just the placement. They look for medical case management personnel, court reporters for examinations before trial (particularly for general liability and DASNY with workplace labor law claims), TPAs, and companies that do risk management information systems. They look aggressively to outsource/partner in these areas. The same can be said about loss control. There are a large number of minority business enterprises with whom they have actively been

involved. They will bring in a partner into their training, allowing them to learn the business/trade so they that can take it back to their enterprise and grow – this training is free and the feedback has been positive. They have also done on premise internships where the partner will come on site, work for a set period of time (3-6 months) and OSHA 10 sponsorships. They also look at diversity and hiring and recruit from universities. Also, when working on government contracts, he determines what can be outsourced to minority business partners and who is qualified in that area.

Mr. Pohl asked whether the types of partner Mr. Johnston alluded to were used primarily in the broker services or in a broader array of services.

Mr. Johnston stated that they would look at both as each line would look different depending on what the focus would be. Mr. Johnston stated that if it was an unbundled TPA they may look to minority partners in that area.

Mr. Pasicznyk asked if they had any certifications for those firms. Mr. Johnston stated that if it was going to be in the government sector they would have to be New York State certified. They needed more business partners and ventures to learn the business and take back some great best practices to their enterprises.

Mr. Pohl asked if, based on experience with a governmental entity, that we could differ on how we structured the instrument. Mr. Johnston stated that the difficulty was that they needed a whole array of services that needed to be supported and it got very cumbersome and difficult to break up the RFP into specific areas. He further stated that it would be helpful if the governmental entity gave the proposer the guidance "to say you have the ability to bring to it however you will under certain requirements." As a general rule government authorities and agencies could do a better job of saying this should be considered, creating a win-win for both minority and non-minority business enterprises because it forces them to have to collectively think about it.

Ms. Woolward asked whether any government clients had asked for a breakdown of MWBE utilization on a transaction. Mr. Johnston said generally not, though his company tracked that information.

3. E.G. Bowman Co., Inc.

Ms. Woolward introduced the next presenters - *Harvey Ennevor, President & CEO and Marjorie Young, Senior Vice President & Marketing Manager* (they participated via video conference from New York City).

Mr. Ennevor first gave a brief background of the company. They have two associated companies, Bowman Specialty Services which specializes in loss prevention

and City Communications which specializes in loss prevention with an emphasis on education with respect to claims prevention. He then went on to read his presentation, which was made available to the Task Force. His presentation was as follows: In response to the research about increasing the participation of MWBEs, women and minority business are small and are not seeking charitable handouts but would like to prove their capability. One way to start is by opening up opportunities by eliminating discriminatory barriers that hinder rather than help. With respect to the general process for selecting insurance providers, the RFPs are inconsistent in presenting correct or sufficient underwriting information for the coverage sought. Many provide unrealistic time frames for questions and answers; specification development or application completion; exposure, coverage and loss analysis; and marketing the coverage; which the insurance companies need to underwrite, rate, develop a proposal; that needs to be reviewed by the broker and possibly negate the terms and conditions. Also, the contract should be for three years instead of one.

With respect to barriers to entry, a short RFP timing favors the incumbent. Also, many companies are unwilling to submit proposals because there is no commitment other than to premium containment as an incentive. Another issue with some insurance companies is lack of insurance background information. As a result, there aren't truly competitive bids, the organization keeps the incumbent, and all other brokers spin their wheels, wasting time and resources. This is a deterrent for minority brokers to bid on State contracts. The requirement of certified audited financial statements or the total written premium may be considered an obstacle and an intrusion for smaller companies. The RFP should look at the experience of the personnel rather than the experience of the company, i.e., how long the company has been in existence. Ensure that a firm is truly diversified by having it complete a questionnaire or request a copy of the latest EEO Census report. Companies that have low numbers should demonstrate their level of networking with women or minority owned companies. Rather than requesting in the RFP that a percentage of the work be allocated to MWBEs, the agency should "farm out" portions of the bid, e.g., separating out inspections or loss control, auditing, claims handling, etc.

With respect to recommendations, he would be pleased to mimic DASNY's "Green Collar" program by establishing an educational communications program for insurance brokers. Another is to create premium tiers or using a two-step proposal process. Under this system, if a woman or minority broker fails to obtain a contract, it would be helpful to know why so they can improve for the next opportunity.

4. Calhoun Insurance Company, Inc. (Buffalo, New York)

Ms. Woolward introduced the next speaker, Brenda Calhoun. Handouts relating to Article15-A of the New York State Executive Law and County of Erie Local Law Nos.

1, 5 and 9 were distributed to the Task Force members. The presentation was as follows: Ms. Calhoun has been in business for 20 years and has partnered with one of the top agencies in the country in order to provide required services on large State or municipal bids, such as loss control, engineering, claims, risk management. She also has $15 million of errors and omissions insurance, one of the primary requirements in most RFPs. The primary summary is on barriers to entry. She believes Article 15-A is the primary barrier because it excludes insurance, banking relationship and the sale of bonds as eligible services. The lack of mandate in this area explains the lack of success. Merely asking a majority firm to divide their income with a minority firm is not enough if they are not being held accountable. Therefore, first, legislation has to be amended to include insurance in the types of covered services. Second, there has to be enforcement and accountability. Erie County has three local laws for minority participation. There has been no accountability or enforcement. The RFPs state that if a bid is received and no minorities are attached to the bids, those RFPs will be thrown out. None have been thrown out to date or held accountable as to lack of good faith effort to have minorities. Although she is a certified minority firm, she has never been contacted by any outside firm. There is a need for an ongoing task force or oversight agency to monitor this process and the results should be published quarterly. She has partnered with Wally Services – done strategic market alliance with them – not a full-blown partnership because she wanted to maintain minority status and presence in her community. She has been successful obtaining municipal contracts but has never received a State contract. She believes that if a large firm that does not have a minority partner is selected over another large firm that has a minority partner there is no incentive/advantage for a majority firm to partner with a minority firm.

Mr. Jones-Bey asked whether it was Erie County or New York State, to which Ms. Calhoun responded that she has bid on both. She stated that the barriers are human barriers that have to be changed by the legislature and authorities. Nothing will change without enforcement.

5. JP West – Insurance Brokerage Risk Management firm located on Wall Street.

Ms. Woolward introduced Eileen Frank, *President/Founder*, and *Leiquisha Ridgeway* – Presentation distributed to Task Force members. The presentation was as follows: Ms. Frank informed the Task Force that she had additional resources/spreadsheets regarding how to utilize minority businesses that she would like to provide at a later date with DASNY's permission. The firm is 10 years old though she has been in the business for 30 years. She selected the topic of 'barriers to entry' and agreed with Harry Ennevor and Ms. Calhoun. The greatest barrier is that women or minorities do not have the capability to handle the larger more complex accounts. Also, a good MWBE firm could probably save the authority because they run their firms at a lower overhead than a larger firm offering the same products. One

barrier to entry as presented to the agencies is that the smaller brokers lack direct access to market. However, this should be of no relevance because if the account is large enough the insurance companies will accept the business on an open brokerage basis. So RFPs that say the bidder must have access to markets A-rated or better may preclude someone from participating who would be able to get access to market once they have confirmed the size of the account. The larger the account, the more flexible the carriers are with allowing brokers to bring that business to them without a prior appointment. The carrier only looks to see whether the broker has the expertise to manage that large account. If the authority is being encouraged to require the bidder to put the size of an insurance policy that a broker has when it compete for the authority's business if they don't have $15 or $20 million dollars at the time of an RFP is not relevant. What would be relevant is that they must have that coverage in place at the time they are about to ratify the contract. A firm that has the capability to serve -- and the only barrier is that they have not carried a large insurance but they can demonstrate that they can get it as of the effective date of the contract -- should be allowed to compete. Minority insurance brokers have existed for a long time because insurance carriers historically refused to do business with minorities. Many minority owners have worked for large companies before starting their own business and therefore have the expertise to handle these accounts. There is no risk assumption on the brokerage side – unlike securities deals. What the authority should look for is expertise. One other thing with respect to barriers to entry is that larger firms manipulate their numbers in order to look competitive. Therefore, the authority may have a better quote from a small broker, although it may not appear that way, because many larger forms own both retail and wholesale brokerage firms (commended DASNY on using a fee on large premiums). Many times the large firms will charge a fee and then allow their wholesalers (who get a commission) to place the business. So, the fee added to the commission results in a much higher cost to the agency. The agency should look for expertise, integrity, a demonstrated ability to access carriers that are financially solvent, a demonstrated ability to structure limits and layer programs to the level that the agency needs. The agency wants a demonstrated ability to perform risk identification, coverage limit, loss analysis and pricing. These are the things that should be flushed out in the RFP.

The Chair thanked Ms. Frank for her presentation and noted that she raised a lot of issues, some of which the Task Force would follow-up with her on at a later date. He asked if she could categorize a typical State engagement or large engagement, what level of staffing would typically, in the best practices standpoint, be assigned to an account. Ms. Frank responded that the staffing is not as relevant as the access to services because a lot of the larger companies "farm out" the work that they are doing to other companies. So what the agency wants is a combination of expertise within the small company, and to the extent that they are going to be supplementing, the agency wants to know who the subcontractors are as well as their expertise and capabilities. She further stated that where the prime had the right relationships with the

subcontractors all the agency's needs should be met. The agency would also find that many of the large companies subcontract out the work as well. Here the agency has the authority to use MWBEs and other diverse companies and still be able to achieve the level of expertise and quality of service that the agency requires, at the same time saving money.

6. Berry Abstract – Elleen Berry

Ms. Woolward introduced *Ellen Berry*. The presentation was as follows: Ms. Berry stated that she sells title insurance for commercial and residential real estate projects and transactions. She stated that most people are unaware of what title insurance actually is, so she gave a brief overview. Title insurance premiums paid on major projects are small and no one pays attention to whom the premiums are paid, how the companies are selected and who selects the companies. Premiums are set by the NYS Insurance Department; therefore, title insurance does not lend itself to traditional RFPs. On New York State real estate and bond financings, title insurance is typically ordered by the agency's in-house attorneys or the clients' attorneys with no regard to use MWBEs. New York State simply does not use MWBE title insurance companies. Since title insurance is not typically acquired via RFP, she would read the papers and contact the real estate division of the particular agency in order to do business. Soon after she received her certification, she contacted the General Counsel of the LMDC and offered her services, however was informed that Commonwealth does all their business. She offered to take a co-insurance position but that too was not available. However, based on information she submitted, she was later contacted to be used for at least part of the LMDC's next acquisition. She stated that she has attended many MWBE conferences with no luck. Subsequent to attending one such conference, she contacted the School Construction Authority and was informed that they only dealt with XYZ Corp. She believes that Article 15-A provides the legal authority for this ongoing practice. It is unacceptable that one company should get all the business from a State/public entity. She believes that Mr. Williams is committed to changing the current atmosphere. A review of DASNY's history revealed that it has not actively utilized MWBEs, a practice which is prevalent throughout the State. She recommended that the Task Force require that when title insurance is needed the attorney ordering title use New York State certified MWBE firms.

7. Horizon Land Services, LLC

Ms. Woolward introduced *Kandey Elliott* and *Stephanie Rodigas*. The presentation was as follows: Ms. Elliott stated that she would share some of the obstacles they have encountered in dealing with the certification process and researching. She would also provide recommendations that may help increase the participation of MWBE firms. She then turned the presentation to Ms. Rodigas who said that their experiences have

mirrored those of Ellen. She then discussed the following: (1) The certification process is arduous and time consuming and they get very little help from the agencies, thereby deterring MWBE participation. There are differences in prices with respect to informational services and one can bid on these services competitively (lowest bidder requirement). So, the only work they have been doing with governmental agencies has been in informational services. They never get to insure the work they do and are never asked to co-insure. (2) A lot of government agencies do not require title insurance at all because they certify or guarantee their own work and do a lot of title work in-house. Therefore, the only chance they get to do informational searches is when the government outsource, which is not very often. (3) There are more opportunities with respect to joint venture projects and that is where there is an opportunity because the government agency can put an incentive for an entire project to go under one title insurance company. (4) All the searches are done in-house, a policy is issued and an underwriter writes the policy through them. The underwriter gets a small percentage of the transaction while Horizon gets the larger percentage of what the policy is worth. (5) They work primarily with developers, law firms and lenders. She believes that provisions can be written into provisions of sale of real estate from government agencies to developers requiring MWBE participation once a contract is awarded. Ms. Rodigas commended procurement fairs, however, stated that the vendors do not generally know who in their agency is responsible for procuring title insurance. The fairs should be more structured and the department within the agencies should be more streamlined. She then referred to the other recommendations in the handout.

The Chair asked Ms. Rodigas whether the situation involving the low bid scenario was with a city or State agency, to which she responded that it was a State agency – the NYS Department of Transportation.

Dr. Gonzalez then asked what had been the most successful venture with a State agency and why? Ms. Rodigas said being successful would mean being able to issue insurance. The NYS Attorney General's Office has given them a decent amount of business with respect to informational services.

Mr. Cavanaugh asked if they were involved with the private sector. Ms. Rodigas stated that they conduct a lot of residential and commercial business across the country. She stated that they were a very capable company, but government title insurance business is generally given to the company with whom there is an existing relationship. Ms. Elliott stated that if entities were not "encouraged" to use MWBE firms, then they would never be utilized. Ms. Rodigas suggested putting together a brokerage or consulting team that put different MWBEs together because developers were not aware that these companies were out there unless the MWBE firm reached out to them. Ms. Elliott stated that it was difficult to partner or reach out to other firms because of the

confidential nature of the RFP. So the government agency had to make it an incentive for the companies to engage MWBEs.

When asked by Ms. Wallace about the size of the firm, Ms. Elliott stated that they were a boutique firm with 30 individuals and examiners on staff.

The Chair asked if the RFP encouraged joint ventures would that be a satisfactory setting to start the conversation on co-venturing or would they prefer it at some later stage in the RFP process. Ms. Rodigas stated that it would not be enough for title insurance because of the relationships and kickbacks involved. It would be good to have a tax incentive for developers purchasing inexpensive property from government agencies to use MWBEs.

Mr. Pohl asked whether on large projects where there were co-insurance requirement, was there any way to forge opportunities in relation to those co-insurance requirements. Ms. Rodigas said yes, and it would be very beneficial as there would be no risk to the government agency. A lot of big insurance companies would co-insure.

8. Winston & Strawn LLP (handout provided to Task Force members)

Ms. Woolward introduced *Patricia Madsen, Partner.* The presentation was as follows: Ms. Madsen stated that she was asked to speak on how counsel chooses title insurance companies and to suggest ways to increase the usage of MWBEs. Ms. Madsen described briefly how title insurance worked. Title insurance is generally provided at closing in municipal bond deals in which the bond issue is secured by a mortgage on real property. The policy is paid for by the borrower and the borrower chooses the title company. It is the exception when the counsel chooses the title insurer. Title insurance is a big business and pays substantial taxes to the State. Over the years, there has been substantial consolidation in the industry. Last year Commonwealth and Lawyers became insolvent and were absorbed into the Fidelity family. Some differences between title insurance and other types of insurance are (1) title premiums are set by the State; (2) the premiums are the same whether one buys directly from an underwriter or whether one buys it through an agency or abstract company; and the premium is paid in full when the policy is purchased and the policy is good for as long as the named insured holds mortgage securing bonds. The forms on which title insurance are issued and the forms that go with them are generated by the American Land Title Association but have to be approved by the State Insurance Department. That means that not only is there no real competition on price; there is no competition on coverage either. All major title companies are publicly owned, and although they all have female and minority shareholders, they are not minority or women-owned. Ms. Madsen stated that the best solution is to enforce diversity programs making sure the title/sales reps. are women and minorities and the agency sees minority and female

faces on the accounts. The other is abstract companies. There are many abstract companies that are minority and women-owned but there are also barriers to using abstract companies. They are sometimes not as sophisticated as the big title companies. There has also been a reluctance to use abstract companies for large amounts of escrows and large amounts of mortgage recording taxes. One suggestion is that in other states the closing protection letter that a title insurer issues on behalf of its agent is much stronger. The NYS Insurance Department could require a stronger letter to give people comfort on large transactions.

Dr. Gonzalez asked what happened to the two big companies (Lawyers and Commonwealth) that were absorbed by Fidelity. To which Ms. Madsen said they went bankrupt, down times produce more claims. Ms. Gonzalez observed that even though they were credible firms and very large and had everything they needed they went bankrupt and the smaller firms are still in existence. Ms. Madsen said that was correct, though you need both parts. The abstract companies, small firms, could not issue insurance. Ms. Madsen further stated that the other part of the service, outside of producing the report is handling recordings which can be quite complex.

The Chair asked for clarification about lines of responsibility in terms of title insurance - the borrower pays for the policy but the policy is written or certified to the trustee. Ms. Madsen said correct. For example, if ABC Corp. were buying a piece of property from the Authority and an IDA were financing the purchase, she would typically buy two policies, an owner's policy and a lender's policy (mortgage policy) but she paid the bill for both. The Chair further stated that in the instance where she was buying a policy for herself and her own protection is one thing, when the policy was for the benefit of the bondholders or investors was a different issue. And bond transactions were not acquisition transactions but transactions where the mortgage was being obtained for security purposes already owned and insured by the borrower independently so the only policy issued would be the one going to the bondholders (the mortgage policy), couldn't we easily say that it was our interest versus the borrower's interest. Mr. Pohl stated that it was up to the mortgagor to give to us the mortgagee policy clean title. Ms. Madsen said the borrower's counsel is usually the one working with the title company to clear up the title report so that the final policy issued for the benefit of the bond trustee is in an acceptable form. Mr. Pohl said this does not mean it could not be changed. Ms. Madsen agreed, stating that it was within the agencies' ambit to require minority and female sales reps.

9. Insurance Brokers Association of New York

Ms. Woolward introduced *Anthony Green*. The presentation was as follows: Mr. Green stated that he recently reviewed the legal services Best Practices put forth by the Task Force and would discuss three issues. Insurance brokers must be divided into two

categories – placement services and other services (loss control, administrative, etc.). In order to change the landscape of the insurance brokers' community one must survey agencies to figure out who are the insurance companies that provide general liability insurance. The legal services Best Practices are directly applicable to an insurance brokerage arrangement. He further stated that he tailored those recommendations to insurance brokers. There is a comfort level that must be facilitated overtime, therefore, the first issue is that we should provide early teaming opportunities where MWBEs are put together in a room with the players that historically have the ability and have provided the services for the agencies because it is too late to try to team them at the time of the RFP. This model has been used successfully in the legal and other professional areas. One of the barriers was that many minority firms do not have direct access to insurance companies. Therefore, they have to partner just to get the placement. He suggested a reverse joint venture. He suggested asking the insurance companies that the agencies have traditionally dealt with to provide information regarding the number of minority and women broker firms that have direct access to their company. Basically the agency would be asking for information rather than telling the company what to do. This would lead to greater competition and encourage joint ventures. Firms that wanted to have the right answers would start changing their numbers. Also ask the insurance companies about the number of minorities and women in senior positions. Mr. Greene closed by stating that he believed the business case is there. A lot of minority owned brokers and service providers just are not familiar with who the players are and the agencies can facilitate those introductions well in advance of the RFP process.

10. Marsh USA (handout provided to Task Force members)

Ms. Woolward introduced *Mr. Dan Mahle, Senior Vice President*. The presentation was as follows: Mr. Mahle addressed partnering/joint venture approaches to MWBE and majority firms. He stated that the first thing his company did was find its baseline because "you don't know what you don't know." They knew they were supporting minority suppliers but did not know to what extent and in what areas. They hired a vendor – CVM Solutions- to scrub their database and it turned out they had utilized 1,100 diverse suppliers, comprising $37M in spending in 2008. They now can manage and report on diversity efforts. They have taken a similar approach with respect to DASNY. They take a top down approach that takes advantage of existing majority supplier relationships in order to drive minority supplier participation (the traditional approach of contracting, though effective, leads to the small brokers competing against the larger brokers.) The top-down approach focuses on increasing second tier minority spending by guaranteeing that the suppliers engage minority firms as part of their sourcing and procurement strategy. They have engaged Heidrick and Struggles – a multi-national supplier of retained search services- to, among other things, manage a

group of minority and women owned search firms. MMC wins by being able to access a broader pool of diverse suppliers.

Ms. Woolward thanked the presenters and stated that the Task Force had received good information and learned a lot. She stated that the Task Force members would review what the Authorities did in terms of general liability and title insurance and put forth some recommendations in this area.

The Chair echoed Ms. Woolward's remarks and informed the presenters that the Task Force would be in touch regarding any other work it would be doing. Ms. Woolward stated that the next Task Force Meeting would be held on July 1, 2009.

The Meeting adjourned at approximately 2:20 p.m.

Respectfully submitted,

Paul T. Williams, Jr.
Chair

The New York State Minority and Women Owned-Business Enterprises Task Force met in a Regular Meeting at the Dormitory Authority of the State of New York's Albany Office at 515 Broadway, Albany, New York, and its offices at One Penn Plaza, New York, New York at 11:30 a.m. on July 21, 2009.

The Meeting was called to order by Paul T. Williams, Jr., Chair. Attendance was taken and a quorum was present. Those Members present for the Meeting were as follows:

Members Present:

Paul T. Williams, Jr., Chair – Executive Director, Dormitory Authority of the State of New York
Michael Fleischer, Esq. – Executive Director, New York State Thruway Authority
James Levine, Esq. – General Counsel, Environmental Facilities Corporation
J. Marc Hannibal, Esq. – Assistant Counsel, Office of the State Comptroller
Michael Jones-Bey – Executive Director, Division of Minority and Women Business Development, Empire State Development Corporation **[*by phone*]**
Priscilla Almodovar, President and CEO, New York State Housing Finance Agency/State of New York Mortgage Agency **[*by phone*]**

Additional Attendees:
Patricia Warrington -Assistant Deputy Comptroller, Office of the State Comptroller
Robert Watson -Assistant Director, Bureau of Debt Management, Office of the State Comptroller
Joy Willig, Esq. – General Counsel, Housing Finance Agency / State of New York Mortgage Agency
Sheila Robinson – Deputy to the CFO, Empire State Development Corporation **[*by phone*]**
Marian Roslyn –Director of Program Development/Portfolio Management, Empire State Development Corporation **[*by phone*]**
William Estes – General Counsel, New York State Thruway Authority
John Bryan – Chief Financial Officer, New York State Thruway Authority
Tracie Sandell, Esq. – Assistant Counsel, New York State Thruway Authority
Brian McClintock – Financial Development Manager Environmental Facilities Corporation
Portia Lee – Managing Director of Public Finance and Portfolio Monitoring, Dormitory Authority of the State of New York
Jeffrey M. Pohl, Esq. – General Counsel, Dormitory Authority of the State of New York
Carra Wallace – Managing Director of the Office of Executive Initiatives, Dormitory Authority of the State of New York

Debra Pulenskey Drescher, Esq. - Managing General Counsel, Dormitory Authority of the State of New York
Monica Norris, Esq. – Associate General Counsel, Dormitory Authority of the State of New York
Taffi Woolward – Director, Public Finance M/WBE Programs, Dormitory Authority of the State of New York
Gayle Katzman – Director, Executive Projects, Dormitory Authority of the State of New York
Paul J. Burgdorf – Director, Marketing and Communications, Dormitory Authority of the State of New York
Mark E. Violette – Press Officer, Dormitory Authority of the State of New York
Leigh Favitta – Director, Information Services, Dormitory Authority of the State of New York
Louie J. Tobias, Director of Strategic Initiatives, Dormitory Authority of the State of New York
Mitzi Stewart – Government Affairs Program Coordinator, Dormitory Authority of the State of New York
John Moye – Executive Director, Office of Minority Affairs, Nassau County **[*by phone*]**
Dean E. Bennett – Deputy Director, Office of Minority Affairs, Nassau County **[*by phone*]**

The Chair informed the Task Force members that members of DASNY staff had conducted research on background, historic and present day information regarding the regulatory and legislative framework of minority business development and would provide the Task Force with a PowerPoint presentation. He stated that the presentation would help the Task Force determine reasonable, realistic and fair proposals to ensure that the benefits of the work accomplished by the Task Force could be sustained and become institutionalized. The Chair then directed the members to review the March 9th Minutes, which he stated would be adopted at the next Task Force Meeting.

The Chair stated that the presentation would: address the historic framework of legislative initiatives in the MWBE arena and what had been identified as some limitations in the existing statutory/regulatory framework; and identify areas for focus and discussion by the Task Force. He also stated that the presenters would discuss statutory proposals as well as review best practices in other jurisdictions. He turned the Meeting over to the first presenter, Mitzi Stewart.

Ms. Stewart's presentation focused on the history of the New York State MWBE Program and revealed the following:

- In 1973, the New York State Office of Minority Business Enterprise was established within the Department of Commerce.

- In 1981, Governor Hugh Carey issued Executive Order No. 117, which prescribed arrangements for developing and coordinating a State program for minority business enterprise. This called for the expansion of the foundation created by the Office of Minority Business Enterprise in the Department of Commerce. With this Executive Order came an expansion of the existing foundation, the required clarification of the roles of the Commissioners of Commerce under the auspices of General Services, in terms of strengthening and supporting minority-owned businesses, technical and management assistance to those businesses, establishing an Executive Committee (composed of the Commissioners of OGS, Labor, Transportation, Environmental Conservation and Commerce, the Secretary of State and Director of Budget, the Superintendents of Banks and Insurance). The Executive Committee utilized public and private resources to ensure that the State's efforts would be successful. Executive Order No. 117 also established an 11 member Advisory Council for Minority and Business Enterprise to oversee the program.
- In 1983, Governor Mario M. Cuomo issued Executive Order No. 21, which prescribed arrangements for establishing a State program for contract compliance and minority and women-owned business enterprise. Executive Order No. 21 retained all of the provisions of Executive Order No. 117 and added women-owned business enterprises and created an Office of Contract Compliance and Minority and Women-Owned Business Enterprise in the executive chamber, the director of which reported directly to the Governor. It also added the Secretary to the Governor and the Director of the Division of Women to the Executive Committee.
- In 1983, Governor Mario M. Cuomo issued Executive Order No. 6, which ultimately made the Department of Civil Service responsible for ensuring equal employment opportunities for minorities, women, disabled persons and Vietnam era veterans in State government.
- In 1988, Article 15-A (Executive Law §§ 310-318) was enacted and provided for participation by minority group members and women with respect to State contracts.
- In 2003 Article 15-A was reauthorized and is currently set to expire on December 31, 2018.
- In 2008, Governor David A. Paterson issued Executive Order No. 10, which charged the Task Force with the responsibility of ensuring the utilization of MWBE firms is part of the State's debt offerings.
- In April 2009, Governor David A. Paterson convened a Task Force to improve diversity in the State workforce.
- After approximately 36 years of evolving public policy, as of February 2007, the MWBE program certified 6,975 MWBEs and New York State awarded approximately $445 million in contracts to some of those entities in the

2005/2006 fiscal year. Approximately 23% of New York's small businesses are owned by minorities and 26% are owned by women, however, only 3% of the State's contracts were awarded to minority and women-owned businesses in the 2005/2006 fiscal year.

The next presenter was Monica Norris. The statutes that Ms. Norris discussed included Article 15-A of the Executive Law, §§ 136-b and 163(6) of the State Finance Law ("SFL") and § 2879 of the Public Authorities Law ("PAL"). Ms. Norris's presentation was as follows:

> Article -15-A is comprised of § 310 through § 318 of the Executive Law. Upon enactment, it authorized the creation of the Division of Minority and Women's Business Development ('DWMBD"). Its mission was to "promote equality of economic opportunities for MWBEs and to eliminate barriers to their participation in state contracts." The DMWBD performs three major functions: First, to encourage and assist state agencies that are engaged in contracting activities to award a fair share of State contracts to MWBEs; second, to review applications by businesses seeking certification as an MWBE and to maintain a directory of certified MWBEs; and third, to promote the business development of MWBEs through education and outreach to agencies and MWBEs. State agencies' are charged with establishing employment and business participation goals for minorities and women on State contracts.

Article 15-A defines a State agency as any State department, or any division, board, commission or bureau of any state department, or the State and City universities of New York including all their constituents (except community colleges); or a board, a majority of whose members are appointed by the Governor. Section 310 lists the public authorities that are included in the definition of State agency. Not all public authorities are listed and some authorities are included only to the extent that the contracts entered into are for their account or for the benefit of a State agency. One such authority is the Dormitory Authority.

The statute defines minority-owned business enterprise and women-owned business in essence as an entity that has at least 51% owned by one or more minority and or women; the ownership interest must be real, substantial and contributing; the minority and or women must have and exercises the authority to control the day-to-day decisions of the business; and be authorized to do business in New York State. State Contracts is defined as a written agreement or purchase order for labor, services, supplies, equipment, materials over $25,000 and over $100,000 for construction services. Services, under this definition, do

not include banking relationships, the issuance of insurance policies or contracts, or other contracts for the sale of bonds, notes or other securities.

Ms. Norris further discussed the provisions of section 315 that related to the responsibilities of contracting agencies as well as § 316 – enforcement. Under Article 15-A, when the Director of DMWBD receives a complaint from an agency that a contractor has violated the MWBE provisions of a contract, the Director can attempt to resolve the complaint. Once the arbitrator makes a decision, the Director can either (a) adopt the arbitrator's recommendations; (b) disregard the recommendations by not imposing any sanctions; or (c) modify the recommendations. Note that while the Director can reduce the arbitrator's recommendation of penalties he cannot expand upon the sanctions or impose additional sanctions.

Ms. Norris's discussion alluded to section 136-b of the SFL which addresses the selection of underwriters by State Agencies. An agency that sells its bonds, notes or other securities at a private sale is required to consider the participation of certified MWBEs and the ability of non-MWBE firms to work and assist the participation by MWBE firms. SFL § 163(6), entitled 'Discretionary Buying Thresholds," allows State agencies to purchase commodities or services for up to $100, 000 from small businesses or MWBEs. Prior to 1995, Article 11, which is the State Purchasing provision of the SFL, only addressed the purchase of commodities. In 1995 a new Article 11 was enacted that addressed the procurement of services. The 1995 subdivision (6), however, only allowed for discretionary purchases from MWBEs for procurements relating to commodities and technology. In 2000**,** Subdivision (6) was amended to allow State agencies to procure commodities and services from MWBEs without a formal competitive bidding process. The State purchasing provisions of the SFL do not apply to public authorities, which are governed by the PAL. Section 2879 of the PAL requires each public authority to adopt guidelines regarding the awarding, monitoring and reporting of procurement contracts. The statute also requires the guidelines to identify those areas or types of contracts for which MWBEs may best bid so as to promote and assist participation by such enterprises and facilitate a fair share of the awarding of contracts to such enterprises.

Ms. Norris informed the Task Force of some of the limitations of Article 15- A, which included the following: (i) it excludes banking relationships, insurance services and the sale of bonds, notes or other securities from the definition of services; (ii) it does not apply to all public entities and its reporting and compliance mechanisms lack public scrutiny and review; and (iii) has typically been interpreted to apply to construction contracts and not professional services contracts. The Task Force had received complaints that PAL § 2879 was too vague and does not expressly state the specific criteria that the public authorities should include in their procurement guidelines regarding MWBE participation on contracts. It also does not provide for

adequate reporting, compliance and enforcement mechanisms and fails to ensure adequate oversight. Therefore, in light of the above, the Task Force, in implementing an MWBE program, must address three major areas – scope, reporting, and oversight (including compliance and enforcement). The scope should determine what entities should be covered by an MWBE program; what types of contracts should be included; should Article 15-A be expanded to include the excluded services; should the scope apply to all State contracts, including contracts with private clients that somehow receive significant State dollars; and should the State entities be graded on their MWBE initiatives. With respect to oversight, the Task Force should determine the type of MWBE oversight model to be adopted as well as ensure enforcement of the MWBE requirements. With respect to the reporting requirements, the Task Force should focus on the types of review it deems necessary, the level of detail and the structure of the reporting requirements.

Ms. Norris suggested the following ways to increase MWBE participation on State contracts with respect to 15-A: (i) have it apply to all State public authorities; (ii) include all State contracts that involve significant expenditure of State funds, including those for private clients; (iii) include the excluded services of insurance providers, and the sale of bonds and securities; (iv) require that the diversity practices of firms be considered in evaluating RFPs; (v) and expressly state that 15-A applies to professional services contracts. With respect to solutions for proper oversight, compliance and enforcement of 15-A, the suggestions included (i) the creation of separate and independent oversight entity; (ii) the appointment of a high level State official whose primary responsibility would be to oversee MWBE programs for the State and monitor the State's MWBE requirements; (iii) having an employee in each Authority whose primary responsibility is to oversee administration of MWBE initiatives; (iii) holding public entities accountable and subject to sanctions; (iv) sanctions for failure to comply with these requirements, including debarment of contractors. Ms. Norris then discussed a potential oversight model for State agencies that provided for the appointment of a Chief Diversity Officer whose primary responsibility would be to oversee MWBE programs for the State.

Ms. Norris then discussed SFL § 163(1)(j), which requires State agencies to select contractors for professional services based on best value, taking into consideration quality, cost and efficiency among responsive and responsible bidders. A suggested amendment would be to include consideration of a firm's diversity practices or status as an MWBE in the definition of best value.

The recommendations for amending the PAL with respect to scope were as follows: (i) require that the authorities' procurement guidelines incorporate some of the best practices set forth by the Task Force; (ii) require that each public authority's annual reports include a summary of the public authority's MWBE participation goals and

results; (iii) require the reports to describe the public authority's programs to achieve MWBE participation goals; and (iv) create a self regulatory organization ('SRO") to be comprised of representatives from the major public authorities. With respect to oversight: (i) require each public authority to have at least one employee whose primary responsibility is to oversee administration and compliance with MWBE requirements; (ii) allow the SRO to sanction public authorities; (iii) develop compliance and enforcement mechanisms; (iv) and allow for debarment of contractors that fail to comply with MWBE goals. A potential oversight entity for public authorities would be an SRO that included representatives from each major public authority. Other than statutory changes, administrative tools may include: (i) adopting policy formally stating that equal opportunity and diversity are important; (ii) utilizing discretionary purchases to allow for the development of programs for MWBEs; (iii) developing programs that promote growth of qualified MWBEs; (iv) utilizing diversity practices of firms when evaluating qualifications; and (v) instituting awareness programs that emphasize the importance of diversity to the procuring entity.

Ms. Stewart then presented on the different ways in which MWBE initiatives were enforced in other jurisdictions. Ms. Stewart discussed the following: (i) termination of non-compliant contracts (currently exercised by California, Indiana and Rhode Island); (ii) decertification/debarment of contracting entity that fails to achieve MWBE goals (currently exercised by California, Indiana and Rhode Island); (iii) imposition of penalties on state agencies that fail to achieve MWBE goal (currently exercised in Iowa); (v) incentives for contractors that utilize MWBEs and/or achieve employment goals (Minnesota); and (iv) the appointment of an official charged with overseeing diversity programs.

Ms. Woolward then discussed potential oversight, enforcement and compliance models. They included:

(i) the appointment of a chief procurement officer (an executive role focused on supply management for an enterprise). Examples include Hawaii.

(ii) the appointment of a chief diversity officer (centralized management in a leadership position empowered to oversee both employment and procurement practices of the entity).

(iii) the appointment of a supplier diversity czar (an investigator that examines the actions of government agencies to ensure compliance with established procurement laws and policies). Government czars are designated problem solvers and consciously placed outside of the traditional bureaucracy, giving them several advantages in getting the job done. An example of a public sector czar is Steve Rattner who was appointed as the auto industry czar by the current federal administration.

(iv) the creation of a self-regulatory organization (an organization that exercises some degree of regulatory authority over an industry or profession, and may be utilized in addition to government regulation or fill the vacuum of an absence of government oversight and regulation). In the private sector, the National Association of Realtors is an example of an SRO that fills the vacuum left by the absence of government oversight in regulation within the real estate profession. Another example is the American Medical Association. They set the rules for ethics and conflicts and discretionary action associated with the medical profession.

(v) the appointment of an inspector general to examine the actions of government agencies to ensure compliance with established policies. Currently, the Inspector General model is not commonly used in the private sector.

Ms. Wallace stated that the information presented should be divided into three sectors: oversight, compliance and enforcement and reporting and that the Task Force would develop an outline to examine those sectors in further detail, including the possibility of drafting legislation.

The Chair pointed to the enormous amount of information that was presented, and commended the team that worked on the PowerPoint presentation. He then solicited comments from the Task Force. Mr. Jones-Bey commended the team and requested information on what DASNY currently does in terms of enforcement. Ms. Wallace stated that DASNY assesses fees against contractors that fail to meet their MWBE goals. Thus far, DASNY has collected over $500,000 in assessments that is used for training and development for MWBE contractors. Such a clause is included in the DASNY contracts. Mr. Jones-Bey expressed interest in having public authorities implement those practices but was unsure whether executive agencies would be able to do the same. Mr. Levine asked how DASNY determined that a penalty should be assessed. Ms. Wallace responded that DASNY's Opportunity Programs Group had oversight over the contractors and ensured compliance. Mr. Pohl stated that under the ESDC regulations the agencies had an obligation to ensure that the contractors adhered to their MWBE goals. Mr. Levine mentioned the State Revolving Fund where EFC ensures that the local governments complied with the State's MWBE requirements. Ms. Robinson requested that they be provided with the language that is used in contracts regarding this issue. The Chair stated that such language would be provided.

Dean E. Bennett, Nassau County, Office of Minority Affairs, inquired about current statutory language that related to prompt payment to MWBE firms or subcontractors. The Chair stated that State law currently addressed prompt payment to contractors. After further discussions regarding whether the law applied to both the prime and sub-contractors, the Chair stated that the matter would be explored further.

The Chair also addressed the concept of a State agency versus a public authority, particularly, to what extent should regulations or legislation focus on agencies or establishing an SRO that maintained the separation between State agencies and public authorities. Mr. Levine agreed that the Task Force should consider the difference between state agencies and public authorities, particularly in light of the public authority law that was recently passed.

The Chair asked whether New York currently allowed for debarment of firms that fail to satisfy MWBE requirements. Mr. Pohl and Ms. Norris responded that there was nothing specific in statute. The Chair mentioned that other states prohibited contractors from being registered if they had been debarred in another State and New York may benefit from having similar language in its statute. Ms. Norris referred to the State's Vendor Responsibility Questionnaire and the Chair asked her to review the VendRep and provide some background. Mr. Pohl also stated that DASNY currently utilized the Uniform Contracting Questionnaire and a wrapper. Per Mr. Levine, so does EFC. The Chair stated that the Task Force would review the different forms and determine their applicability to the other Task Force members. Ms. Wallace asked whether the public authorities referenced during the presentation included local public authorities. This prompted further discussion on the issue, because the definition of public authority included only State authorities and LGAC was not included. It was further discussed that if 15-A were amended to included the excluded services such amendment would not impose any additional reporting/enforcement requirements on the public authorities that were already covered by 15-A. Mr. Jones-Bey informed the Task Force that DMWBD had a new compliance tool that would be able to collect performance data and track payments.

John Moye, Nassau County, stated that he understood that a utilization plan was not uniformly used throughout the State and only DOT used such a plan in relation to highway construction. Mr. Jones-Bey stated that all agencies, particularly those that were heavily involved with construction, used utilization plans. Mr. Moye requested that the Task Force examine what the federal government currently does in terms of the Office of Federal Contract Compliance with respect to MWBE companies in order to assist it in preventing legal challenges. Mr. Hannibal then asked ESDC about the status of the disparity study that was being conducted. Mr. Jones-Bey stated that the disparity study would be completed early next year, however, he requested that the Task Force add a small business component to its program because they have been proven to produce positive results for MWBEs and are race neutral. Nassau County raised the issue of subcontractors not being paid in a timely manner by prime contractors and requested that the Task Force address this issue in its programs.

Again the Chair commended the presenting team and stated that the Task Force would have recommendations for future deliberations and consideration. He stated

that the Task Force was expected to meet again in September, at which time it would consider recommendations for financial advisors, broker-dealers and insurance and title insurance providers. The Chair thanked everyone for attending.

The Meeting adjourned at approximately 1:10 p.m.

Respectfully submitted,

Paul T. Williams, Jr.
Chair

The New York State Minority and Women Owned-Business Enterprises Task Force met in a Regular Meeting at the Dormitory Authority of the State of New York's Albany Office at 515 Broadway, Albany, New York, and its offices at One Penn Plaza, New York, New York at 11:30 a.m. on September 14, 2009.

The Meeting was called to order by Paul T. Williams, Jr., Chair. Roll call was taken and a quorum was present. Those Members present for the Meeting were as follows:

Members Present:

Paul T. Williams, Jr., Chair – Executive Director, Dormitory Authority of the State of New York
Charlotte Hitchcock – Chief of Staff and Director of Financial Regulation, Governor Paterson's Office
Dr. Celia Gonzalez – Deputy Comptroller, Office of the State Comptroller
John Bryan – Chief Financial Officer, New York State Thruway Authority
Maureen McGrath – Deputy Director of Corporate Operations, Environmental Facilities Corporation
James Gebhardt– Environmental Facilities Corporation
Michael Jones-Bey – Executive Director, Division of Minority and Women Business Development, Empire State Development Corporation (telephone)
Michael Fleisher, Esq. – Executive Director, New York State Thruway Authority

Additional Attendees:

Sarah Lewis – Governor Paterson's Office
Damans Rodriguez – Governor Paterson's Office
J. Marc Hannibal – Assistant Counsel, Office of the State Comptroller
Patricia Warrington – Office of the State Comptroller
Frances Walton – Chief Financial Officer, Empire State Development Corporation *(telephone)*
Robert Godley – Treasurer, Empire State Development Corporation
Sheila Robinson – Deputy to the CFO, Empire State Development Corporation
Carlos Otero – Vice President Contract Administration, Empire State Development Corporation
Marian Roslyn – Director of Program Development/Portfolio Management, Empire State Development Corporation
William Estes – General Counsel, New York State Thruway Authority
John Bryan – Chief Financial Officer, New York State Thruway Authority
Tracie Sandell, Esq. – Assistant Counsel, New York State Thruway Authority
Marian Zucker – Executive Vice President, Housing Finance Agency / State of New York Mortgage Agency (telephone)
Gloria Boyd – Housing Finance Agency / State of New York Mortgage Agency *(telephone)*
Tom Ralph – Housing Finance Agency / State of New York Mortgage Agency *(telephone)*
James Cavanaugh – President and Chief Executive Officer, Battery Park City Authority
Hector Calderon, Esq. – Affirmative Action Director, Battery Park City Authority

Michael T. Corrigan – Deputy Executive Director, Dormitory Authority of the State of New York
John G Pasicznyk – Chief Financial Officer, Dormitory Authority of the State of New York
Portia Lee – Managing Director of Public Finance and Portfolio Monitoring, Dormitory Authority of the State of New York
Jeffrey M. Pohl, Esq. – General Counsel, Dormitory Authority of the State of New York
Carra Wallace – Managing Director of the Office of Executive Initiatives, Dormitory Authority of the State of New York
Monica Norris, Esq. – Associate General Counsel, Dormitory Authority of the State of New York
Taffi Woolward – Director, Public Finance M/WBE Programs, Dormitory Authority of the State of New York
Gayle Katzman – Director, Executive Projects, Dormitory Authority of the State of New York
Paul J. Burgdorf – Director, Marketing and Communications, Dormitory Authority of the State of New York
Mark E. Violette – Press Officer, Dormitory Authority of the State of New York
Leigh Favitta – Director, Information Services, Dormitory Authority of the State of New York
Mitzi Stewart – Government Affairs Program Coordinator, Dormitory Authority of the State of New York

The Chair called the meeting to order and welcomed everyone to the meeting. He stated that the working group was trying to finalize recommendations in a number of areas and that he would provide the Task Force with updates as well as discuss the development of legislative proposals. The Minutes of the March 9, 2009 Task Force Meeting were reviewed and adopted without discussion.

The Chair then discussed draft recommendations for a number of services. He turned the meeting over to Portia Lee to discuss recommendations of financial advisors and swap advisors. Ms. Lee referred back to the spring when the Task Force held a panel discussion in various financial services areas. She stated that the Task Force put together a broad range of recommendations and today the Task Force would be presented with draft recommendations in each subsector. She discussed financial and swap advisors, noting that the standard way of obtaining these services was by issuing RFP and providing notice in the Contract Reporter. She indicated that the Recommendations would like to make outreach more expansive and ensure that information is widely available and widely disseminated. Such notification would include notification to professional organizations and maintaining a database of firms that have expressed doing business with each authority. With respect to advertising, she suggested that the authorities do so in the Bond Buyer or other major publication in the industry if able to do so taking into account budget restraints. Additionally, authorities should ensure that their websites were current with respect to upcoming RFPs and schedule. She also discussed the

need to host ongoing forums in order to get the word out, noting that those hosted by the Task Force thus far had been successful.

The Chair raised concerns regarding outreach and agreed upon baseline for underwriters, lawyers, bond counsel and financial advisors. Specifically, noting that maybe advertising in the Bond Buyer should not be discretionary as the Bond Buyer is a national publication that all interested persons read. He suggested a possible collaboration among the Task Force members with respect to collectively negotiating a rate that is feasible. He proposed making advertisement in the Bond Buyer for financial advisors, underwriters and swap advisors, not mandatory, but a prescribed part of the procurement process as opposed to discretionary. He suggested that by the next meeting the Task Force should have a better idea of the cost of advertising in the Bond Buyer.

Another concern was raised regarding the cost of advertising in light of the current budget constraints. Furthermore, because the RFPs were staggered, this presented a problem with Task Force members using joint ads. The Chair agreed that a cost issue existed. He stated, however, that it was a question of how one prioritized those costs. The members should ensure that they got maximum exposure for the RFPs that were issued this year and next. He stated that he was not sure that such exposure could be gained other than by advertising in the Bond Buyer as firms were not always looking at the Contract Reporter, websites or the individual databases. He again stated that the members would have a better idea of what the costs and annual utilization of the Bond Buyer were. We will conduct a comparative analysis of the Task Force public authorities (and Battery Park City) participation, as well as discuss with the Bond Buyer what the actual costs would be. A concern was raised as to whether naming the Bond Buyer in the RFP would constitute endorsing a particular magazine. It was suggested that the criteria should be more general without specifically naming the Bond Buyer. Several Task Force members agreed with this point.

Ms. Lee then discussed the RFP process. She stated the RFP should contain a statement of intent, MWBEs must prove that they were certified, and the RFP cycle was recommended for a term not greater than three years with two one-year extensions. Ms. Lee also recommended that the authorities revise their assessments to eliminate barriers to entry and unbundle the services to expand opportunities for as many firms as possible. This recommendation also required firms to complete a diversity questionnaire. Ms. Lee also discussed the evaluation process. This included the evaluation criteria, the evaluation committee and the retention of the right by the authorities to negotiate fees. Ms. Lee also recommended an aspirational goal of 20% participation by MWBEs and/or the staff utilized by other firms.

Mr. Estes mentioned that Thruway's contracts were reviewed by the State Comptroller's office. As such, it may cause some difficulty to individually select a person or firm to negotiate a fee without doing so for the other bidders. He stated that having the ability to negotiate the fees after selection would be preferable. Finally, Ms. Lee discussed the evaluation of financial and swap advisor firms.

Ms. Hitchcock asked how the Task Force would track the legal fees for work engagements in the aggregate so that there could be some comparative basis throughout the State at all the authorities. Ms. Lee informed the Task Force that the Chair had raised those issues in the past and that those ideas would be discussed at a later time.

The Chair reiterated that the recommendations with respect to financial and swap advisors were similar to what had been discussed in relation to the underwriter assessments. He asked to what extent the Task Force would indicate in the RFP what the weighting criteria would be. Ms. Lee stated that DASNY currently laid out the weighting criteria but does not specifically indicate actual weights associated with those criteria. Mr. Pohl stated that they were established internally before the responses were opened. DASNY typically had the criteria developed as well a scoring matrix that indicated the weighting. An OSC representative mentioned that OSC included the weights in its RFPs, though not always, however, the weights were definitely established before any bids were opened. The Chair raised concerns that new firms may be disadvantaged by not knowing what the weighting criteria are in advance. He stated that the playing field may be more level if the criteria were included in the RFP. Further discussion on this issue ensued. The Chair concluded by stating that once the comments have been collected and the final recommendations have been made we should make it discretionary at the authority level whether to consider including the weighting with the criteria for any particular RFP.

John Pasicznyk then discussed accounting services, recognizing that the primary service being discussed was the annual audit of the basic financial statements and related reports. He pointed out that the recommendations were similar to what had already been discussed in relation to outreach and joint ventures. He also discussed unbundling as an opportunity in this area. The recommendations put forth a three-year RFP cycle.

Mr. Pasicznyk then discussed banking services. He pointed out that the number of MWBEs in this area was very limited, particularly on the trustee side. While the banking recommendations have similar outreach requirements, joint venture did not generally apply in this instance; however, the diversity questionnaire remained the same. He also discussed the potential for unbundling services in this area. Also, there was a ten-year RFP cycle for corporate banking and a shorter cycle for trustee banks. Because of the limited number of

participants, the opportunity may arise to evaluate the bank's use of a third-party service provider. Because of the limited number of firms, the recommendations focused more on the use of staff providing the services.

Mr. Calderon stated that he was unaware of any banks that were State-certified MWBE on the DED database. Further discussions revealed that there were several minority-owned and controlled banks, though they may not be certified as MWBEs and therefore not be included in the DED database.

Mr. Pasicznyk then discussed the broker-dealer recommendations. Again, there were similarities with the other recommendations; however, this area had tax implications as well as being able to obtain a market rate on investments. He stated that most public authorities selected broker dealers through gathering information by way of a broker dealer questionnaire and in some instances qualifying them based on various criteria either through their bond resolutions or through their investment guidelines. Although there was no formal RFP process, the goal was still to try to reach as many firms as possible. He also recommended that a uniform broker dealer questionnaire be developed. Currently public authorities utilized equity or status as a primary dealer as a way to qualify broker dealers. Given the fact that we now have book entry delivery versus payment, those requirements may not necessarily provide any protection in some instances when dealing with smaller firms. Therefore, he recommended that the authorities review their investment guidelines to not necessarily use those criteria as a barrier to entry. He recommended an aspirational goal of 20% MWBE participation. Ms. Gonzalez praised the work that had been done and the Chair concurred and pointed out that the broker dealer recommendations were very specific to the industry.

Mr. Pasicznyk then discussed CDs and money market funds. He stated that he was not recommending that the authorities use CDs or money market funds in their portfolio, however, to the extent that they recognized the benefits and wish to include them in their portfolio; these were ways to provide a broader opportunity. The public authorities participate in a link deposit program for CDs that is run by the New York State Department of Taxation and Finance, however, it was pointed out at the panel discussion for financial services providers that the program does not work for MWBEs. Therefore, the recommendations included reaching out and getting feedback on possible ways to improve the program. He stated that outreach in this area was important even though these services were not typically procured through an RFP. He also discussed recommendations as to possible areas like the link deposit program, CDARS, and electronic bidding platforms that may provide greater opportunities.

Ms. Woolward then discussed the insurance recommendations. She stated that the recommendations were similar to the recommendations put forth for financial and swap

advisors and accounting services. She discussed outreach, the RFP process, a three-year RFP cycle with two one-year extension, unbundling of services and joint ventures. The recommendations put forth a 20% utilization goal. Anne Dodson, Assistant Director of Risk Management Safety for DASNY, spoke more extensively about unbundling of services. The Chair informed the Task Force that the revisions to the recommendations would be distributed to members in advance of the next Meeting. He commended Ms. Lee, Mr. Pasicznyk, Ms Woolward, Ms. Dodson and contributing Task Force members for their work.

The Chair then moved to the next step on the agenda, which was to update the Task Force on the developments at various authorities. The first to report was ESDC. Ms. Robinson reported that ESDC's past RFP practice (as well as this year's) consisted of selecting underwriters, financial advisors and financial product providers at the same time. They merged the lists from the databases of ESDC, DASNY and EFC, the Bond Buyer Red Book and distributed the RFP to those firms (323 representatives at 117 firms). They also advertised in the Contract Reporter and on the ESDC website. They received 57 responses, 47 applied for underwriter, seven for financial advisor, and 15 for financial product provider. Of the 11 managers selected, four were MWBEs. Of the 17 co-managers selected, four were MWBEs. Three financial advisors were selected, two of which were teams of MWBEs. She stated that upon comparing the firms selected pursuant to the 2007 and 2009 RFP cycles it was clear that ESDC benefited from allowing MWBE firms to serve as co-senior managers during the 2007 cycle coupled with the new common RFP. This has resulted in four senior managers that were MWBEs versus none in 2007. For the 2009 series C issue being planned for the fall, ESDC had selected two MWBE firms as senior managers out of a team currently sized at five senior managers. The Chair thanked Ms. Robinson for a good update.

Next, Thruway reported. Ms. Sandell stated that they had three open RFPs. In May they issued a fresh bond counsel RFP, evaluations of which were concluding with an expected presentation to the Board for consideration at the September meeting. Their audit RFP went out on June 18th and was largely based on the terms and recommendations that were adopted in May. The evaluations are concluding and they expected the Board to consider appointing auditors at the September meeting. On July 24th they issued an underwriters' RFP which was due on September 15th. The Chair asked whether the bond counsel RFP was issued in traditional format or did it include proposals relating to joint ventures or co-bond counsel. Ms. Sandell responded that the RFP authorized joint venture proposals and as a result they received joint venture proposals.

Next, OSC reported. Mr. Hannibal reported that on June 29th, following the adoption of the *Best Practices for the Procurement of Legal Services*, the Local Government Assistance Corporation – Grants and Governance Committee staff recommended and in Resolution 2009-

15 they accepted and approved the Best Practices document as it related to the procurement of legal services for the issuance of State-supported debt and directed staff to review their procurement guidelines to make certain recommendations that were necessary to the best practices criterion. The Chair expressed his appreciation.

Next, Battery Park City Authority reported. Mr. Cavanaugh stated that they had an interesting situation regarding $635 million in auction rate securities that had originally been issued in 2003. Battery Park was approached some months ago by an MWBE, Lebenthal, who informed them that they were aware that Battery Park was paying 25 basis points to their broker dealer for the auction rate securities and offered to do the same thing for half the cost. This prompted Battery Park to issue an RFP. Citi, who was the current broker, indicated that there would be no movement and they refused to respond to the RFP. Both Lebenthal and Chase came in at around 12 basis points. At that point Citi offered to cut their rates (even going to 5 basis points), however, they were precluded from continuing business because they had not responded to the RFP. Lebenthal matched Citi's offer and got the deal. Consequently, Battery Park went from paying 25 basis points to paying only 5 basis points. They probably will be refinancing the $635 million in auction rate securities at some point in the next year. Another development that Mr. Cavanaugh mentioned was that the Board had authorized going out to raise $100 million in new funds for a capital program. Right now, with respect to the $100 million in new money, the co-senior and book runner is Seibert Brandford Shank, an MWBE. The other co-senior will be Citi. Of the two financial advisors, one is an MWBE. The Chair thanked Mr. Cavanaugh for a good discussion, particularly with the remarketing piece. The Chair stated that DASNY had looked into making such changes, however, encountered the issue of bond covenants that restricted such activities. The Chair then pointed out the need for each authority to work with its general counsel and bond counsel to ensure that they did not continue to encounter restrictions that were inconsistent with the goals and recommendations of the Task Force.

Mr. Pohl stated that DASNY had not yet done any procurement. However, on the underwriters' counsel side DASNY now had situations ongoing where there were five transactions on which MWBE firms were participating as underwriters counsel on a sole basis or as co-counsel.

Ms. Woolward then discussed the legal request for information ("RFI") that was created in an effort to locate MWBE and majority firms that were available and could potentially work together. The goal was to distribute the RFI within the next couple of weeks. She stated that The Chair would be conducting a conference call with local bar associations to inform them about the RFI process. After firms had completed the RFI, an event would be held on October 16th that would allow firms to meet, greet and decide whether they would like to partner with

each other. The Chair reiterated that on October 16th the Task Force would host one last program as a Task Force initiative in the area of legal services. The Chair invited the Task Force members to attend the Dormitory Authority's annual MWBE conference on October 23rd and 24th.

The next item on the agenda was an update on the legislative initiative. Ms. Norris discussed the proposed legislative amendments. She stated that the proposals required amending two sections of the law, Article 15-A and the Public Authorities Law. With respect to Article 15-A, the proposed changes are as follows: Amend § to Include legal, financial and other professional services and clarify that 15-A applied to all services and not just construction; Amend subdivision 13 of section 310 by deleting the following sentence: "For the purposes of this article the term "services" shall not include banking relationships, the issuance of insurance policies or contracts, or contracts with a contracting agency for the sale of bonds, notes or other securities;"Amend paragraph b to include all public authorities a majority of whose members are appointed by the Governor or hold office ex officio that issues debt and whose expenditures for "other than personal services" is in excess of a certain dollar amount. The question was raised as to why the definition of public authorities had to be amended. Mr. Pohl responded that the current definition did not include a lot of public authorities. Ms. Norris further stated that the legislation would require the Division of Minority and Women Business Development to issue an annual report card on State agencies' utilization of MWBEs on State procurements and provide a report to either the DED Commissioner or ESDC.

Another amendment allowed State agencies to enter into settlement agreements with contractors that fail to meet MWBE goals in lieu of going through the arbitration procedures. Ms. Hitchcock suggested that the annual report card should go to the Temporary President of the Senate rather than the Majority Leader.

The next amendment provided for the debarment of contractors that fail to meet MWBE goals.

Mr. Cavanaugh mentioned that they had suggested a change to Article 15-A last year regarding the lease of real property but received resistance from the MTA. He asked that the Task Force take a second look at the piece of legislation. Ms. Norris asked Mr. Cavanaugh to send her a copy of the legislation.

Ms. Norris then discussed amending Public Authorities Law § 2876 to include debarment of contractors that fail to meet MWBE requirements. Also, amend PAL § 2879 and require public authorities to appoint a senior ranking official to oversee procurement diversity initiatives. Such individual should have a background in legal, financial or other related professional services and report directly to the COO or CEO. At this point, Ms. Hitchcock stated that she did believe there should be more than zero degrees of separation between the direct report of a diversity officer and the head of the agency and/or authority. She suggested that exploring having direct report to the head of the agency as opposed to the COO.

Ms. Norris then discussed the second proposal, which would require authority to include diversity as an evaluation criterion. Next, she discussed creating a Public Authorities Procurement Opportunities Council to be comprised of current Task Force members. The proposal also allowed for non-authorized issuers to join upon Board approval. The Chair of such Council would be selected by a majority of the members. Ms. Norris also discussed establishing a Procurement Opportunities Council Fund which would have a startup cost of $250,000 and each member would contribute to this fund. The duties of the Council would include, among other things, providing advice to the public authorities with respect to implementation of the provisions of § 2879. The amendment would require each public authority to submit quarterly reports to the Council detailing its initiatives. Such reports would include the diversity goals established by the public authority, whether the public authority has achieved its goals and if not, remedial action to be taken, if any. Public Authorities that fail to achieve diversity goals could be reprimanded by the Council. Continued underachievement could lead to audit by the Authorities Budget Office. In addition, the Council could seek stricter sanction from the Legislature. The Council would also have the authority to assess damages against underachieving public authorities, such moneys to be used to support the Fund.

Mr. Pohl mentioned that we would also look at Public authorities Law § 2879-A and some of the requirements in the procurement guidelines. The question was raised as to whether further discussions would center around strengthening Article 15-A even more, specifically, the Equal Employment Opportunity part which had yet to be developed. The Chair responded that first and foremost he would like to focus on public authorities and financial and professional services. To the extent the Task Force could come together with recommendations that were consistent with the Task Force's mission, he was prepared to promote that that discussion would help spur others to look at some of the other deficiencies in 15-A to ultimately remedy them as well. However, given the specific mandate of the Executive Order, the Task Force's purpose was better served by staying narrow while it tried to implement some of the things that were directly on point and hopefully that discussion would engender a broader based discussion from all the parties associated with 15-A as to what to really do with 15-A to strengthen its enforcement.

Ms. Hitchcock added that on April 2nd the Governor issued a press release calling for the creation of a task force that sought to increase the diversity of the State's workforce. It was bifurcated to look at how to increase diversity in the State workforce in addition to looking at how to level the playing field for MWBEs. Therefore, in developing that task force, there needed to be an examination of current existing law, executive orders, and the like.

The Chair asked the members to be prepared to consider recommendations to be adopted in October. He also stated that he expected to have legislative proposals developed by then to present for consideration in terms of moving ahead.

The Meeting adjourned at approximately 1:30 PM.

Respectfully submitted,

Paul T. Williams, Jr.
Chair

The New York State Minority and Women Owned-Business Enterprises Task Force met in a Regular Meeting at the Dormitory Authority of the State of New York's Albany Office at 515 Broadway, Albany, New York, and its offices at One Penn Plaza, New York, New York at 10:30 a.m. on November 23, 2009.

The Meeting was called to order by Paul T. Williams, Jr., Chair. Roll call was taken and a quorum was present. Those Members present for the Meeting were as follows:

Members Present:

Paul T. Williams, Jr., Chair – Executive Director, Dormitory Authority of the State of New York
Charlotte Hitchcock – Chief of Staff and Director of Financial Regulation, Governor Paterson's Office
Dr. Celia Gonzalez – Deputy Comptroller, Office of the State Comptroller
John Bryan – Chief Financial Officer, New York State Thruway Authority
James Gebhardt – Chief Financial Officer, Environmental Facilities Corporation
Frances Walton – Chief Financial Officer, Empire State Development Corporation
Marian Zucker – Executive Vice President, Housing Finance Agency / State of New York Mortgage Agency

Additional Attendees:

Sarah Lewis – Governor Paterson's Office
J. Marc Hannibal, Esq. – Assistant Counsel, Office of the State Comptroller
Robert Watson– Assistant Director, Bureau of Debt Management, Office of the State Comptroller
Jason Cooper – Assistant Counsel, Office of the State Comptroller
James Levine, Esq. – General Counsel, Environmental Facilities Corporation
Anita Laremont, Esq. – General Counsel, Empire State Development Corporation
Marian Roslyn – Director of Program Development/Portfolio Management, Empire State Development Corporation
Sheila Robinson – Deputy to the CFO, Empire State Development Corporation
Tracie Sandell, Esq. – Assistant Counsel, New York State Thruway Authority
Michael Jones-Bey – Executive Director, Division of Minority and Women Business Development, Empire State Development Corporation
Thomas Rowell – Housing Finance Agency / State of New York Mortgage Agency
James Cavanaugh – President and Chief Executive Officer, Battery Park City Authority
Hector Calderon, Esq. – Affirmative Action Director, Battery Park City Authority

Deborah Weir– Broker/Dealer, C3 Alternatives
John G Pasicznyk – Chief Financial Officer, Dormitory Authority of the State of New York
Portia Lee – Managing Director of Public Finance and Portfolio Monitoring, Dormitory Authority of the State of New York
Jeffrey M. Pohl, Esq. – General Counsel, Dormitory Authority of the State of New York
Monica Norris, Esq. – Associate General Counsel, Dormitory Authority of the State of New York
Taffi Woolward – Director, Public Finance M/WBE Programs, Dormitory Authority of the State of New York
Paul J. Burgdorf – Director, Marketing and Communications, Dormitory Authority of the State of New York
Mark E. Violette – Press Officer, Dormitory Authority of the State of New York
Leigh Favitta – Director, Information Services, Dormitory Authority of the State of New York
Louie J. Tobias – Director, Strategic Initiatives, Dormitory Authority of the State of New York
Mitzi Stewart – Government Affairs Program Coordinator, Dormitory Authority of the State of New York

The Chair informed the Task Force that the primary purpose of the Meeting was to consider final recommendations in the last group of professional services firms considered by the Task Force. They included: accounting, banking, broker-dealer, CDs and money market fund investments, financial and swap advisory services and risk management and insurance broker services. He commended staff for their hard work.

The Chair reviewed each recommendation individually and solicited comments from Task Force members. He first discussed the accounting services recommendations without comment. He then discussed banking, broker-dealers, CDs and money market, financial advisory services and finally risk management and insurance brokerage services, all without comment. He noted that the Task Force's work in relation to title insurance had made it clear that because prices are set by law they remain fairly static and created a monopoly in terms of underwriters. However, there were other companies, including women-owned companies that benefited from having better opportunities.

Ms. Woolward then discussed the evaluations, noting that they were referenced throughout all the best practices that the Task force had developed. She

stated that they required the authorities to review the firms' performance and diversity practices at least annually. She also stated that the EEO guidelines were attached to the best practices. The Chair stated that EEO guidelines were beneficial to the Task Force because many private sector firms currently used the types of federal categorization contained in the EEO. The Chair then directed the Task Force to the Resolution, which required the Task Force members to present the recommendations to their Board for approval, if necessary, by January 31st. To the extent Board approval was not required; the authority would pursue adoption and implementation of the recommendations by executive direction. The Resolution was adopted.

Dr. Gonzalez thanked the Chair and staff for the work that the Task Force had accomplished in bringing clarity to a process that had not been addressed before. The Chair thanked the Comptroller's office for participating in the process and again commended DASNY staff and the agencies involved. He noted that the work of the Task Force had been recognized nation-wide and was being used as a model in other areas. He agreed that the work of the Task Force had created clarity in the process, transparency of process, as well as ensuring that the process created a level playing field.

The Chair then moved to the next agenda item, which was the legislative update, the purpose of which was to make permanent the work of the Task Force. He then turned the Meeting over Jeff Pohl. Mr. Pohl stated the working group had received comments from the general counsels as well as the Council on Urban Professionals ("CUP") and that the revised legislation included those comments. He turned the meeting over to Monica Norris, who reviewed each section of the bill individually. Ms. Norris first discussed section one of the legislation, which expanded the definition of "public authorities." She then discussed section two, which expanded the definition of "services" to include legal, financial and other professional services. She informed the Task Force that sections one and two may be removed in light of the passage of the Public Authorities Reform Act. Section three expanded the definition of "State contracts" to include the leasing of property by State agencies. She noted this was included at the request of the Battery Park City Authority. Ms. Norris then discussed section four as it pertained to increased reporting requirements by State agencies and the Division of Minority and Women Business Development ("DMWBD"), which was updated based on suggestions made by CUP. Ms. Norris noted that section five was amended, at the request of CUP, to allow for debarment of contractors as an original penalty that may be imposed and not as a secondary penalty as in earlier drafts. Ms. Norris stated that section six added a new section 316-a to the Executive Law that allowed for the payment of damages by non-compliant contractors and that such monies would be paid into a fund for programs created by the agency in consultation

with DMWBD (per CUP). Agencies that enforced this provision would be precluded from seeking enforcement under § 316.

Ms. Norris then discussed section seven, which amended State Finance Law § 163 to require State agencies to assess the diversity practices of each offerer when awarding a contract. Ms. Norris then informed the Task Force that the definition of "diversity practices" under section 8 had been expanded from the last draft to include the proposer's "practices and policies with respect appointing, hiring and retaining minority group members and women in senior management positions, including at the level of board of directors or comparable management level and senior executive officers…"

Ms. Norris then addressed the recommended amendments to the PAL. She first addressed CUP's submission that amended PAL § 2825 to require that appointing individuals consider the prospective diversity of the Board of a public authority in making appointments to such Board. Ms. Norris addressed sections 10 and 11 of the bill with no changes. She then pointed out that section 12, which amended section 2879 of the PAL, had some minor changes that required the reports to be submitted by the public authorities no less frequently than annually and should contain, among other things, all referrals made and the penalties assessed pursuant to Section 316-A of the Executive Law. She further discussed the establishment of the Procurement Advisory Council, which would be comprised of the current Task Force members. The discussion was as follows:

> The purpose of the Council is to provide guidance and advice to member corporations with respect to implementation of the MWBE/ diversity issues, adopt policy guidelines and recommend procedures to assist members in achieving their MWBE goals. To support its operations, the Council will establish an initial Fund of $250,000, to be contributed on a pro rata basis by each member. The Fund will be maintained by the Chair. The Council will have the ability to penalize non-compliant members and such monies will be placed in the Fund. Council members are required to submit periodic reports to the Council detailing its diversity initiatives. The Council must submit a preliminary report to the Governor and Legislature by March 31, 2011 and annually thereafter. One major change that was made to this section provided for the creation of an Advisory Board to advise the Council. The Advisory Board will have 12 members appointed by the Council and representing private businesses or other professional organizations that represent MWBE interests.

The Chair then solicited comments from the members. Dr. Gonzalez and Mr. Hannibal stated that they would like to vet some issues they deemed problematic

within the Comptroller's Office and get back to the Task Force. The Chair stated that he would not propose a resolution to approve the legislation and any changes made will be re-circulated to the Task Force. However, once the Task force had agreed on a final version, unless a member opted out, any future discussions of the legislation would include the representation that it was supported by the Task Force.

The discussion then turned to the issue of data collection, which was expected to rest with the individual authority. The Council would then be responsible for aggregating that data as the DMWBD had its own requirements for data collection. Mr. Hannibal asked whether the Chair had a time frame in which the legislation would be finalized and submitted, to which the Chair responded that there was a tentative Meeting scheduled for December 14th and expected the legislation to be finalized by then.

The Chair then discussed the Resolution before the Task Force, extending the date of the Final Report to March 15, 2010. He stated that the extended deadline allowed the Task Force to have a Final Report that incorporated all the data from the 2009 calendar year. The Resolution to extend the date of the Final report to March 15, 2010 was adopted without discussion.

The Chair then informed the Task Force that the December 14th Meeting was tentative because there may not be a need for that meeting if the issues regarding the legislation were resolved. He stated that the legislation would be circulated for comments; however, except for approving the Final Report, the nuts and bolts of what the Task Force had been convened to do had been accomplished 99%, subject to the legislation. He commended the work of the Task Force and expressed his gratitude for serving as its Chair.

Regarding recent developments, the Chair recognized that Thruway had selected its underwriters and DASNY's RFP for legal services would be issued in early 2010. The Chair then turned the Meeting over to John Bryan. Mr. Bryan's presentation was as follows:

> The Thruway Authority issued its RFP based on the standard Template developed by the Task Force and their Board approved a slate of 24 firms to serve in their senior and co-manager pools. They received 42 responses, which was twice the usual amount. Because of the high level of competition, they were unable to get any MWBEs in their senior pool; however, they got five for the co-managers. They are planning to do approximately five transactions within the next 10 years, each of which would be in excess of $500 million. He believes their inability to have a minority firm in the senior pool related, not to the quality of

the responses, but to the number of firms that responded. Furthermore, the Task Force was not focused solely on MWBEs, but also on firms that have a high commitment to diversity, qualities that were present in many of the firms that applied. Thruway will continue to use the co-coordinating manager positions as it has worked well over the years.

The Chair reported that Thruway had discussed the results of the RFP with him and both they and he had received calls regarding those results. He stated that it was important to convey that each authority had its own process and Thruway, by adopting the recommendations of the Task Force and following its own process, had achieved a particular result. He stated that MWBEs had responded positively to the prospect of expanded opportunities in New York in terms of elevating their level of expertise, expanding their platforms and doubling up in terms of the level of coverage they provide. Therefore, the Thruway's outcome was an exception to the ability of many of the MWBE firms to compete at the highest levels of finance and underwriting in the State of New York.

Mr. Hannibal stated that LGAC would be issuing an RFP within the next few months.

The Meeting adjourned at approximately 11:21 PM.

Respectfully submitted,

Paul T. Williams, Jr.
Chair

The New York State Minority and Women Owned-Business Enterprises Task Force met in a Regular Meeting at the Dormitory Authority of the State of New York's Albany Office at 515 Broadway, Albany, New York, and its offices at One Penn Plaza, New York, New York at 10:30 a.m. on March 8, 2010.

The Meeting was called to order by Paul T. Williams, Jr., Chair. Roll call was taken and a quorum was present. Those Members present for the Meeting were as follows:

Members Present:

Paul T. Williams, Jr., Chair – Executive Director, Dormitory Authority of the State of New York
Charlotte Hitchcock – Chief of Staff and Director of Financial Regulation, Governor Paterson's Office [*by phone*]
Dr. Celia Gonzalez – Deputy Comptroller, Office of the State Comptroller
Michael R. Fleischer, Esq. – Executive Director, New York State Thruway Authority
Mayor Matthew J. Driscoll – President and CEO, Environmental Facilities Corporation
Frances Walton – Chief Financial Officer, Empire State Development Corporation [phone]
Gloria Boyd – Program Administrator, Housing Finance Agency / State of New York Mortgage Agency

Additional Attendees:

Richard Redlo – Assistant Counsel, Office of the State Comptroller
James Gebhardt – Chief Financial Officer, Environmental Facilities Corporation
James Levine, Esq. – General Counsel, Environmental Facilities Corporation
Brian McClintock – Financial Development Manager, Environmental Facilities Corporation
Kai Earle – MWBE Manager, Environmental Facilities Corporation
Michael Jones-Bey – Executive Director, Division of Minority and Women Business Development, Empire State Development Corporation [phone]
Sheila Robinson – Deputy to the CFO, Empire State Development Corporation
Tracie Sandell, Esq. – Assistant Counsel, New York State Thruway Authority [*phone*]
John Bryan – Chief Financial Officer, New York State Thruway Authority [*phone*]
J. Marc Hannibal, Esq. – Director of Audit Management Services, New York State Thruway Authority
Marian Roslyn – Director of Program Development/Portfolio Management, Empire State Development Corporation
Thomas Rowell – Housing Finance Agency / State of New York Mortgage Agency

James Cavanaugh – President and Chief Executive Officer, Battery Park City Authority
Hector Calderon, Esq. – Affirmative Action Director, Battery Park City Authority
Michael T. Corrigan – Deputy Executive Director, Dormitory Authority of the State of New York
Portia Lee – Managing Director of Public Finance and Portfolio Monitoring, Dormitory Authority of the State of New York
Jeffrey M. Pohl, Esq. – General Counsel, Dormitory Authority of the State of New York
Paul Kutey, Chief Financial Officer, Dormitory Authority of the State of New York
Carra Wallace – Managing Director of the Office of Executive Initiatives, Dormitory Authority of the State of New York
Monica Norris, Esq. – Associate General Counsel, Dormitory Authority of the State of New York
Taffi Woolward – Director, Public Finance M/WBE Programs, Dormitory Authority of the State of New York
Paul J. Burgdorf – Director, Marketing and Communications, Dormitory Authority of the State of New York
Elwood M. Riley – Manager, Executive Projects & Communications, Dormitory Authority of the State of New York
Leigh Favitta – Director, Information Services, Dormitory Authority of the State of New York
Louie J. Tobias – Director, Strategic Initiatives, Dormitory Authority of the State of New York
Mitzi Stewart – Government Affairs Program Coordinator, Dormitory Authority of the State of New York

The Chair welcomed everyone and convened the Meeting. The Minutes of April 21, 2009, May 11, 2009, June 8, 2009, July 21, 2009, September 14, 2009 and November 23, 2009 were adopted. The Chair then turned the meeting over to Taffi Woolward to discuss the first item on the agenda, a recap of the webinar related to the role of capital in the market. Ms. Woolward stated that on March 1st the Task Force hosted its first Webinar on *Capital Requirements in the Post September 2008 Economy*; there were 53 participants via WebEx and 10 participants in the DASNY Albany Boardroom. She stated that the final presentation would be posted on the MWBE Task Force section of the DASNY website by the end of the week.

The Chair thanked Ms. Woolward and then stated that the webinar was very informative and was hosted as a result of input from the industry, i.e., investment banks, concerning the process that was undertaken at many of the authorities during

the term of the Task Force regarding new RFP for underwriters. While the RFPs were issued pursuant to the recommendations put forth by the Task Force, there were concerns regarding the role of capital and whether or not the State could have similar weighting from one authority to the next. He further stated that this raised the issue of developing a uniform approach to evaluation criteria and assigned weight. In reviewing the Task Force's work with respect to underwriters, he noted that at the time it adopted its recommendations for underwriters, the Task Force had determined that there should be established a uniform set of criteria to be used by the authorities that reflected the uniform RFP. However, the Task Force did not create a scoring matrix or template that would ensure that the authorities operated uniformly in terms of scoring and weighting criteria. According to feedback from the industry regarding the most recently issued RFPs, there were some instances where firm experience and capital were weighted the same, and some indication that there still remained a bias toward large firms and the relative weighting that was assigned to diversity. The Chair stated that as a result and because the Task Force had previously identified this as an area of concern, he felt the issue should be highlighted. Thus, DASNY developed a sample scoring matrix for discussion purposes that incorporated the principles that were identified as major topics in the recommendations and weighting values for those criteria. The matrix contained six areas for evaluation: experience of the firm; knowledge and technical expertise of the firm; capitalization; diversity; sales and distribution; and innovations, with innovations being a placeholder for new ideas, creativity, etc., in areas in which a particular authority would like to focus. DASNY proposed evaluating those criteria on a scale of one to five, with one being low and five being high. He further stated that the matrix also contained suggestions surrounding weighting of different criteria, with the second page providing background in terms of the criteria that were established. The matrix was developed primarily as a good faith effort to ensure that this was documented in the Final Report as an issue that needed to be addressed in the future and could be utilized for individual review and possible adoption in future iterations.

The Chair then discussed the next item on the agenda, which was the proposed legislation. He stated that there was consensus that legislation was needed to help ensure that the goals and work of the Task Force would be sustained beyond the term of the Task Force. He pointed out that the Task Force members had been involved in the various iterations of the proposed legislation and that he had engaged in

discussions with the Executive branch and representatives of the Governor's Office with the hopes of achieving some congruence between the work of the Task Force and the Governor's Office with the final result being a Governor's program bill that comports with the recommendations of the Task Force. Mr. Pohl, when asked for additional comments, stated that the Final Report contained a discussion of the proposed legislation that adequately identified the highlights of the legislation. Therefore, there was no need to discuss further as the Task Force members were familiar with the proposed legislation.

The Chair then discussed the request for proposals for legal services that was recently issued by DASNY. He stated that this was a new area of concern for the authorities because they did not have a good record in terms of utilization or inclusion of MWBEs. He further stated that DASNY had recently issued its legal services RFP, which incorporated the best practices and that others should feel free to use it for future reference. He then turned the meeting over to Mr. Pohl, who stated that the DASNY RFP complied with the *Recommendations Regarding Best Practices in Procurements for Legal Services* and that DASNY was currently procuring legal services in the areas of bond counsel, construction & general litigation, real estate and environmental counsel, employment & labor, bankruptcy & workout counsel and emerging firms. Mr. Pohl also stated that DASNY would use the RFP process to establish a panel of pre-approved underwriter's counsel. He stated that the panel of emerging firms would be comprised of MWBEs who did not yet have the experience or resources to work on some DASNY's larger matters on a sole counsel basis but did have the necessary skill to serve as co-counsel giving these firms the opportunity to grow and eventually progress to the other panels. He stated that such firms could be utilized on a solo basis on discrete matters where they had the expertise. Mr. Pohl also pointed out that DASNY was establishing a list of pre-approved underwriter's counsel to increase participation and would discourage the use of firms serving on the bond counsel panel from also serving as underwriter's counsel on other DASNY transactions. He stated that, by maintaining such a list, DASNY could suggest to underwriters looking for firms that they first look at the DASNY list although the underwriter's would be free to use firms that were not the list. Mr. Pohl indicated that DASNY would entertain a request to use a firm serving on the panel of bond counsel as underwriter's counsel only under compelling circumstances. Ms. Woolward added that outreach was made to the firms that had completed the legal services RFI (request for information) and she encouraged the other

authorities to utilize the list of law firms that had expressed an interest in doing business with New York State and stated that the list was maintained on the Task Force section of the DASNY website.

The Chair clarified that the structure adopted by DASNY for the RFP, which created the category of emerging law firms, did not preclude qualified MWBEs from being selected to serve on one of the other panels if the firm had the requisite experience. The purpose of the emerging firms category was to help firms grow into becoming primary service providers for DASNY because there had not been a long term ability to both attract and utilize MWBE firms in that arena. He stated that on the underwriter's counsel proposal, there had historically been a strong sentiment that supports the status quo, i.e., bond counsel firms that were utilized in the New York State public sector were accustomed to having that sector of work to themselves, factoring in the notion that they would get a certain portion of revenue from bond counsel work and a certain portion from underwriter's counsel work. He recognized that there would be some issues and feedback with respect to separating those two areas, however, it made sense from a best practices and public dollars standpoint to do so.

The Chair then discussed the next item on the agenda, which was the Final Report. He stated that the Task Force had accomplished a lot between July 2008 and March 2010. He then thanked and turned the meeting over to Portia Lee for discussion of the Final Report. Ms. Lee thanked her counterparts at the staff level for providing the requested information for the Final Report. She stated that the Executive Order required reporting in the area of underwriters; however, the work of the Task Force was much broader, encompassing the legal and financial services sector. She stated that the Final Report provided an overview of the full body of work of the Task Force. Data was included for the underwriters for 2007, 2008 and 2009, as well as proposed legislation as a discussion and benchmark date with respect to legal services and financial services. She informed the Task Force that the draft Final Report, which had been circulated, would be reorganized and that the newly circulated table of contents reflected how the Final Report would be reorganized. Specifically, the recommendations would be included as appendices rather than in the body of the Final Report, and the first part of the Report would consist of the narrative description of the totality of the work of the Task Force. Ms. Lee also noted that the data sheets for the Office of the State Comptroller's Local Government Assistance Corporation were inadvertently omitted

and would be included in the Final Report. She also stated that additional cleanups would be made to the Final Report, but no substantive changes would be made. The Chair noted that, subject to minor cleanups, the circulated draft Final Report would be submitted as final. The Chair then solicited comments and made a motion to adopt the Final Report. Frances Walton made the motion and it was seconded by Environmental Facilities Corporation. Mr. Fleischer stated that the Thruway had some technical and statistical/ tabular changes that would be provided to Monica Norris. Ms. Lee requested that all comments be provided to DASNY by close of business on Tuesday, March 9, 2010. The Chair took a vote on the Motion and the Motion was carried. He informed the Task Force that the Final Report would be delivered to the Governor on a date to be determined and that all the members would be notified of that date in advance.

The Chair congratulated everyone who had participated in the work of the Task Force and stated that the work had made a fundamental difference in New York and possibly beyond. He stated that the diligence with which all involved approached the task was amazing and the collaborative nature should be trumpeted to State service across New York because it was not done as often or well as it should. He thanked his staff for their undertaking and commended Portia, Taffi, Carra, and Jeff for their hard work and accomplishments. He also recognized the people who got together to craft Executive Order No. 10, stating that without their initiative the work of the Task Force would not have been accomplished. Furthermore, the Governor's initiative in the area of diversity was critical and the framework of Executive Order No. 10 was to get New York situated for a stronger and better future. He further stated that the work of the Task Force was a small but important step in that direction, and that there had been increased interest in New York as a place to work as well as a place to do business. The Chair further pointed out that some of the work of the Task Force had already made a strong impact, from 4% in 2007 to 23% in 2008 to over 25% at the end of 2009 in the utilization of underwriters; however, there still remained work to be done in areas where there has been significant underrepresentation of MWBEs in State debt issuances. He stated that it was a wonderful experience to have been involved in the work of the Task Force because, prior to joining the State, he had to contend with some of the difficulties it posed in terms of opportunities. Therefore, the progress of establishing principles and performance measures to create transparency in State government was wonderful. He informed the Task Force that he would get the Final Report to the

Governor and hoped that there would be legislative follow-up to help make permanent some of the work of the Task Force. He again thanked everyone for their hard work and collaboration. He then turned the Meeting over to Ms. Woolward to discuss other jurisdictions' interest in the work of the Task Force.

Ms. Woolward's presentation was as follows:

In March 2009, Denise D'Ambrosio from the legal department of New York Power Authority requested a draft copy of the Best Practices for Legal Services. The recommendations were used to draft their disclosure counsel RFP. We also sent them our list of MWBE law firms and diverse legal associations to assist them in broader outreach.

In April 2009, I received an email from Ronald Marlow, Assistant Secretary for Access and Opportunity for the State of Massachusetts. An excerpt from his email reads: "The leadership Governor Patterson has shown has reverberated all the way here to Massachusetts. Recently, a couple of vendors have brought the work of the Task Force to my attention."

In June 2009, Tejan Conteh of the New York State Insurance Fund's ("NYSIF") legal department requested a copy of the Task Force's legal recommendations. As a result of our best practices, NYSIF applied a 20% goal for MWBEs to serve as outside counsel for the RFP.

In June 2009, Traci Mitchell, Westchester County's MWBE Coordinator, requested a copy of the Task Force recommendations for underwriters and legal services. They also wanted information on how the Task Force conducts outreach to financial and professional services organizations and associations.

In July 2009, Allen Morrison, Public Information Officer for the New York State Liquidation Bureau's legal department requested the Task Forces' legal recommendations along with a list of MWBE law firms and diverse legal associations in order to expand the outreach effort for their litigation/insurance specialties RFP.

In June 2009, Michael Garner, Chief Diversity Officer of the Metropolitan Transportation Authority ("'MTA"), requested a copy of the Task Force's Underwriter Recommendations and Common Underwriter RFP to be used in developing the MTA's RFP for financial advisors. In June 2009, Mr. Garner requested a list of MWBE underwriters, broker dealers and financial and swap advisors that attended our Task Force forum on April 30th. These firms were invited to the MTA's financial services open house on July 9th. Also, in March 2010, Mr. Garner requested a copy of DASNY's legal services RFP which was written based on the Task Force Best Practices for Legal Services. The MTA will use DASNY's RFP and the Best Practices in drafting their upcoming RFP for legal services.

In September 2009, the City of New Orleans' Disabled Business Enterprise Program requested information on the Task Force forums and recommendations. They were briefed on the effectiveness of our forums by an employee of an MWBE insurance firm who had attended two of our forums. They were also looking to implement some of our best practices.

In January 2010, Martha Alfaro of the New York City Law Department requested a copy of the Task Forces' Best Practices for Legal Services and our list of MWBE law firms from our online RFI. Based on the best practices and Task Force forums on January 30, 2009 and October 16, 2009, the NYC Law Department will be hosting a reception for MWBE law firms on Monday, April 26th from 5:30 p.m. to 8:30 p.m. At the reception, representatives of the Law Department and other government agencies will provide information about the types of legal work they contract out and how they select the firms that represent them.

In February 2010, I had a conference call with Ms. Carla Nelson, the Director of the Mayor's Office of Minority & Women-Owned Business for the City of Baltimore. Ms. Nelson was looking to expand the City's MWBE program to include Financial and Professional Services. I gave her an overview of the Task Force's mission and body of work and sent her the link to our website for copies of our recommendations and reports.

As recently as February 24, 2010 I received an email from Mr. Trent Hargrove, Chief Diversity Officer of the Commonwealth of Pennsylvania. The email reads: "Good afternoon Taffi, we spoke last year concerning several of your initiatives related to MBE/WBE best practices. I recall that New York did a panel discussion and conference on legal services and possibly financial services. I am currently assisting the Pennsylvania Turnpike Commission with its diversity initiative. I am looking for "best practice" RFP "diversity" language for investment advisory or financial services. Do you have any transcripts or recommended language for legal and financial services? Any assistance would be greatly appreciated. Thank you."

I later sent Mr. Hargrove the link to the Task Force website which includes all of our recommendations and press releases.

On February 25th I received an email from Mr. Hargrove that I believe is a great testimony to the impact the work of this Task Force has had and will continue to have in NYS and beyond. His email reads: "I want to thank you so much for sharing with us the reports and recommendations of the New York State Minority and Women-Owned Business Enterprise Task Force. This information is certainly on the leading edge of diversity high performance practices and has assisted us greatly in our continuing effort to implement state of the art inclusion strategies. We very much appreciate your assistance."

The Chair thanked Ms. Woolward for a good recap of some of the reach of the Task Force. He also mentioned that people in California, Illinois and Washington D.C. had been discussing the work that was done.

Jim Cavanaugh stated that prior to the work of the Task Force New York was not where it ought to be and other states had advanced much farther than New York. Also, it was good to have other states look to New York for ideas because it showed that the work of the Task Force had allowed New York to regain some level of leadership in an area where it should have always been a leader.

The Chair then solicited other closing remarks. Mr. Fleischer thanked the Chair and his staff for their professionalism and dedication. He stated that the hard work had

resulted in a product of which everyone should be proud and that the collaborative efforts were to be commended.

Dr. Gonzalez thanked the Chair on behalf of Comptroller DiNapoli and OSC. She stated that she had worked on many task forces over the years and this was by far her favorite because it had actually accomplished something and that it was a testimony to the Chair's leadership and staff, as well as the collaborative nature of everyone working together. She further stated that this model of behavior should be followed throughout State agencies and that she hoped this effort could be duplicated in the entire MWBE arena.

The Chair thanked Dr. Gonzalez for her remarks as well as her input and service throughout the tenure of the Task Force. He also thanked her for the cooperation the Task Force had received from the Office of the State Comptroller.

Mr. Jones-Bey echoed the sentiments of Dr. Gonzalez, stating that he appreciated the vision the Governor had in creating the Task Force and that it had been a rewarding experience. He commended Mr. Williams' leadership as Chair of the Task Force. He also stated that he would continue to reach out to everyone in an attempt to continue the MWBE program and that the Division of Minority and Women Business Development had benefited tremendously from working with DASNY staff and would continue to do so.

The Chair thanked Mr. Jones-Bey for his comments and stated that everyone would, by way of a different model, continue the work of the Task Force. He reminded everyone to be attentive for future e-mails regarding the date the Final Report would be delivered to the Governor.

The Chair thanked everyone and the Meeting adjourned at approximately 11:28 a.m.

Respectfully submitted,

Paul T. Williams, Jr.
Chair

July 2, 2008

BLACK ENTERPRISE MAGAZINE

New York Governor Takes Bond Issuance to Task

Task Force to help eliminate barriers for M/WBEs

By Marcia A. Wade

On Thursday, in conjunction with his appointment of Paul T. Williams to the position of executive director of the Dormitory Authority of the State of New York, Gov. David Paterson signed an executive order to increase utilization of Minority and Women-owned Business Enterprise underwriters for state debt offerings. His actions demonstrate his unwavering commitment to M/WBEs.

"There is a new sheriff in town," Gov. Paterson declared at a press conference, while black senators cheered. Indeed, according to Paterson, the time for someone to lay down the law was long overdue.

Although article 15A of New York law, which charged state agencies with establishing employment and business participation goals for minorities and women in 1988, was extended in 2003 and reexamined in 2007 by Gov. Eliot Spitzer, the financial sector was not covered by this law, explains Michael Jones-Bey, executive director of the New York State Division of Minority & Women Business Development. From 1995 to 2006, the division's staff was cut from 35 to 11 by previous administrations. "Black firms received 0.66% of business, but were 10% of the prequalified companies," says Jones-Bey.

Before Paterson signed the executive order, article 15A did not include banking, insurance, or sales of securities and bonds. "We are issuing an executive order that will establish guidelines for what we are hoping will aim to increase minority underwriters in the areas of state debt offerings," Paterson stated. "In addition, we are going to set up transparent business models that will govern the underwriting of the state's bond transactions."

"We know that in Gov. Patterson we have someone who has had a long-term commitment to creating opportunity that would extend to minority- and women-owned businesses," says Sen. Andrea Stewart-Cousins (Downstate Co-Chair for the New York State Senate Democratic Minority M/WBE Task Force).

Paterson reported that Minority and Women's Business Enterprises qualified for 35% of contracts but received only5%; a mere 1/7 of the total. "Since 2004, New York State has issued $22.3 billion of debt. The minority firms participated in only 3% of that," Paterson pointed out. "When you factor in their participation based on the value of the debt, it is less than 1%."

"Frankly, New York has been behind other major states' governmental bond issuers in giving business to African American firms; particularly those based in New York," says J. Donald Rice Jr., CEO of Rice Financial Products Co (No. 6 on the BE INVESTMENT BANKS list with $30 billion in managed issues). "New York is certainly the home of Wall Street. One would expect that if African American firms were going to grow you would see them grow in the Wall Street areas. For the last 20 years we have been the only African American firm specializing in municipal bonds to develop in the New York market. In 2007 we did no bond business in New York State. Now we know that will change."

In his address, Paterson challenged state agencies to measure compliance and compare New York State's performance to other states. "New York is way behind other states. The executive order is designed to create fairness and inclusion," he said, confounded that even Mississippi and Alabama, states once known for unjust

race relations, outperformed New York in awarding M/WBEs in the financial sector. "Fairness is that the companies that have already met the threshold get the opportunity that they earned."

Like USB Securities, which has shut down its municipal finance operations, many of the large Wall Street-based firms have suffered significant losses and are laying people off. "Smaller and minority firms are absorbing some of those employees," says David Womack, managing director at Rice Financial Products Co. "If the governor's actions can help encourage these firms to grow their business, it can in some manner blunt or mitigate the impact of what is going on in the broader financial marketplace."

As executive director of the Dormitory Authority, Williams will serve as the chief administrative and operating officer of one of the leading public finance and construction management agencies in the nation. The Authority annually ranks among the top five issuers of tax-exempt bonds in the nation. In 2007, it sold $4.6 billion in bonds (third in the nation) and had a portfolio of $35 billion in outstanding bonds. M/WBE underwriters served as senior managers in only about 5% of those transactions.

Williams' experiences as an attorney-he helped Williams & Harris L.L.P. become the first minority-owned law firm recognized as a bond counselor by the state of NY-has helped to prepare him for this new post. More recently he was a principal in a boutique investment banking company. "I understand the benefits and potential of increasing diversity to the bond issuance process," he said.

The task force will implement the recommended new practices for selecting MWBE underwriters by October 15, 2008, and also issue a preliminary report on April 15, 2009 and a final report on January 31, 2010.

"The task force timeline is very aggressive. We want to get to the bottom of the questions and issues that the governor raised and get a systematic way to expand opportunities for firms that are already prequalified," says Williams, who also wants newer firms to join that prequalified list.

"We will look at how to streamline reporting so that we are getting critical data points to determine whether or not a firm is getting access to business. There has to be follow-up in a systematic way and on a statewide basis," explains Williams, a member of the Earl G. Graves Board of Directors and a former president of 100 Black Men Inc. in New York.

"As you can see the record of the state has been quite abysmal in terms of inclusion of women and minorities," says Stewart-Cousins. "When Paterson was the Lt. Gov., he was able to keep focus on that particular issue and see that uppermost in his agenda is making good the promise that NY holds for Minority and Women owned businesses. This is quite a historic time and one that will bear much fruit for [WMBE] who have waited to see their dreams realized."

July 17, 2008

BOND BUYER

N.Y. Thruway Seeks to Boost Minority Role in $1B Deal

By Ted Phillips

The New York State Thruway Authority will initiate a new procedure intended to increase participation of minority-owned firms in underwriting when it goes to market with the sale of up to $1 billion of bonds next month.

The board approved the sale of up to $500 million of personal income tax revenue bonds and up to $500 million of bonds on the New York State Highway and Bridge Trust Fund credit at its monthly board meeting yesterday.

The bonds are issued at the request of the state division of budget and are backed by state appropriation. However, the deals are likely to be smaller because each authorization includes $100 million of refunding and Thruway chief financial officer John Bryan said he didn't expect rates to be favorable for a refunding.

The new procedure will allow minority-owned firms to serve as co-coordinating managers in support of the book-running firm.

"We think that will be very helpful in the minority firms gaining experience at a senior level so that whenever we decide to go out and issue for a new bankers list they'll be better positioned to score higher," Bryan said.

The arrangement will also help out the firms' financials, he said. "Our bond transactions are so large they tend not to score so well on the capitalization section" of the agency's requests for proposals.

Last month, Gov. David Paterson issued an executive order creating a task force to recommend new guidelines for the procurement process of underwriters for state-supported debt at certain public authorities including the Thruway Authority.

The guidelines, which are intended to increase minority firm participation as lead underwriters, are to be created by Sept. 1 and authority boards must consider implementing them by Oct. 15.

The co-coordinating manager structure is based on one used by the authority in 2005 when Goldman, Sachs & Co. was book-runner on a $2.8 billion restructuring, and Citi served in a supporting role.

Co-coordinating managers will be selected from its list of approved co-managers and will help with marketing the bonds, going to rating agencies and soliciting insurance. They will also share in the book-runner's fee but the breakdown is still being worked out, Bryan said.

"It's a very good way to get minority representation at a senior level on all of our transactions," he said. The new position is temporary and could change once the task force makes its recommendations. Thruway Authority deals typically have a book-runner, three co-senior managers and six co-managers. The co-coordinating manager position will be in addition to those.

Loop Capital Markets, LLC will serve as co-coordinating manager on the PIT deal which is expected to price the week of Aug. 25. Merrill Lynch is book-runner on the deal. Harris Beach PLLC is bond counsel.

Siebert Brandford Shank & Co., LLC will serve as co-coordinating manager on the trust deal which is expected to price the week of Aug. 18. Goldman is book-runner on the deal. Nixon Peabody LLP is bond counsel.

First Southwest is financial adviser on the deals.

Also yesterday, the authority approved asking the John A. Volpe National Transportation Systems Center to do an independent analysis of its practices to help it cut costs in the face of declining revenues and high gas prices. Toll revenues at the authority declined by $12.3 million last year to $581.7 million compared to 2006. The authority did not provide 2008 toll revenue figures by press time.

August 13, 2008

BOND BUYER

N.Y. Task Force Looking at Strategic Partnerships

By Ted Phillips

New York's task force on minority- and women-owned underwriting and financial services firms is looking at strategic partnerships as one way to increase those firms' participation, Dormitory Authority of the State of New York executive director Paul Williams Jr. said yesterday.

"Historically in New York there's been a bias against partnering," Williams said. "Partnering in any context has been historically limited in [requests for proposals] ... We're going to take a look and examine it and determine whether or not that makes sense in the present day and age."

The task force will consider partnering both between minority- and women-owned business enterprises, and majority-owned firms, as well as partnering among MWBE firms, he said.

Speaking at a luncheon sponsored by the Municipal Forum of New York, Williams announced that the task force held its first meeting on Monday and that he was named its chairman.

Gov. David Paterson in June formed the task force by executive order. It comprises the heads of five authorities that sell state personal income tax bonds as well as three gubernatorial appointees. The members voted on Monday to ask for an extension beyond the Sept. 1 deadline to create proposed guidelines. A public hearing on the issue is expected on Sept. 18 in New York City at which Williams said he wants to hear from the investment banking community.

The task force is focusing on creating policies for requests for proposals for underwriters and other financial service providers as well as creating a system to measure performance, Williams said. While he did not announce specific proposals he did speak in terms of what directions discussions were headed.

"Do you put together a static list of senior managers, co-managers, a selling group, or do you have a list that is geared around expertise or past performance in terms of execution? Or do you have a list that might also be flexible to allow firms to move from one list to another based upon some performance evaluation during the term of the RFP?" Williams said.

One area under consideration is how to consider firms' specializations.

"We want to look at those firms that have committed to provide us with the expertise and ideas and thinking in specialized areas as well as those firms who have been able to execute or distribute our paper to both the retail and institutional client base," Williams said. For example, that could mean that firms with strength in higher education deals could be considered for more complex higher education deals, he said.

While Williams said he applauded the New York State Thruway Authority for announcing a new MWBE policy in July that created the position of co-coordinating manager, the goal is to create a standard for issuers of state-backed debt.

"One of the things we think is important is the need for a unified approach to syndicate formation and identification of roles," he said. "Through the task force we'll have the opportunity to assess the various ideas, including that one, to determine what might make the best sense moving forward."

September 19, 2008

BOND BUYER

Minority, Women-Owned Firms Seek Piece of New York Underwriting

By Michelle Kaske

Minority- and women-owned firms would like a bigger piece of New York's underwriting pie as these so-called smaller firms yesterday weighed in on the roadblocks and misconceptions that hinder their ability to serve in senior and co-senior banking positions.

More than 20 minority- and women-owned business enterprises, or MWBEs, including a few larger banks, testified in a public hearing in New York City before a state's task force to add their suggestions on how changes in state policy could facilitate more senior underwriting opportunities for the firms.

Gov. David Paterson formed the panel in late June to evaluate how the state can bring more MWBEs into its underwriting pools, with the goal of cultivating smaller firms to serve as sole book runner on future transactions.

The task force will establish new guidelines for the procurement process of underwriters. In addition, the panel is considering having a large underwriting bank partner with a MWBE firm so that both companies share book running duties in a co-senior manager relationship. That could allow smaller underwriters to grow and eventually graduate to senior-level status on their own. Paul Williams, executive director for the Dormitory Authority of the State of New York chairs the task force.

Bankers darted in and out of the hearing as recent events on Wall Street and disruptions in the municipal-bond market limited underwriters' ability to stay for the full six-hour meeting.

"I think the circumstances in front of us today really justify more than ever having this hearing and pursuing the goals of the executive order," Williams said in his opening remarks. "I think it's critically important that this state support growing businesses and make sure that the opportunities that are afforded here in this state are available on an equitable basis and we hope through this proceeding and through the work of the task force that we get to those ends."

One of the biggest obstacles for MWBEs in New York is the classic catch-22. To get New York bond business, a firm needs New York underwriting experience, yet to get that experience a bank needs to work on New York deals.

Many MWBEs stressed that New York issuers need to consider a company's experience throughout the U.S. In addition, recent hires at many small firms include bankers who previously worked at UBS Securities LLC, Bear Stearns, Lehman Brothers, and other large Wall Street firms. Look past a MWBE's "small" name and you'll find talent that used to work at the "brand-name" firms, participants said.

Capital is king in the financial industry, and participants addressed the issue of MWBEs' capacity for taking on book-running business. Many of the smaller firms said the idea that MWBEs' lack the proper capital to serve as co-senior or senior managers is a myth, pointing to bond deals that they have priced in other jurisdictions that have ranged from more than $200 million to as high as $2 billion.

"We've just concluded the largest deal we think ever done by a minority-owned firm at any particular point and time," said Jim Reynolds, chief executive officer at Loop Capital Markets LLC. "We were joint book runner, manager with Morgan Stanley on a $2 billion transaction for the Chicago Transit Authority. We've increased our capital and continue to increase our capital to the point where we are very comfortable senior managing a $1 billion transaction. It's my expectation that a great deal of growth will be had by the smaller firms as we move forward."

Other participants mentioned that most smaller firms are not as highly leveraged as the major Wall Street players and that many MWBE have no subprime exposure.

MWBE participants also addressed pricing issues and stressed to the task force that because smaller firms work, on average, on two or three deals a week as opposed to two or three transactions a day, as in the case with the larger banks, MWBEs can give the attention necessary at pricing. That added focus has generated tighter spreads and lower rates for issuers, participants said.

"For a firm like ours, public finance is our only business," said Suzanne Shank, president and chief executive officer of Siebert Brandford Shank & Co. LLC. "We can't afford to fail on this and think we're going to make it up somewhere else, this is it."

Current market conditions may help facilitate more MWBE participation as bankers from small firms and larger companies said large competitive deals are harder to price now, giving way potentially for smaller, negotiated deals in the future.

In general, the larger firms expressed their interest in sharing book running responsibilities with smaller firms. Of the participants, Banc of America Securities LLC, Morgan Stanley, Citi, Goldman Sachs & Co., JP Morgan, RBC Capital Markets, Merrill Lynch & Co., and Wachovia Securities NA gave presentations.

"Bank of America I would say to you is clearly prepared and ready to partner with firms," said managing director Joseph Branca. "We have partnered in the past and we will continue to partner in the future with MWBE firms around the country and we will continue to advance that in New York."

In looking at designation policies that other jurisdictions have implemented, Stratford Shields, managing director at Morgan Stanley said that Chicago has a policy where MWBEs must receive a 30% minimum of bond transactions, one of the higher designation rules, yet Wall Street firms "are still flocking to do deals with the city of Chicago," he said. Yet Shields recommended that the task force look at rewarding co-senior managers rather than implementing a more general reward system.

"I would encourage you to reward the people that work for you," Shields told the panel. "If you have a minority firm that's co-senior, to have a special designation policy for each of the co-seniors so they're working for you rather than having a more blanket-type rule that may not necessarily reward those who are doing work for you."

Williams said there is room for improvement in how New York issuers select underwriters. Since 2004, the state and state authorities have sold $22 billion of bonds, of which, MWBEs senior managed or co-senior managed only 4%. And in 2007, there was not a single deal that was lead by a MWBE firm.

Williams said he anticipates the task force will draft preliminary recommendations by the end of November. The panel will meet again on Sept. 29 to discuss issues raised at yesterday's meeting.

The task force includes Williams, along with the executive directors of the Environmental Facilities Corp., the New York State Housing Finance Agency, the New York State Thruway Authority and three gubernatorial appointees.

October 31, 2008

BOND BUYER

N.Y. Task Force on Minority, Women-Owned Firms Issues Report

By Ted Phillips

A New York task force charged with increasing participation by minority and women-owned underwriters as senior managers yesterday released 30 final recommendations that included creating a uniform request for proposals template and a centralized performance review system. It also called for setting a target of 20% participation by such firms on state-supported bond issues.

The recommendations on so-called minority and women-owned business enterprises, or MWBEs, affect the five state authorities that issue personal income tax bonds and are subject to approval by their boards.

The move toward a more uniform RFP and transparent process is critical, said Paul Williams Jr., who chairs the Minority and Women-Owned Business Enterprise Task Force and is the executive director of the Dormitory Authority of the State of New York.

"We will have made changes to our RFP that will recognize and value the experience firms have gained in other jurisdictions that apply to the kinds of issuances that they may be looking to work on here in New York state," Williams said.

One complaint voiced by MWBE firms at a hearing in September was that some RFPs set up a barrier to entry by requiring firms wishing to qualify to senior manage deals to already have senior manager underwriting experience on state deals.

"Changing that RFP to set the table for a more robust competition among these firms is one of the best things that has come out of these recommendations," Williams said.

The proposal also would create a centralized performance review database so that an issuer could evaluate how all underwriting firms did on deals with other issuers.

"One of the frustrations we heard [from firms] was that the value that they brought to the table wasn't being recognized," he said. "We'll be in a much stronger position to know how the firms are performing and what they are doing."

The task force described the 20% target for participation by MWBE firms as an "aspirational goal." Williams said that currently MWBE firms serve as senior manager on less than 5% of state-backed issues.

"It would be a significant increase, assuming that things are put in place to help them to achieve it," he said. "It's a goal. Obviously it's based on firms stepping up to the plate and demonstrating their ability to handle this work."

Gov. David Paterson formed the task force in June by executive order. The task force comprises executive directors from agencies that issue personal income tax bonds - DASNY, the New York State Thruway Authority, the Empire State Development Corp., the New York State Housing Finance Agency, and the New York State Environmental Facilities Corp. - and three gubernatorial appointees.

The recommended practices would better give firms an opportunity demonstrate their expertise and skills, according to Samuel Ramirez, president and chief executive officer of Samuel A. Ramirez & Co.

"It gives one the idea that if you do a good a job hopefully you're rewarded with more business," he said. "That's what it's all about. It's earning the ability to do good work for different issuers."

The task force will also begin looking at ways to increase MWBE participation among bond counsel firms that work on state-backed debt issues. The first meeting to discuss that issue is expected to take place in the middle of November.

December 4, 2008

BOND BUYER

DASNY OKs $776M, Backs Boosting Role of Minorities, Women

By Ted Phillips

The Dormitory Authority of the State of New York yesterday gave final approval to issue $776 million of bonds and preliminary approval for another $600 million of bonds. DASNY's board also adopted the recommendations by a state commission to increase participation of minority- and women-owned underwriting firms in the issuance of state-backed debt.

The largest final bond approval was for up to $600 million of personal income tax bonds. Falling state revenue caused by the weak economy is projected to erode debt service coverage of the state's PIT bonds over the next two years, DASNY staff said.

The state projects its current 6.6 times debt service coverage ratio will decline to 5 times in the next fiscal year, which begins on April 1, and will further decline in fiscal 2011 to 4.4 times, according to a DASNY staff report.

The bond proceeds would be used to fund economic development grants and to reimburse the state's general fund for grants awarded to health care providers that directly or indirectly incurred costs associated with the so-called Berger Commission report, which mandated downsizings, closures, and mergers of health care facilities.

The board adopted all of the 30 recommendations made by the Minority and Women-Owned Business Enterprise Task Force in October, including creating a uniform request for proposals template among issuers of state-backed debt, creating a centralized performance review system and setting a target of 20% participation by so-called MWBE firms.

The New York State Housing Finance Agency yesterday also adopted the recommendations at its monthly board meeting. The New York State Thruway Authority expects to adopt them in January, the New York State Environmental Facilities Corp. may consider them next week, and the Empire State Development Corp. expects to adopt them at a future board meeting.

The task force, which was created by Gov. David Paterson in June, is expected to approve a template for requests for proposals at a meeting on Monday, according to officials with knowledge of the matter. The task force recommended a universal RFP that would make the process more standard among the state's five issuers of PIT bonds.

DASNY executive director Paul Williams Jr., chairs the task force that will next look at increasing MWBE participation as bond counsel and financial advisers.

The authority is also working on legislation that could be introduced by the governor in the next legislative session. Under consideration is the creation of a DASNY subsidiary that would be able to issue debt for nonprofits that don't have ratings high enough to borrow through the agency under its current guidelines, Williams said.

The authority board gave final approval on five financings, including the PIT bonds. Teachers College in Manhattan plans to use the proceeds of $55 million of bonds to refund $44.5 million of auction-rate securities

insured by MBIA Insurance Corp. issued by DASNY for the school in 2007. Those ARS failed at auction in February, resetting to a 15% interest rate

In May, the college used a line of credit from JPMorgan Chase to purchase the ARS with the intention of converting them under existing documents at a later date. The line of credit expires in two months and the college decided to refund them instead.

The deal will also include up to $6 million of new money for various capital improvements. Nixon Peabody LLP is bond counsel and Morgan Stanley is lead manage the sale of the bonds, which will have maturities of up to 30 years.

DASNY modified previously approved financings for two borrowers. Wagner College plans to use the proceeds of $45 million of bonds to build a new student dormitory and to refund $14 million of outstanding bonds insured by ACA Capital. The refunding had not been part of the transaction first approved for the Staten Island College in July. Le Moyne College in Syracuse added $8 million of refunding to a previously approved transaction that will total $21 million.

The board also revised a previously approved restructuring of variable-rate debt issued in 2003 under a program for state and voluntary agency mental-hygiene projects to allow $55 million of debt to be refinanced as taxable bonds. The state decided it needed to convert some of the debt to taxable because it was sold in relation to certain properties that could potentially be sold to the private sector in the future and would no longer qualify for tax-exempt status.

The board also gave initial approval for $100 million of bonds to be sold on behalf of the Hospital for Special Surgery, $375 million for Cornell University, and $125 million for Yeshiva University.

December 9, 2008

BOND BUYER

N.Y. Panel OKs Process to Boost MWBE Access

By Ted Phillips

New York's plans to increase participation by minority- and women-owned underwriting firms on state bond deals took a big step forward yesterday with the approval of a standardized request for proposals template by a state task force.

The new RFP process calls for a target of having a so-called minority and women-owned business enterprise participate on all state-backed bond deals, allows the issuer to require that an underwriter partner with an MWBE, allows firms to list experience managing similar deals outside of New York on the RFP application, and allows authorities to change an underwriter's position within a syndicate.

Allowing authorities to require partnerships among underwriters will boost MWBE participation, said task force chairman Paul Williams Jr.

"We were trying to create a situation where each authority would have maximum flexibility in regard to developing the financing team," he said. "We were also trying to make sure that, on an authority by authority basis, we could have the flexibility to maximize opportunities to work with MWBE firms."

Another crucial change was allowing firms to move up or down on underwriting syndicates, Williams said.

"To really hold folks accountable, you have to be able to reward people who do well and let people know who don't do so well that there are consequences for failing to cover appropriately, failing to own up to your underwriting commitments and things of that nature," he said.

Williams is also the executive director of the Dormitory Authority of the State of New York, which has issued $6.24 billion of bonds this year, according to Thomson Reuters.

The first authority to use the new procedure will be the New York State Environmental Facilities Corp., which plans to issue an RFP on Monday.

"We are telling the banking community that all of the authorities are going to have this standardized approach to seeking services," said EFC acting president Matthew Millea. "It should streamline the response times for all the bankers. It should assure the banking community that there's this effort to make sure that there's equal access."

EFC expects to sell between $700 million to $900 million of bonds in 2009 on its clean water and drinking water revolving funds and as PIT bonds. That amount could change depending on a potential federal stimulus package, Millea said.

One major change was the elimination of a practice that Williams called "anti-competitive" - some RFPs required firms to have prior senior managing experience on deals within the state or with the authority in order to qualify to senior manage a deal, essentially blocking firms that may have done sizeable deals outside of the state from doing similar deals in New York.

"It's a significant step in the right direction and a sign of progress," said Jim Reynolds Jr., chairman and chief executive officer of Loop Capital Markets LLC. "This RFP will allow more underwriters the opportunity to respond, eliminating the totally irrelevant road blocks that kept smaller firms other than major Wall Street firms from having an opportunity to underwrite or to be a senior manager on New York deals."

The establishment of a common and streamlined RFP process was one of the recommendations of the Minority and Women-Owned Business Enterprise Task Force that was created by Gov. David Paterson in June to boost participation of MWBE firms on state bond deals.

Since 2004, MWBE firms have managed or co-managed only 4% of $22 billion of state-backed bonds deals, according to the task force. The standardized RFP template was one of the recommendations released in October by the task force.

The recommendations take effect subject to approval by each of the five issuers of personal income tax bonds, which includes DASNY, EFC, the New York State Housing Finance Agency, the Empire State Development Corp., and New York State Thruway Authority.

DASNY and HFA already approved the recommendations. EFC is expected to approve it tomorrow and ESDC will consider them next week. The Thruway Authority will consider the recommendations at its January meeting.

Those issuers have sold $11.94 billion of bonds this year, according to Thomson Reuters, and all were represented on the task force.

DASNY plans to issue a new RFP later this month and HFA plans to issue one next month. Both the Thruway Authority and ESDC expect to issue RFPs next year.

Under the new RFP, syndicates will now serve two year terms with the option to extend the term by six months. The recommendations called for a target of 20% participation of MWBE underwriting firms on state-backed debt deals, though the RFP template only calls for a good faith effort to have MWBE participation on all state-backed bond deals.

December 9, 2008

REUTERS

NY state seeks more women, minority debt syndicates

New York state on Monday said it simplified the forms it uses for bond underwriters as a way to encourage more women- and minority-owned companies to serve on syndicates that sell state debt.

The global credit crunch already has opened the door to regional and women- and minority owned brokerages by claiming several top underwriters, including Merrill Lynch (MER.N: Quote, Profile, Research, Stock Buzz), which merged with Bank of America (BAC.N: Quote, Profile, Research, Stock Buzz). And other companies, such as UBS (UBSN.VX: Quote, Profile, Research, Stock Buzz), have curtailed underwriting.

"Of the $22 billion in state bonds sold since 2004, only four percent of the transactions were managed or co-senior managed by Minority/Women Business Enterprise firms," the state said in a statement.

By cutting the number of tiers, or levels of underwriters in syndicates, the state aims to help more companies "grow" into the senior, and most lucrative spots.

New York, one of the country's biggest issuers of muni bonds, adopted the forms at the recommendation of the Minority and Women-Owned Business Enterprise Task Force. Five authorities will use the new forms -- the Dormitory Authority, the Environmental Facilities Corp, the Housing Finance Agency, Empire State Development Corp and the Thruway Authority.

New underwriters also will be chosen more swiftly, as the three- to four-year period now used was shortened to two years.

December 23, 2008

NEWS RELEASE

NAMWOLF Lauds Governor Paterson and Executive Director Paul Williams for Increasing Opportunities for Minority And Women Owned Firms

NAMWOLF offers its resources to the DASNY to identify minority and women owned law firms to work on Authority matters.

New York, NY, December 23, 2008 --(PR.com)-- The National Association of Minority and Women Owned Law Firms (NAMWOLF) lauds Dormitory Authority of the State of New York (DASNY) Executive Director, Paul Williams, Jr., and Governor David Paterson for deciding to increase the utilization of minority and women owned firms in connection with upcoming bond issuances.

Governor Paterson appointed Paul Williams, Jr. as the Chair of the MWBE Task Force to increase the participation of minority and women owned firms in connection with the sale of New York State bonds. Members of the MWBE Task Force include heads of the DASNY, Environmental Facilities Corporation, Housing Finance Agency, Empire State Development Corporation, Thruway Authority and three members appointed by Governor Paterson. Under Paul Williams' direction, the Task Force is developing a plan that would ensure every issuer of state-supported debt complies with inclusion and diversity goals. The Task Force is currently considering a 20% mwbe goal.

"NAMWOLF is honored to have DASNY and the Housing Finance Agency as our Partners. Through our Partnership Program, corporations and public entities agree to eventually commit 5% of its outside legal counsel spend with minority and women owned law firms. We are delighted that DASNY and the Housing Finance Agency are taking a larger role in providing more opportunities for all minority and women owned firms.

"For too long minority and women owned firms have been shut out of businesses. Governor Paterson's implementation of the MWBE Task Force is a tremendous step forward for minority and women owned firms. As the Chairman of NAMWOLF, we are offering to assist the MWBE Task Force in identifying top-ranked minority and women owned law firms," said Emery Harlan.

About NAMWOLF

The National Association of Minority & Women Owned Law Firms (www.namwolf.org) was founded in June 2001. Headquartered in Milwaukee, NAMWOLF is a national trade association that advocates for promoting true diversity in the legal profession by fostering the development of long lasting relationships between preeminent minority and women owned law firms and private/public entities.

January 22, 2009

BOND BUYER

Thruway OKs Up to $450M on N.Y.'s Highway, Bridge Trust Fund Credit

By Ted Phillips

The New York State Thruway Authority yesterday authorized the sale of up to $450 million of tax-exempt bonds on the state's second general highway and bridge trust fund credit. The deal comprises up to $250 million of new money and up to $200 million of refunding.

The refunding portion the authority sells is likely to be much less than authorized.

"Given last week's market data there may be an opportunity to do about $50 million in refunding, but if the market swings a little more in our favor we can increase that amount," authority chief financial office John Bryan said. "The authorization allows us to react quickly to take advantage of such a market swing and capture those additional savings."

The deal is scheduled to price the week of Feb. 16 and is expected to have at least one day for retail orders.

Banc of America Securities LLC is book-running senior manager on the deal and Jackson Securities is co-coordinating manager. Goldman, Sachs & Co., RBC Capital Markets, and Siebert Brandford Shank & Co. are co-senior managers.

First Southwest Co. is financial adviser and Nixon Peabody LLP is bond counsel.

The trust fund's primary sources of revenue are petroleum business taxes, motor vehicle fees, and motor fuel taxes. The state uses the proceeds to finance road and bridge capital projects.

Traffic on the Thruway was down overall in the first 11 months of 2008, but revenue was up slightly due to the impact of a toll increase, Bryan said.

The Thruway projects traffic will have dropped by 3.2% in 2008 compared 2007 but due to cost containment measures implemented after a toll increase, Bryan said he expects the year will have ended with a slight surplus of $4 million to $6 million.

The main hit has come from commercial traffic which was down as much as 10% to 15% on some days in recent months compared to same time a year ago. The Thruway Authority operates and maintains 641 miles of roadway.

Because the credit is backed by state appropriation, falling traffic doesn't have a direct impact on the credit's rating, said Fitch Ratings senior director Laura Porter.

Fitch assigns its AA-minus rating with stable outlook, which is on par with the state rating.

"The state on an ongoing basis has really supported the integrity of the trust fund itself, adding new revenues as they need to," Porter said. "We think the incentive to appropriate is so strong that they can be on par with the GO."

New York has $1.01 billion of debt outstanding on its first resolution dedicated highway and bridge trust fund and $5.68 billion on its second resolution.

Standard & Poor's rates the credit AA with a stable outlook and Moody's Investors Service rates the credit Aa3.

The authority yesterday also adopted the recommendations of the state Minority and Women-Owned Business Enterprise Task Force that was created by Gov. David Paterson to boost participation of so-called MWBE firms on state bond deals.

The authority was the last of the five authorities that issue state personal income tax bonds to adopt them. The adoption of the new guidelines has triggered a spate of requests for proposals for underwriting services. Bryan said the Thruway Authority anticipates issuing a request for proposals for underwriters in the fall.

The New York State Environmental Facilities Corp. and the Dormitory Authority of the State of New York issued RFPs for underwriters under the new guidelines last month. Responses to the EFC were due by Jan. 12 and the corporation expects to announce its selection on Feb. 13. DASNY will accept responses until Feb. 3.

The New York State Housing Finance Agency issued its RFP on Jan. 9 and is accepting responses until Jan. 30. The Empire State Development Corp. plans to issue an RFP in the summer.

January 29, 2009

BOND BUYER

New York's MWBE Task Force Holding Panels on Legal Services

By Ted Phillips

The New York State task force on minority- and women-owned business enterprises moves its sights from underwriting to legal services with a series of panel discussions to be held tomorrow in Manhattan.

The task force will consider ways to boost participation of minority- and women-owned legal firms at state agencies and public authorities. It will also look at ways to support minority and women attorneys at majority firms.

All types of legal services used by agencies and authorities will be considered, including bond counsel and underwriters' counsel services.

Task force chairman Paul Williams Jr., who is also the executive director of the Dormitory Authority of the State of New York, said it will examine best practices for both in-house and outside legal services and will consider whether to change the length of terms of service for bond counsel firms that are selected through a request for proposals process. Currently, the length of such a term at DASNY is five years, but the task force will consider whether two years might be a better length.

The task force's recommendations for underwriting practices and the creation of template for RFPs were finalized late last year and have since been adopted by the five issuers of state personal income tax bonds: DASNY; the New York State Environmental Facilities Corp.; the Empire State Development Corp.; the New York State Thruway Authority; and the New York State Housing Finance Agency.

Asked whether the task force's work could eventually produce a spate of RFPs being issued for bond counsel firms as has happened for underwriters for PIT bond issuers - all have either issued new RFPs or intend to this year - Williams said it was a possibility.

The task force was created in June by executive order by Gov. David Paterson.

The final panel will feature attorneys from all five PIT issuers and the state comptroller's office to talk about procurement practices. The discussion will be held at the New York City Bar Association.

March 26, 2009

BOND BUYER

DASNY Picks New Underwriting Slate

By Ted Phillips

The Dormitory Authority of the State of New York yesterday announced the selection of a new slate of underwriters and gave preliminary and final approval to sales of $772.6 million of debt at its monthly board meeting.

Paul T. Williams, Jr.

"This is a transformative moment for the Dormitory Authority and for the State of New York," executive director Paul Williams Jr. said in a statement. "Our new panel of underwriters significantly expands opportunity for firms owned by minority members and women and gives the authority access to the world-class skill and talent we need to execute bonds deals for our clients."

DASNY announced its selection of underwriters, its first under the guidelines of a task that was created last year by Gov. David Paterson to increase participation of minority- and women-owned underwriting firms. All 51 firms that responded to a request for proposals released in December were assigned a spot in the syndicate.

The new slate expanded the number of eligible senior managers to 13 firms from 10 and doubled the number of minority- and women-owned firms to four. Nearly half of the senior managers chosen had not been on the previous senior manager slate.

The newly selected senior managers include Banc of America Securities LLC, Barclays Capital, Ramirez & Co., RBC Capital Markets, Siebert Brandford Shank & Co., and Wachovia Bank NA. Returning in the senior manager position were Citi, Depfa First Albany Securities LLC - soon to be called Jefferies & Co. - Goldman, Sachs & Co., JPMorgan, Loop Capital Markets LLC, Morgan Stanley, and MR Beal & Co.

In a sign of how the muni business has changed with firms leaving the business or disappearing, three firms that had been senior managers - Bear Stearns & Co., Lehman Brothers, and UBS Securities LLC - were not on the list.

DASNY also expanded the slate of eligible co-managers to 22 firms from 18 and approved 16 selling group members. The new guidelines shorten the length of the term the underwriters serve to two years from three years. The panel's term can be extended for one six-month period automatically and for an additional six months under "extraordinary circumstances."

The slate was chosen by staff and did not require board approval. The position on the slate applies to state-backed borrowings. Conduit borrowers, such as nonprofit medical facilities and colleges that issue through DASNY, can choose their own underwriting team from the list of 51 firms.

Earlier this month the New York State Environmental Facilities Corp. was the first agency to chose a slate of underwriters under the new guidelines. The New York State Housing Finance Agency plans to announce its new slate at its April 2 board meeting. The New York State Thruway Authority and the Empire State Development Corp. plan to issue RFPs for underwriters using the new guidelines later this year.

DASNY was the second largest issuer in the nation last year after California, marketing some $4.64 billion of bonds, according to Thomson Reuters. The authority has sold $25.93 billion of new money bonds since 2000, including $704 million in 2009, according to Thomson Reuters.

The board gave final approval to three bond transactions, including up to $465 million of bonds under the state's Mental Health Services Facilities Improvement Program. The bonds, which will be sold in a negotiated sale with maturities of up to 30 years, are backed by state appropriation.

Hawkins Delafield & Wood LLP is bond counsel. Underwriters have not been chosen yet.

Also receiving final approval was Samaritan Medical Center with up to $62 million of tax-exempt variable-rate debt with maturities up to 27 years. Proceeds will be used for renovations, capital construction, and refinancing. KeyBanc Capital Markets PLLC will lead manage the deal. Harris Beach PLLC is bond counsel. The bonds will have direct pay letters of credit from KeyBank and HSBC.

The board also approved $54.6 million of bonds on behalf of NYSARC Inc., a nonprofit serving the developmentally disabled. KeyBanc will lead manage the sale of the bonds that will have maturities up to 30 years. The proceeds are primarily for refinancing, but also for new money projects.

DASNY gave preliminary approval to $125 million on behalf of Yeshiva University, $21 million of bonds for the Nassau County Board of Cooperative Educational Services, and $45 million for New York Law School.

May 19, 2009

NEW YORK LAW JOURNAL

Plan Approved to Increase State Use of Minority Firms

By Joel Stashenko

A task force appointed by Governor David A. Paterson yesterday approved recommendations for how the largest state authorities can hire more minority- and women owned- law firms when contracting out legal work.

The recommendations include circulating requests for proposals for legal wok to professional groups representing minority and woman attorneys, stating that it is in keeping with policy to hire firms using minority and woman attorneys and informing minority- and female-owned firms that they can partner with other firms to enhance their chances at getting contracts. The recommendations also set a goal that at least 10 percent of the total fees the agencies pay for outside legal work go to such firms.

Representatives of the Dormitory Authority, the Thruway Authority the Housing Finance Agency, the Empire State Development Corp. and the Environmental Facilities Corp. are on the task force and the boards of those agencies are expected to formally adopt those recommendations in the coming weeks.

The task force is chaired by Paul T. Williams Jr., the executive director of the Dormitory Authority. An authority spokesman said the task force did not have an estimate for how legal work the five authorities or agencies contract out each year or their current use of minority- and women-owned firms.

January 25, 2010

BOND BUYER

Minority Firms on The Rise

2009 Saw 76% Boost in Volume

By Patrick McGee

The financial crisis opened doors of opportunity to many smaller firms last year, and minority-owned broker-dealers were no exception. In fact, they may be the textbook example.

Last year minority- and women-owned firms ran the books on 200 deals worth $17.7 billion, a 76% increase in volume compared to the $10 billion volume in 2008, according to Thomson Reuters. Compared to 2007, the percentage gain is 92%.

In terms of total market share, minority- and women-owned firms senior managed 2.1% of all transactions in 2007, 2.6% in 2008, and 4.3% last year. For stimulus-related bonds, such firms senior managed 6.0% of all deals, and their participation rate, which includes serving as co-manager, was 18.3%.

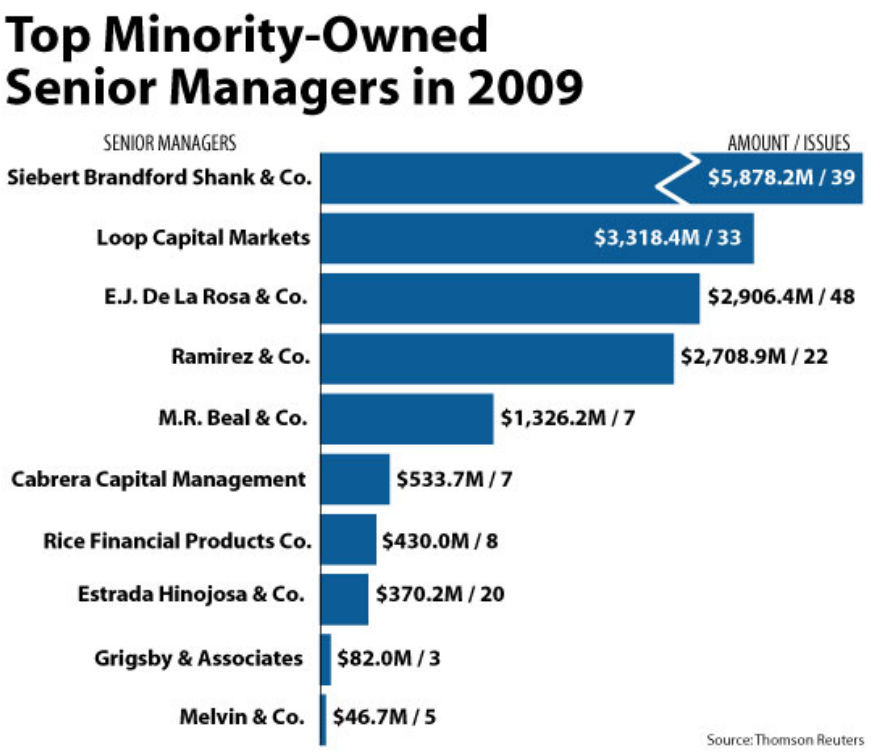
The deals in question are also getting larger. The top five transactions led by minority firms last year ranged from $508 million to $1.3 billion, whereas in 2004 the range was $263 million to $300 million, and in 2000 $75 million to $335 million, according to Thomson Reuters. Even the 10th-largest deal senior managed by a minority firm in 2009, at $427 million, was far bigger than the largest transaction in 2004.

For each year of the last decade Siebert Brandford Shank & Co. was the top minority-owned underwriter. Last year it senior managed 39 deals worth $5.9 billion, versus 32 deals worth $3.5 billion a year before.

Suzanne Shank, president of the firm, said the goal is to be in the top 10 nationally among all underwriters. A few years ago that would have seemed a bit far-fetched — it was ranked 26th in 2005 — but the dream is looking increasingly plausible given recent growth. Last year Siebert ranked 12th nationally.

Siebert was the seventh-largest underwriter for transportation deals in 2009, eighth-largest for stimulus-related bonds, and fourth-largest for airports, according to Thomson Reuters. Regionally, Siebert was ranked 10th in the Northeast, 11th in the Southwest, 14th in the Far West, 23rd in the Midwest, and 37th in the Southeast.

In March 2008 the firm completed its biggest transaction to date, a $1.75 billion general obligation bond for California. Earlier this month, Siebert also senior managed Chicago’s $770 million GO deal, a complex transaction split into four series of tax-exempt and taxable new-money and refunding bonds, Build America Bonds, and recovery zone economic development bonds.



The opportunity to work on bigger issues has provided experience and name recognition. It also helped to make minority-owned firms a “tried-and-true kind of entity” among issuers that previously may have been predisposed to working only with the largest banks, according to Shank.

“Not only has the sky not fallen, but also we’ve been able to demonstrate very good execution both on the structuring side and the distribution side, so customers feel more and more comfortable with engaging minority-owned firms to do these large deals,” she said.

Dislocations in the financial sector allowed the firm to expand its staff by a third as it picked up experienced bankers from larger institutions that began to retrench or pull out of public finance.

“Most of the larger minority-owned firms, including ourselves, dramatically increased our staffing with the onset of the financial crisis,” Shank said. “We made the investment immediately. As soon as I saw UBS pull out of the business, I was on the phone trying to attract some of the talented bankers from that shop.”

Loop Capital Markets in 2009 won the second spot among minority-owned underwriters for the third straight year. The Chicago-based firm’s business volume increased 35% in 2009 as it led 33 deals totaling $3.3 billion, versus 19 deals worth $2.5 billion the year before.

Loop also aims to be a top-10 firm in national rankings, and with its recent growth spurt that too could be a possibility. In 2009 it expanded its staff of public finance bankers to 35 from 15, and many of the hires came directly from the bulge-bracket firms. Increased staff helped the firm rank 16th last year, up from 20th in 2008 and 30th in 2005.

“Loop has enjoyed a significant amount of success over the last few years,” said managing director Chris Mier. “Not unlike other non-Wall Street firms, Loop has benefited from the industry dislocation — we added to our staff very talented individuals from some of the large firms that got caught up in the crisis.”

The firm’s most recent hire is Alexander Rorke, a former manager of public finance at UBS Securities who now leads the municipal banking group.

E. J. De La Rosa & Co., an investment bank solely focused on California, ranked third among minority-owned firms. De La Rosa's 23 bankers senior managed 48 deals worth $2.9 billion, ranking it 20th nationally and eighth in the Golden State.

"The first thing you learn in business school is to be number one in your market — to focus on your market and not to spread yourself too thin — so we've never had any interest in being number 15 in four different markets," said Edward De La Rosa, president of the firm.

De La Rosa's business volume nearly quadrupled in the utilities sector to $861 million last year, while transportation volume increased 140% to $484 million.

The firm's public finance team doubled from late 2006 to the end of 2009, which De La Rosa attributes to "being at the right place and in the right position" when the financial crisis upended the market.

"I think all of California's muni market could see that when other firms were pulling their capital and their people out of the market, we just continued to do what we've been doing for the past 18 years. That's been our secret," De La Rosa said.

In addition to absorbing new staff from larger banks, minority firms have also benefited from policies designed to encourage diversity among the workforce that does business with public entities.

In Illinois, for instance, there has been an informal mandate since 1989 that 30% of all municipal transactions should use minority-owned underwriters and bond counsel, according to Brian King, formerly a debt manager for Chicago who now heads public finance at Cabrera Capital Markets, which senior managed $534 million last year on seven issues.

King said the city's approach results in economic development at no cost to the taxpayer.

"The way Chicago looks at it is that they aren't spending more on what they pay their investment banks — they pay the same as everybody else — but they are encouraging the development of new businesses in the city," he said. "They are being an incubator, providing start-up funds for small businesses in the city and the result is that small businesses are really taking off here."

Minority firms participated in 25.8% of all transactions in Illinois, by volume, in the decade, compared with 13.3% in New York and 14.2% in California, according to Thomson Reuters.

New York Gov. David Paterson in 2008 launched an effort to catch up. He created the Minority and Women-Owned Business Enterprise task force, which by the end of the year implemented new request for proposal guidelines. The results show a clear impact.

In 2007, minority- and women-owned firms were senior underwriters on $1.5 billion of transactions in the state, representing 4.8% of all deals. Just two years later they led on $4.2 billion of deals, a 9.5% market share. As co-managers, participation among minority firms jumped to 22.4% from 14.2% in the same period, according to Thomson Reuters.

"The task force adopted a set of best practices designed to remove artificial barriers that unintentionally blocked minority firms from doing business with the authorities that issue state debt," Marc Violette, spokesman for the Dormitory Authority of the State of New York, said in an e-mail statement.

The new rules allow the public issuer to require that an underwriter partner with a minority-owned business. They also allow competing underwriters to list prior transactions from out of state, and grant authorities the ability to change an underwriter's position within a syndicate.

"It was past practice to do business with underwriting firms that had experience doing deals with New York debt-issuing entities," Violette said. "This automatically locked out a lot of firms — minority firms especially — that had experience doing big deals in other jurisdictions like Illinois, Georgia, and California, but not in New York."

Many minority-owned businesses describe the guidelines as "leveling the playing field" for small- and mid-size underwriters.

“They have given qualified firms an opportunity to compete based on experience, track record, and innovative ideas,” said Sam Ramirez Jr., director of Samuel Ramirez & Co., the fourth-largest minority-owned firm. Last year Ramirez ran the books on 22 issues amounting to $2.7 billion, a sevenfold increase from 2008.

Even smaller firms not directly affected by the new criteria are hopeful that increased awareness of minority firms will benefit their business.

One example is Oakland-based Blaylock Robert Van LLC, which co-managed 17 deals worth $535 million last year. Chief executive officer Eric Van Standifer said Paterson’s criteria has played a role in the firm’s confidence.

“We’re still only getting a fingernail’s portions of the business,” he added. “But it’s clear around the country that these municipalities are going to have to be more aggressive in raising capital themselves, and we think that there’s an opportunity for us to play a senior role in a whole slew of transactions.”

Blaylock acquired Ohio-based SBK Brooks Investment Corp. in August, and in the last year has hired two public finance veterans and opened a Chicago office. In addition, he said the firm is in the process of forming an alliance with Jamaica-based Capital and Credit Financial Group.

Even with the right policies, firms won’t be able to expand unless they have a strong capital base to draw on, but in today’s climate some issuers are casting a less trusting eye on balance sheets and instead focusing on other factors where smaller firms claim they excel.

“The bulge-bracket firms historically competed upon the basis of having a big balance sheet that was made available to the client. When the financial crisis hit, however, the balance sheet was not available to the clients in their time of need,” Mier said. “We think that the industry will increasingly compete on the basis of timely, high-quality service rather than the dubious offer of a balance sheet that is only there for the client in good times.”

“No longer is bigger, better,” added Stan Grayson, chief operating officer of New York City-based M.R. Beal & Co., which was the fifth-largest minority-owned firm last year, leading on seven issues worth $1.3 billion.

“My view has always been that capital is a bit of red herring,” he said. “There’s no question that some capital is required, but in most municipal transactions we have the ability to pre-sell bond issues, so by the time a deal is priced, there’s usually very little or none of the issue that’s unsold.”

Even for larger deals, holding a large capital base isn’t always necessary, as often there is a syndicate of underwriters to share the risk and give confidence to the issuer, according to De La Rosa.

“All syndicate members will stand in for their proportionate share of the unsold bonds of any member that doesn’t meet its commitment,” he said. “So what happens when you do some of these larger deals is that the issuer has access to the combined capital of the all those five or six firms, regardless of who the senior is.”

De La Rosa said capital played an important role in his firm’s recent growth, but that it’s only one part of the formula. Equally important are building rapport with investors, possessing the ability to deliver retail orders, and demonstrating leadership within a syndicate.

“Capital is a part of it,” he said, “but capital doesn’t do you any good if you don’t have those other attributes.”

In the end, the most important factor is execution.

“No firm is hired as senior manager because it’s minority-owned, we’re hired because we can structure and distribute the bonds,” Shank said. “Issuers are accountable to taxpayers, so firms have to deliver. It’s all about relationships, and it’s all about performance.”

MWBE TASK FORCE OUTREACH LIST

Chambers of Commerce
Afghan Chamber of Commerce
African American Chamber of Commerce
African American Chamber of Commerce of San Antonio, Inc.
Albuquerque Hispano Chamber of Commerce
America-Israel Chamber of Commerce & Industry
American-Israel Chamber of Commerce & Industry of Minnesota, Inc.
American-Russian Chamber of Commerce & Industry
Arizona Hispanic Chamber of Commerce
Armenian American Chamber of Commerce
Asian Chamber of Commerce
Asian Pacific-USA Chamber of Commerce
Association of American Chambers of Commerce in Latin America
Aurora Hispanic Chamber of Commerce
Baltimore Hispanic Chamber of Commerce
Black Chamber of Commerce of the Permian Basin
Brazilian American Chamber of Commerce
Bronx Chamber of Commerce
Bronx Hispanic Chamber of Commerce, Inc.
California Black Chamber of Commerce
California Hispanic Chamber of Commerce
California Israel Chamber of Commerce
Capital City African American Chamber of Commerce
Caribbean American Chamber of Commerce & Industry, Inc.
Centex Hispanic Chamber of Commerce
Central California Hispanic Chamber of Commerce
Chamber of Commerce of Puerto Rico
Chicago Korean American Chamber of Commerce
Chile-United States Chamber of Commerce
China Hawaii Chamber of Commerce
Chinese American Chamber of Commerce of Santa Clara Valley
Corpus Christi Hispanic Chamber of Commerce - Vision News letter
Costa Rican-American Chamber of Commerce
Dallas Black Chamber of Commerce
Denver Hispanic Chamber of Commerce
El Monte Chamber of Commerce
El Paso Hispanic Chamber of Commerce
First Coast Hispanic Chamber of Commerce
Florida Israel Chamber of Commerce
Florida State Hispanic Chamber of Commerce
Fort Worth Metropolitan Black Chamber of Commerce

Fort Worth Hispanic Chamber of Commerce
Frederick County African-American Chamber of Commerce
Fresno Area Hispanic Chamber of Commerce
Georgia Hispanic Chamber of Commerce
Greater Austin Hispanic Chamber of Commerce
Greater Caldwell County Hispanic Chamber of Commerce
Greater Cincinnati & Northern Kentucky African American Chamber of Commerce
Greater Corona Hispanic Chamber of Commerce
Greater Dallas Korean American Chamber of Commerce
Greater Harlem Chamber of Commerce
Greater Miami Chamber of Commerce
Greater Philadelphia Hispanic Chamber of Commerce
Greater Phoenix Black Chamber of Commerce
Greater Riverside Hispanic Chamber of Commerce
Greater Washington Hispanic Chamber of Commerce
Gulf Coast Latin Chamber of Commerce
Hispanic Chamber of Commerce of Alameda County
Hispanic Chamber of Commerce of Colorado Springs
Hispanic Chamber of Commerce of Greater Baytown
Hispanic Chamber of Commerce of Greater Cincinnati
Hispanic Chamber of Commerce of Greater Columbus
Hispanic Chamber of Commerce of Greater Kansas City
Hispanic Chamber of Commerce of Marin
Hispanic Chamber of Commerce of Metro Orlando
Hispanic Chamber of Commerce of Montgomery County
Hispanic Chamber of Commerce of Northern Virginia - HCCNVA Newsletter
Hispanic Chamber of Commerce of Orange County
Hispanic Chamber of Commerce of Silicon Valley
Hispanic Chamber of Commerce of Sonoma County
Hispanic Chamber of Commerce of Wisconsin - Comunicindose Con La Cimara
Hispanic Chamber of Palm Beach County
Hispanic Metropolitan Chamber
Hispanic-American Chamber of Commerce of Greater Boston
Houston Asian Junior Chamber of Commerce
Houston Hispanic Chamber of Commerce
Indo-American Chamber of Commerce of Northern California
Japanese American Chamber of Commerce
Japanese Chamber of Commerce of Georgia
Kern County Hispanic Chamber of Commerce - Hispanic Network Newsletter
Kleberg Hispanic Chamber of Commerce
Laredo Hispanic Chamber of Commerce
Latin American Chamber of Commerce of Charlotte, Inc.
Latin Chamber of Commerce of Broward County

Latin Chamber of Commerce of Nevada - LCC Chamber Newsletter
Latin Chamber of Commerce of USA - Camacol
Latino Chamber of Commerce of Pueblo
Little Village Chamber of Commerce
Long Island Hispanic Chamber of Commerce
Los Angeles Metropolitan Hispanic Chamber of Commerce
Manhattan Chamber of Commerce
Manhattan Hispanic Chamber of Commerce, Inc.
Maryland Hispanic Chamber of Commerce
Metro-Atlanta Chamber of Commerce
Mexican American Chamber of Commerce of Northeast USA
Miami Beach Chamber of Commerce
Michigan Hispanic Chamber of Commerce
Midland Hispanic Chamber of Commerce
Minnesota Hmong Chamber of Commerce
Morris County Hispanic-American Chamber of Commerce
National Black Chamber of Commerce
New Jersey Chinese-American Chamber of Commerce
New York Women's Chamber of Commerce
Nicaraguan American Chamber of Commerce
North Alabama African American Chamber of Commerce
Oakland Chinatown Chamber of Commerce
Ohio-Israel Chamber of Commerce
Oklahoma Black Chamber of Commerce
Pajaro Valley Chamber of Commerce
Pakistan International Chamber of Commerce, Inc.
Peruvian American Chamber of Commerce
Philippine American Chamber of Commerce
Philippine American Chamber of Commerce of Arizona
Philippine American Chamber of Commerce of Greater Chicago
Puerto Rican Chamber of Commerce of Illinois
Puerto Rican Chamber of Commerce of Palm Beach County
Puerto Rican Chamber of Commerce of South Florida
Puerto Rican/Hispanic Chamber of Commerce of Broward County
Regional Hispanic Chamber of Commerce
Russian-American Chamber of Commerce
Sacramento Hispanic Chamber of Commerce
San Benito County Chamber of Commerce
San Diego County Hispanic Chamber of Commerce
San Francisco Hispanic Chamber of Commerce
San Joaquin County Hispanic Chamber of Commerce
San Marcos Hispanic Chamber of Commerce
Santa Barbara Hispanic Chamber of Commerce

Silicon Valley Black Chamber of Commerce
South Bay Latino Chamber of Commerce
South Florida Hispanic Chamber of Commerce
Southwest Florida Hispanic Chamber of Commerce
Spain United States Chamber of Commerce
Taiwanese Chamber of Commerce
Tampa Bay Hispanic Chamber of Commerce
Tarrant County Asian American Chamber of Commerce
Texas Asian Chamber of Commerce
Texas Association of African-American Chambers of Commerce
The Bolivian-American Chamber of Commerce
The Georgia Black Chamber of Commerce
The Latina Chamber
The Spain-United States Chamber of Commerce
Tri-Cities Hispanic Chamber of Commerce
Tucson Hispanic Chamber of Commerce
Tulare Kings Hispanic Chamber of Commerce
Turkish-American Chamber of Commerce & Industry
U.S. Chinese Chamber of Commerce
United States Hispanic Chamber of Commerce
United States-Mexico Chamber of Commerce
US Indian American Chamber of Commerce
US Pan Asian American Chamber of Commerce
US Pan Asian American Chamber of Commerce
US Pan Asian American Chamber of Commerce - East West Report
Venezuelan-American Chamber of Commerce of the United States
Vietnamese American Chamber of Commerce of Orange County
Virginia Asian Chamber of Commerce - Dominion Asia Review
Virginia Hispanic Chamber of Commerce
Washington State Hispanic Chamber of Commerce
Wichita Hispanic Chamber of Commerce

Councils and Coalitions

Arkansas Mississippi Minority Business Council
Council of Asian American Business Associations
Florida Regional Minority Business Council
Kentuckiana Minority Business Council
MidAmerica Minority Business Development Council
National Minority Business Council, Inc. (NMBC)
National Minority Supplier Development Council, Inc.(NMSDC)
New York Association of Black Women Owned Enterprises, Inc.
NY & NJ Minority Supplier Development Council, Inc.

RainbowPUSH Coalition
South Regions Minority Business Council
Southern California Minority Business Development Council, Inc.
Women's Business Enterprise National Council(WBENC)

Professional Associations
American Society of Women Accountants
Armenian Bar Association
Asian American Bar Association of New York
Asian American Bar Association of The Greater Bay Area
Asian Bar Association of Washington
Asian Financial Society
Asian Pacific American Bar Association
Asian Pacific American Bar Association of Los Angeles
Asian Pacific American Bar Association of Maryland
Asian Pacific American Bar Association of the Greater Washington DC Area, Inc.
Asian Pacific American Lawyers Association of New Jersey, Inc.
Asian Pacific Bar Association of the Silicon Valley
Asian/Pacific Bar Association of Sacramento
Association of African American Financial Advisors (AAAA)
Association of Black Women Attorneys
Association of Latino Professionals in Finance and Accounting (ALPFA)
Association of Merchants & Commerce
Banco de Alimentos de Puerto Rico
Black Entertainment and Sports Lawyers Association, Inc.
Black Women Lawyers Association of Los Angeles, Inc.
Charles Houston Bar Association
City Bar Association of NY
City National Banker of New Jersey (National Bankers Association)
Connecticut Asian Pacific American Bar Association
Council of Urban Professionals (CUP)
Hispanic Bar Association of the District of Columbia
Hispanic National Bar Association
Hispanic National Bar Association of Orange County
Hispanic National Bar Foundation
Korean American Bar Association of Southern California
Korean American Lawyers Association of the Delaware Valley
KORIED LLC
Los Abogados, Hispanic National Bar Association
Los Angeles County Bar Association
Los Angeles County Bar Association

Metropolitan Black Bar Association
Minnesota Association of Black Lawyers
MoreBank (National Bankers Association)
NAACP (National Association for the Advancement of Colored People)
National African American Insurance Association
National Asian Pacific American Bar Association(NAPABA)
National Association of Black Accountants, Inc.(NABA)
National Association of Bond Lawyers(NABL)
National Association of Chinese-Americans
National Association of Investment Companies (NAIC)
National Association of Minority and Women Owned Law Firms(NAMWOLF)
National Association of Securities Professionals - New York Chapter
National Association of Securities Professionals (NASP)
National Association of Women Lawyers
National Bankers Association
National Bar Association
National Black MBA Association, Inc.
National Latina Business Women Association
National Native American Bar Association
National Urban League, Inc.
New York Association of Black Women Owned Enterprises, Inc.
New York State Bar Association
One Hundred Hispanic Women - National Chapter
Puerto Rico Banks Association
RainbowPUSH Coalition
South Asian American Bar Association of Houston
South Asian Bar Association of Northern California
South Asian Bar Association of Washington, DC
Southern California Chinese Lawyers Association
The National Hispanic Business Group
The National Society of Hispanic MBAs
The New York Coalition of 100 Black Women, Inc.
Tri-State Region National African American Insurance Association
United Bank of Philadelphia (National Bankers Association)
Urban Financial Services Coalition
Women Lawyers Association of Los Angeles