



RFP: C190007 – Banking Services

BIDDER ACKNOWLEDGEMENT OF ADDENDUM

Amendment Number: Three

Date Issued: March 13, 2020

Summary: Q&A Attached (Questions are continued from RFP Amendment Two, issued March 4, 2020).

By signing below, the bidder attests to receiving and responding to the amendment number indicated above.

FIRM NAME	
REPRESENTATIVE SIGNATURE	

**RFP C190007 - Banking Services
Question and Answer Summary
Issued: March 13, 2020**

Q.53: P 7., 1.4 Schedule

Would NYS Gaming kindly consider extending the due date by one week? The time line is tight and it will be a challenge to digest the new information coming from the Q&A and still structure, write, obtain all approvals and meet the deadline. Would April 1st be acceptable?

A.53: Section 1.4 of the RFP is hereby amended as follows:

1.4 SCHEDULE

The following dates are established for informational and planning purposes. The Commission reserves the right, in its sole discretion, to adjust this schedule.

RFP Issued	February 14, 2020
Bidders' First Questions Due by 3:00 pm	February 27, 2020
Commission Responses to First Questions	March 4, 2020
Bidders' Second Questions Due by 3:00 pm	March 10, 2020
Commission Responses to Second Questions	March 13, 2020
Bidder Proposals Due by 3:00 pm	April 1, 2020
Contract Start Date for Conversion Activity	August 1, 2020
Contract Start Date for Account Activity	December 1, 2020

Q.54: RFP Amendment 1

In RFP Amendment 1: Branch Deposited Cash – what does the figure 4,258.2 represent? Is that the actual dollar amount deposited for the month? Some banks show the dollar amount deposited for the month divided by 100; in which case the dollar amount deposited would have been 425,720 – is that correct?

Other branch and cash and coin questions:

Please more fully describe your cash processes.

Are vaults being used or just branches?

How often does each Gaming location deposit cash and coin?

How often does each location order cash and coin?

Who is dropping and picking up – Gaming employees?

Are Gaming's cash and coin orders provided in advance and are these orders placed for the needs of the entire system or is each locations handing the order of its cash and coin needs independently.

Are they also picking up coin and currency?

Please confirm all of this activity is strictly related to NYS lottery and perhaps racetrack licensing fees and that gambling proceeds from entities other than NYS are not involved.

A.54: The figure represents actual dollar amount. Bank vault services are not being used. The activity at locations is primarily related to license fees related to Horse Racing. There are some other miscellaneous funds, but nothing related to gambling proceeds. Nominal petty cash is maintained to make change; cash is not ordered. The process for deposits is different depending on the proximity to a Key Bank branch location. Weekly, Gaming Commission employees deposit cash if there is branch within a reasonable driving distance. Locations not within a reasonable distance use a variety of means to convert cash to check or money order which is mailed or couriered to the Schenectady main office. There is an exception for the Belmont and Aqueduct racetracks. For these locations, the Gaming Commission maintains a legacy Bank of America account for the sole purpose of depositing cash. This account is swept directly by OSC. As required in the RFP, the bidder should provide a list of bank branches in New York State and indicate the proximity to locations listed in Exhibit 1. The Bidder may also offer other alternatives as part of the work plan.

Q.55: P 43

Regional check-cashing for all Lottery prize claimants either at an “on-us” branch location or through an affiliated institution. Any affiliated institution must be approved by the Commission; and

- (a) Do you know how many checks were cashed in branches? If you do not have an exact number can you estimate and share the logic behind the estimate? Your existing bank is able to pull this important number which is very important given the requirement that we “bundle” pricing. Also, would you kindly disclose the incumbent bank (or offer an estimate of the number of branches they have) so that we can also understand their branch network and how that may have impacted the number of checks cashed in branches. A Bank with fewer branches would experience fewer checks being cashed than a Bank with many branches.
- (b) What portion of your annual checks are for paying lottery winners as opposed to vendors or payroll or employee expense reimbursement and the like?
- (c) What is the portion and size range of checks being used to pay lottery winners?
- (d) Can you expand on how you handle paying winners? What portion are paid via cash? Are there dollar thresholds for these cash payments? Where are they paid?

A.55: (a) The number of checks cashed in branches is not available and we do not have an estimate. The incumbent bank is Key Bank.

(b) Substantially all checks issued are for lottery prizes (including subscriptions).

(c) Checks can range from as little as \$.10 to almost any amount requested by the customer. Based on a review of historical data, we estimate that approximately 90% of all checks issued for prize claims are for \$5,000 or less.

(d) The scope of prizes for purposes of this question relates to annuity payments and prize claims presented to Customer Service Centers identified on Exhibit 1 to the RFP. Please note the “Services Legend”. Prize claims are paid by check or wire/ACH. All Customer Service Centers may issue prize checks for non-jackpot prizes. Typically, jackpot prizes are paid from the Gaming Commission’s Schenectady office. It is typical practice to produce checks for non-jackpot prizes and request wire/ACH information for jackpot prizes (typically considered to be prizes of \$1 million gross or greater). Only the Schenectady office issues wires/ACH. Annuity prizes are paid by the Gaming Commission’s Schenectady office on a monthly or quarterly basis, depending on the terms of the annuity prize. Approximately 2,700 annuity checks are issued per year of varying amounts.

The Commission does not pay lottery prizes in cash. Some Customer Service Centers co-located at VLG facilities pay prizes in cash. However, they are paid from the private VLG operator’s cash and are not within the scope of this RFP. In addition, private VLG operators will typically cash lottery prize checks for a customer.

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