



Gaming Commission

RFP: C202104 – General Banking Services

BIDDER ACKNOWLEDGEMENT OF ADDENDUM

Amendment Number: One

Issued: June 25, 2021

Summary: Questions and answers following, as well as Additional documents, Attachments 1, 2 and 3.

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

FIRM NAME	
REPRESENTATIVE SIGNATURE	

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Q.1: Would the NYS Gaming Commission kindly list the material changes to the new RFP compared to the last one. This will allow all the banks that submitted bids in 2020 to focus on any changes as opposed to starting over and reviewing all the materials a second time. This would be a huge time saver for the bidder community.

A.1: RFP C202104 is substantially different from RFP C190007. Please review RFP C202104 in its entirety.

Q.2: In the pricing grid the Gaming Commission asks for bundled pricing for the Electronic Billing & Presentment service which is generally fine. During the last RFP the Gaming Commission indicated that 18% of the 108,000 transactions were ACH and the remaining 82% were card (card transaction being passed for processing to the State-Wide credit card processor). 18% of the 108,000 is equal to 19,440 ACH payments processed through the Electronic Billing and Presentment Service.

And then the Commission has a number of ACH line items in the pricing grid – 3 to be exact:

Outgoing ACH – volume of 2,880
Incoming ACH Debit – volume of 72
Incoming ACH Credit

Where the question comes in is as follows:

Clearly the ACH volume of 19,400 from the Electronic Billing and Presentment Service is not captured in the Gaming Commission's ACH volumes.

Bank's systems are not going to be able to suppress the processing of the 19,400 ACH transactions from the other incoming ACH transactions for pricing purposes. We just can't systematically do that.

Therefore, would Gaming please consider excluding the processing fee for the ACH transaction from the bundling of the Electronic Billing & Presentment Service and instead place that volume into incoming ACH? (Customarily Banks think of Electronic Billing & Presentment Service as separate from the actual processing of the underlying payments such as the ACH payments which fall into the bucket of basic payment processing).

A.2: The Commission declines to adjust the Pricing Proposal at this time.

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- Q.3:** Please disclose the number of accounts that get credited for Electronic Billing & Presentment Service receipts. Is it just one account? If not, how many?
- A.3:** **Please see Scope of Work, Section 3.2, paragraphs A-C for a description of the services required for each account.**
- Q.4:** What portion of checks (168,000) are vendor payments, payroll, lottery winners? For the lottery winner checks please also provide data on dollar amount of the checks: X % range in dollar amount between X-Y. Z % range in dollar amount between A-B, etc. Of the lottery checks how many are one-time payments vs. recurring. For recurring, what is the typical duration of the recurring payments?
- A.4:** **Substantially all checks issued are for lottery winners. No payroll checks are issued and occasionally a vendor may be issued a check. Most lottery checks are one-time payments. We do not have specific data on the number. However, 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.**
- Q.5:** Regarding bundled pricing, historically Banks were told by NYS to keep their balances charges (was sometimes referred to as FDIC charges) out the bundled pricing page. Meaning, Banks were allowed to charge their balance fee and were asked to not include in the bundled pricing. Is this still acceptable? The Gaming Commission is likely being charged balance fees by its current bank.
- A.5:** **The Commission declines to adjust the Pricing Proposal at this time.**
- Q.6:** RFP Section 1.3, page 5: Would the Commission accept an alternative solution from a Bank without physical locations in New York State for described depository and check cashing services such as a courier service and prepaid cards, respectively?
- A.6:** **The Commission declines to alter the Scope of Work at this time. Acceptable alternate proposals are discussed within the Scope of Work.**
- Q.7:** RFP Section 1.3, page 5: Will you accept a letter of credit in lieu of pledge securities or a security bond?
- A.7:** **Per Section 105 of the NYS State Finance law, an irrevocable letter of credit issued by a Federal Home Loan Bank is acceptable as collateral in lieu of securities or a surety bond. Please note that the NYS OSC must approve the collateral agreement of the winning bidder, for it to be accepted.**

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Q.8: RFP Section 3.1, page 41: What vendor/contractor and service name does the Commission use for Electronic Bill Payment & Presentment, as referenced under NYS centralized contract PS65792?

A.8: Key Merchant Services, LLC (KMS). Please note the NYS centralized contract number is now PS68914.

Q.9: Attachment 2, page 159: What constitutes a Manual Deposit for which there is an annual volume of 51,600, i.e.: where are these deposits made and in what form, cash, checks, etc.? If the Manual Deposit is inclusive of cash, what is the average dollar amount of cash deposited?

A.9: Manual deposits are cash and check deposits made at physical branch locations. Cash amounts can be obtained by filing the required NDA.

Q.10: Attachment 2, page 159: The service line "Outgoing ACH" is referenced with a volume of 2,880. Our assumption is that this the Commission acting as the ACH Originator of both ACH debit and credits, can further detail of the dollar amount for ACH debit origination and ACH credit origination be provided?

A.10: The Commission originates ACH credits. Dollar amounts are not available but individual amounts may be substantial (\$100 million+) as lottery jackpot winners may be paid by ACH.

Q.11: Attachment 2, page 159: Is there any seasonality to the ACH origination activity? With regard to the ACH Origination by the Commission, what is the largest anticipated ACH Credit file dollar amount? What is the largest ACH anticipated Debit file dollar amount?

A.11: The Commission has not detected seasonality with respect to ACH originations although there may be fluctuations depending on the number of lottery winners and annuity payments. The Commission originates ACH credits. The Commission cannot anticipate the largest ACH as it is dependent on the size of a jackpot.

Q.12: Section 2.7, page 18: What is the expectation for analysis settlement frequency?

A.12: Monthly

Q.13: Can you provide a flow of funds money coming in, going out, invested, etc.?

A.13: The bidder would have to provide a more detailed question and purpose of the inquiry.

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Q.14: Will the state lottery indemnify the bank for fraudulent checks?

A.14: The extent of indemnification is described within the RFP.

Q.15: Will the State agree to minimum indemnification requirements of the individuals presenting the checks and attempting to cash them?

A.15: The extent of indemnification is described within the RFP.

Q.16: RFP Section 1.3, page 5: How many lottery checks are issued annually for \$5,000 (or an amount as determined by the Commission) that may be cashed at a branch?

A.16 See answer 4.

Q.17: RFP Section 3.1, page 38: Under Deposit Services it indicates that the Commission will make cash deposits. Can the Commission please provide a breakdown by location of the frequency of the cash deposits and the average dollar amount of the deposits? Do the locations also deposit coin? If so, can the Commission please provide a breakdown by location of the frequency of the coin deposits and the average dollar amount? We will provide a signed NDA as instructed in the RFP.

A.17: The NDA is required in advance.

Q.18: RFP Section 3.1, page 38: Does the Commission utilize an armored carrier for cash deposits? If so, which armored carrier(s) are used?

A.18: The Commission does not utilize armored carrier services.

Q.19: RFP Section 3.1, page 40: Under Electronic Funds Transfer Services, the RFP indicates the need for incoming and outgoing International Wires. What denomination (other than USD) does the Commission send and receive? How many incoming and outgoing International Wires does the Commission have annually?

A.19: The Commission originates less than 10 international wires per year. Wires are originated in US dollars.

Q.20: RFP Section 3.1, page 41: Under Website Services the RFP states that the contractor shall provide integration with the Commission's website and subscription system. Are the customers redirected to a bank portal for payment or is that handled by the Commission's third-party vendor? If the third-party vendor is processing the payment request, then how are the ACH details

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provided to the bank? If the customer is redirected to the bank portal how does this process occur and what data follow with the customer and does the Commission require the contractor to capture data from the customer other than payment details?

A.20: The Bidder will provide a portal with SSO support that allows the subscription system to pass Subscription Player ID, Subscription Acct Name, email address, and payment amount to the banking services portal. The bidder is to integrate into the existing application, accessible at mynylottery.org.

Q.21: RFP Section 3.1, page 41: What accounting system/subscription system will the website services integrate into?

A.21: See Answer 20.

Q.22: RFP Section 3.1, page 41: Is the Commission looking for a fully hosted website or integration only into an existing site where the contractor collects only the payment information and processes the payment?

A.22: See answer 20.

Q.23: RFP Section 3.2, page 42: Will the Commission require an online website portal for each of the programs or one site that accepts for all programs?

A.23: See answer 20.

Q.24: Attachment 2: Are the 51,600 items under Manual Deposits check deposits? If so, why did those items not get deposited as Remote Deposits? If the Manual Deposits also include cash can the Commission provide a breakdown of cash and check deposit by location?

A.24: The Manual Deposits may contain both cash and check, including Canadian checks. The NDA is required in advance.

Q.25: Attachment 2: What is the breakdown of domestic versus international wires with the volume of 1,440 incoming Fedwires?

A.25: The Commission receives fewer than 5 international wires.

Q.26: Attachment 2: What is the breakdown of domestic versus international wires with the volume of 600 Outgoing Fedwires?

A.26: See Answer 19.

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Q.27: Attachment 2: What does the volume 108,000 represent for Electronic Billing & Presentment represent?

A.27: The number of items processed through the current system.

Q.28: Attachment 2: Would the Commission consider adding a Service Line for reporting? There is no Service Line to capture BA12 and online reporting.

A.28: The Commission declines to adjust the Pricing Proposal at this time.

Q.29: Attachment 2: There is no service line for cash deposits. Would the Commission consider adding a Service Line for cash deposits? The annual volume would represent the amount deposited annually.

A.29: The Commission declines to adjust the Pricing Proposal at this time.

Q.30: RFP Section 4.5, pages 48-50: Are Bidders required to submit any hard copies of either the technical proposal or pricing proposal? Page 50 indicates electronic copies only, however, page 48 mentions technical proposal format to “include divider pages with tabs” which seems to imply paper bound copies. Will the Commission accept the Technical and Pricing Proposals via email only? If awarded, could the Awarded Bidder then send hard copy?

A.30: Email only submissions are fully acceptable. RFP Section 4.5.B, Proposal and Content Submission, Proposal Format, is hereby amended as follows:

A. Proposal Format

Each Bidder must submit a complete Proposal in the format described below and in response to the RFP.

Each Proposal must consist of two volumes: Volume I - Technical Proposal and Volume II - Pricing Proposal. Each Volume must be ~~submitted sealed separately from the other and packaged together when submitted~~ to the Commission **separately** as defined in Item C of this “Proposal Submission”.

Volume I – Technical Proposal:

The Technical Proposal must include a transmittal letter, signed in ink by an official authorized to bind the Bidder to its provisions, and must include Information outlined below in Item 1 of this section, “Transmittal Letter”.

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Note: Volume I shall include descriptive and technical matter only. No pricing information shall be contained in the Technical Proposal.

The contents of the Technical Proposal (Volume I) must follow the outline below. ~~and include divider pages with tabs to separate the response sections, appropriate headings as represented in the RFP, and page numbers.~~

To assist Bidders in their Proposal response and submittal of the required documents, a **Document Submittal Checklist, Attachment 3**, is incorporated into this RFP. This checklist must be completed and included with the Bidder's Technical Proposal.

Q.31: Please provide cash balances by location – Confidential/Non-Disclosure attached.

A.31: **The Contracts Unit will send the documents once the NDA has been reviewed.**

Q.32: Does the Commission accept foreign currency (Canadian cash)?

A.32: **No.**

Q.33: Does the Commission have an existing Armor Car agreement and if so, who is the provider? If not, would the Commission enter into one?

A.33: **No. The Commission would consider an armored car agreement to the extent the cost is included in the Pricing Proposal.**

Q.34: Could the Commission share an Account Analysis statement?

A.34: **See Attachment 3 to this document.**

Q.35: Will the Commission consider unbundling its price structure to include all related AFP codes?

A.35: **No.**

Q.36: RFP Section 3.1, page 39: Please clarify the context of the following requirement in the Paper Disbursement Services section: "Funds availability provided to the Commission is equivalent to the funds availability provided to a bank by the

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Federal Reserve for checks processed through the Federal Reserve.” Our bank applies availability schedule to checks deposited at our bank. Paper disbursements issued by the Commission could be deposited at any bank. Our bank would not know availability schedules for checks deposited at other banks.

A.36: The availability refers to deposits.

Q.37: RFP Section 3.1, page 37: Could the Commission please clarify “complete an investigation of a forgery affidavit and make a determination as to its validity within 90 days”. In many cases a resolution may not be determined after 90 days. Is the Commission just looking for an update?

A.37: The Commission may make an exception on a case by case basis.

Q.38: See attached redlined/comments on Insurance attached. (Attachment 1 to this document)

A.38: The Commission declines to make any changes at this time. To the extent that primary requirements cannot be followed, bidders are referred to other options proposed within the RFP.

Q.39: See attached edits/comments on the RFP’s security requirements. (Attachment 2 to this document)

A.39: The Commission declines to make any changes at this time. The provisions of Section 2.22(G) shall apply to the extent applicable to the services provided. To the extent that the Successful Bidder proposes alternative terms to this section, the Commission may, in its discretion, consider such alternatives.

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INSURER QUALIFICATIONS AND INSURANCE REQUIREMENTS

Insurer Qualifications

All insurance required under this RFP must be written by a company with a current rating of “A-” or better as rated by A.M. Best & Co. and a record of successful continuous operation, that is licensed, admitted, and authorized to do business in the State of New York, and that is approved by the New York State Gaming Commission (“the Commission”).

Required coverage and limits must be put into effect as of the effective date of the Contract and must remain in effect throughout the term of the Contract, as determined by the Commission.

To the extent that lesser, incomplete, or improper insurance coverage is offered and/or procured by the Contractor, the Contractor acknowledges and agrees that it is financially responsible for any shortages, discrepancies, and liabilities remaining if coverage is denied or not available for a claim made that would otherwise have been covered by the insurance requirements herein.

To the extent that the Contractor is self-insured for any portion of the required insurance program, the Contractor must provide a letter explaining the substantive coverage provided through self-insurance and the limits of such self-insurance, as signed by the Contractor’s authorized representative with direct knowledge of and responsibility for that insurance/risk management program.

Insurance Requirements

Prior to the start of work the Contractor¹ shall procure at its sole cost and expense and shall maintain in force at all times during the term of the Contract, policies of insurance as herein below set forth, written by companies authorized by the New York State Department of Financial Services to issue insurance in the State of New York (Admitted Carriers). The Commission may, at its sole discretion, accept policies of insurance written by a non-authorized insurance carrier or carrier when Certificates and/or other policy documentation is accompanied by a completed ELANY Affidavit.

Upon award, the Contractor shall deliver to the Commission evidence of such insurance coverage as defined below. In the event there is a claim asserted that is covered by insurance, the Contractor shall make available for inspection to the Commission upon the Commission’s request, at Commission headquarters, during reasonable business hours, any applicable insurance policy required by this Contract.

Throughout the Contract period, the Contractor and/or the insurance carrier shall notify the Commission of any material changes to the insurance policy coverages, or any cancellation, termination, or failure to renew any policy, prior to the expiration date.

¹ Within the RFP, Contractor is also referred to as “Bidder”, “Successful Bidder”, “Firm”, and “Vendor”.

General Conditions

A. **Conditions Applicable to Insurance.** All policies of insurance required by the RFP and Contract must meet the following requirements:

1. Coverage Types and Policy Limits. The types of insurance coverage and policy limits required from the Contractor are specified in Paragraph B below – “Specific Coverages and Limits”.

2. Policy Forms. Policies must be written on an **occurrence** basis, except as may be otherwise specifically provided herein or agreed to in writing by the Commission. Under certain circumstances, the Commission may elect to accept policies written on a claims-made basis provided that, at a minimum, the policy remains in force throughout the performance of the services and for three (3) years after completion of the Contract. If the policy is cancelled or not renewed during that time, the Contractor must purchase at its sole expense Discovery Clause coverage sufficient to complete the three-year period after completion of the Contract. Written proof of this extended reporting period must be provided to the Commission prior to the expiration or cancellation of the policy.

3. Certificates of Insurance/Notices. Contractor shall provide a Certificate or Certificates of Insurance, in a form satisfactory to the Commission, before commencing any work under this Contract. Certificates shall be mailed using the contact information provided in Part 1 of this RFP. Complete copies of any insurance policy shall be provided to the Commission by the Contractor upon request, should the content of the policy become relevant as part of a claim.

Unless otherwise agreed, insurance policies shall be written so as to include a provision that the insurance policy will not be canceled, materially changed, or not renewed without at least thirty (30) days’ prior written notice to the Commission.

Certificates of Insurance shall:

- a. Be in the form approved by the Commission.
- b. Disclose any deductible, self-insured retention, aggregate limit or any exclusion to the policy that materially changes the coverage required by the RFP and the Contract.
- c. Specify the Additional Insureds as required herein.
- d. When coverage is provided by a non-admitted insurance carrier, be accompanied by a completed ELANY Affidavit,
- e. Be signed by an authorized representative of the insurance carrier or producer.

4. Primary Coverage. All insurance policies, including, but not limited to, umbrella liability and excess liability policies, shall provide that the required coverage shall apply on a primary and not on an excess or contributing basis as to any other insurance that may be available to the Commission. Any other insurance maintained by the Commission shall be excess of

and shall not contribute with the Contractor's insurance regardless of the "other insurance" clause contained in the Commission's own policy or policies of insurance, or any self-insurance maintained by the Commission or the State of New York.

5. Policy Renewal/Expiration. Upon policy renewal/expiration, evidence of renewal, or replacement of coverage that complies with the insurance requirements set forth in the RFP and any Contract resulting from the RFP shall be delivered to the Commission. If, at any time during the term of any Contract resulting from the RFP, the coverage provisions and limits of the policies required herein do not meet the provisions and limits set forth in the RFP, the resulting Contract, or proof thereof is not provided to the Commission, the Contractor shall immediately cease work. The Contractor shall not resume work until authorized to do so by the Commission.

6. Deadlines for Providing Insurance Documents after Renewal or Upon Request. As set forth herein, certain insurance documents must be provided to the Commission contact identified in the Contract Award Notice after renewal or upon request by the Commission. This requirement means that the Contractor shall provide any applicable insurance documents to the Commission as soon as possible, but in no event later than the following time periods:

- For certificates of insurance: five business days from request or renewal, whichever is later;
- For information on self-insurance or self-retention programs: 15 calendar days from request or renewal, whichever is later;
- For other requested documentation evidencing coverage: 15 calendar days from request or renewal, whichever is later;
- ~~For additional insured and waiver of subrogation endorsements: 30 calendar days from request or renewal, whichever is later; and~~ 
- For notice of cancellation or non-renewal and proof of replacement coverage that complies with the requirements of this section: five business days from request or renewal, whichever is later.

Notwithstanding the foregoing, if the Contractor shall have promptly requested the insurance documents from its broker or insurer and shall have thereafter diligently taken all steps necessary to obtain such documents from its insurer and submit them to the Commission, but fails to provide the documents within the timeframes above, the Commission shall extend the time period for a reasonable period under the circumstances, but in no event shall the extension exceed 30 calendar days from the Commission's original request.

7. Self-Insured Retention/Deductibles. ~~Additional surety/security may be required in certain circumstances.~~ The Contractor shall be solely responsible for all claim expenses and loss payments within any self-insured retention or deductible.

8. Subcontractors.  Should the Contractor engage a subcontractor, the Contractor shall endeavor to impose the insurance requirements of this document on the subcontractor, as applicable. Required insurance limits should be determined commensurate with the work of the subcontractor. An Additional Insured endorsement evidencing such coverage shall be

provided to the Contractor prior to the commencement of any work by a subcontractor and shall be provided to the Commission upon request. For subcontractors that are self-insured, the subcontractor shall be obligated to defend and indemnify the above-named Additional Insureds with respect to Commercial General Liability and Business Automobile Liability, in the same manner that the subcontractor would have been required pursuant to this section had the subcontractor obtained insurance policies to provide such defense and indemnity. Proof of insurance or self-insured status shall be supplied to the Commission. To the extent that a subcontractor does not obtain the insurance requirements outlined above, the Contractor, through insurance or self-insurance, shall supplement the subcontractor's insufficient or incomplete insurance coverage to ensure that the Commission and the State are made whole.

9. Additional Insured. In each of the liability policies required below, the Contractor shall cause coverage to be included for ongoing and completed operations, including, but not limited to, during any products and completed operations phases, naming as Additional Insureds the following specifically, or as part of an additional insured endorsement that extends additional insured status to these entities based on the Contractor's entry into the Contract:

The People of the State of New York, the Commission, its commissioners, officers, agents and employees.

The Contractor shall provide the Commission with evidence of such coverage within 30 days of renewal or upon request, whichever is later. If the evidence is in the form of a specific Additional Insured endorsement, the endorsement must specify that coverage is available to the People of the State of New York, the Commission, its commissioners, officers, agents, and employees as "Additional Insureds", without limiting the scope of coverage available based on the source of negligent conduct otherwise covered under the pertinent insurance policy. Regardless of how additional insured status is conferred, the "Additional Insured" coverage should be the same as if the Additional Insureds were included as Named Insureds on the insurance policy. For Contractors who are self-insured, the Contractor shall be obligated to defend and indemnify the above-named Additional Insureds with respect to Commercial General Liability and Business Automobile Liability, in the same manner that the Contractor would have been required to defend and indemnify pursuant to this Attachment had the Contractor obtained such insurance policies.

10. Excess/Umbrella Liability Policies. Required insurance coverage limits may be provided through a combination of primary and excess/umbrella liability policies. ~~If coverage limits are provided through excess/umbrella liability policies, then a Schedule of underlying insurance listing policy information for all underlying insurance policies (insurer, policy number, policy term, coverage and limits of insurance), including proof that the excess/umbrella insurance follows form must be provided upon request.~~

B. Specific Coverages and Limits. The types of insurance and minimum policy limits shall be as provided below.

1. General Liability. Commercial General Liability Insurance (CGL), covering the liability of the Contractor for bodily injury, property damage, and personal/advertising injury arising from

all work and operations under this Contract. The limits under such policy shall not be less than the following:

- Each Occurrence limit: \$1,000,000
- General Aggregate: \$2,000,000
- Products/Completed Operations should equal the General Aggregate limit

Coverage shall include, but not be limited to, the following: premises liability; independent contractors; blanket contractual liability, including tort liability of another assumed in a Contract; defense and/or indemnification obligations, including obligations assumed under this Contract; cross-liability for additional insureds; products/completed operations for a term of no less than three years, commencing upon acceptance of the Contractor's and any subcontractor's work, as required by the Contract; and liability resulting from Section 240 or Section 241 of the New York State Labor Law.

The following ISO form must be endorsed to the policy:

- CG 00 01 01 96 or an equivalent – Commercial General Liability Coverage Form

2. Professional Errors and Omissions. The Contractor shall procure and maintain during, and for a period of one year after completion of, this Contract, Professional Errors and Omissions Insurance in the amount of \$50,000,000 issued to and covering damage for liability imposed on the Contractor by this Contract or law arising out of any negligent act, error, or omission in the rendering of or failure to render services required by this Contract.

The insurance policy shall include coverage for third-party fidelity including cyber theft, if coverage is not provided for in a Data Breach and Privacy/Cyber Liability policy.

This policy shall be claims-made.

3. Crime Insurance. The Contractor must maintain crime insurance with a limit of not less than \$5,000,000 protecting the State of New York and the Commission against losses resulting from fraudulent or dishonest acts by the Contractor, any subcontractors, or any officer, employee or agent of the Contractor or any subcontractors. This policy shall be claims-made.

4. Workers' Compensation and Disability. For work to be performed in New York State, the Contractor shall provide and maintain insurance coverage during the life of this Contract for the benefit of such employees as are required to be covered by the New York State Workers' Compensation Law (www.wcb.ny.gov).

Evidence of New York State Workers' Compensation and Employers Liability coverage and New York State Disability Benefits coverage, or exemption from coverage, must be provided on **one** of the following forms specified by the Commissioner of the New York State Workers' Compensation Board. For forms and guidance, the Board's website is:

http://www.wcb.ny.gov/content/main/forms/Forms_EMPLOYER.jsp

A. Workers' Compensation and Employers Liability Coverage:

- **Form CE-200** - Certificate of Attestation for New York Entities with No Employees and Certain Out of State Entities, that New York State Workers' Compensation and/or Disability Benefits Insurance Coverage is Not Required); or
- **Form C-105.2** - (September 2015, or most current version) – Certificate of Workers' Compensation Insurance, sent to the Commission by the Contractor's insurance carrier upon request; or
- **Form U-26.3** – Certificate of Workers' Compensation Insurance from the State Insurance Fund. Contractor must request that the State Insurance Fund send this form to the Commission; or
- **Form SI-12** – Certificate of Workers' Compensation Self-Insurance, available from the New York State Workers' Compensation Board's Self-Insurance Office; or
- **Form GSI-105.2** – Certificate of Participation in Workers' Compensation Group Self-Insurance, available from the Contractor's Group Self-Insurance Administrator.

B. Disability Benefits:

- **Form CE-200** - Certificate of Attestation for New York Entities with No Employees and Certain Out of State Entities, That New York State Workers' Compensation and/or Disability Benefits Insurance Coverage is Not Required); or
- **Form DB-120.1** (September 2015 or most current version), Certificate of Insurance Coverage under the New York State Disability Benefits Law. Contractor must request its business insurance carrier send this form to the Commission.
- **Form DB-155**, Certificate of Disability Benefits Self-Insurance.

All forms must name THE NEW YORK STATE GAMING COMMISSION as the Entity Requesting Proof of Coverage (i.e., the entity being listed as the Certificate Holder).

All forms are valid for one year from the date the form is signed/stamped, or until policy expiration, whichever is earlier. (ACORD forms are NOT acceptable proof of Workers' Compensation insurance coverage).

F. Access to Regulated Data

Access to and use of sensitive and Confidential Information is limited to authorized government employees and legally designated agents, for authorized purposes only. To the extent that the Successful Bidder, its employees, agents or subcontractors have access to Commission data, including, without limitation, federal and state-regulated data pursuant to their responsibilities under the Contract, the Successful Bidder agrees that it will abide by, and will require in writing its employees, agents or subcontractors to similarly abide by any such requirements including the execution of any documents certifying their compliance with such requirements.

G. General Security Provisions

1. The Successful Bidder shall comply fully with all requirements of applicable information security standards, policies and procedures of New York State, including, but not limited to the following standards, policies and procedures that have been adopted by the New York State Office of Information Technology Services (“ITS”):

- Acceptable Use of Information Technology Resources Policy
- Information Security Policy
- Security Logging Standard
- Information Security Risk Management Standard
- Information Security Controls Standard
- Sanitization/Secure Disposal Standard
- Mobile Device Security Standard
- Remote Access Standard
- Secure System Development Life Cycle Standard
- Secure Configuration Standard
- Secure Coding Standard

ITS information security standards, policies and procedures may be found at <https://its.ny.gov/eiso/policies/security>. The Successful Bidder warrants that its employees, agents and subcontractors are properly informed and trained regarding generally accepted information security practices and New York State information security standards, policies and procedures.

~~2. The Successful Bidder shall also comply fully with all requirements of this Contract pertaining to security requirements specific to the services the Successful Bidder is providing to the Commission through the Contract. If any software application or vulnerability security scanning undertaken hereunder reveals vulnerabilities or any other security risks attendant to the provided solution the Successful Bidder is responsible for ensuring those vulnerabilities and risks are promptly remediated to the Commission’s reasonable satisfaction. In addition to the specific security provisions required herein, the Successful Bidder shall also use commercially reasonable efforts to address and remediate any vulnerabilities associated with the types of configuration services it is providing under Contract.~~

3. Encryption. The Successful Bidder shall use industry standard information security measures, including standard encryption protocols in compliance with the

New York State (NYS) ITS Encryption Standard, NYS-S14-007 (which may be found at <https://www.its.ny.gov/document/encryption-standard>) to protect and guard the availability and security of all Commission data maintained by the Successful Bidder. If the requirements set forth in the RFP and/or the Contract are not the same as the NYS ITS policies cited herein, the more restrictive policy shall apply. The Successful Bidder shall be strictly prohibited from using Commission data in any fashion other than that defined herein or authorized in writing by the Commission. All Commission data maintained by the Successful Bidder shall be encrypted including, but not limited to, data in transit and data at rest.

- H. Data Ownership, Transparency, Accessibility, Location, Transport, Protection and Destruction.
1. Data. The Successful Bidder is permitted to use data solely for the purposes set forth in the RFP and the Contract, and for no other purpose. At no time shall the Successful Bidder access, use, or disclose any Confidential Information (including personal, financial, health, or criminal history record information or other sensitive criminal justice information) for any other purpose. The Successful Bidder is strictly prohibited from releasing or using data or information for any purposes other than those purposes specifically authorized by the Commission. Successful Bidder agrees that Commission data shall not be distributed, used, repurposed, transmitted, exchanged or shared across other applications, environments, or business units of the Successful Bidder or otherwise passed to other contractors, agents, subcontractors or any other interested parties, except as expressly and specifically agreed to in writing by the Commission.
 2. Data Access and Location. The Successful Bidder must ensure that all Commission data related to this RFP and Contract is stored in a controlled access environment to ensure data security and integrity. All access to Commission data, physical or virtual, must be conducted within the central system and have adequate security systems in place to protect against the unauthorized access to the facilities and data stored therein. The Successful Bidder shall not send or permit to be sent to any location outside of the central system, any Commission data related to this RFP and Contract. Successful Bidder shall provide the Commission a list of the physical locations where the data is stored at any given time and shall update that list if the physical location changes. Access into and within the facilities must be restricted through an access control system that requires positive identification as well as maintains a log of all accesses (e.g., date and time of the event, type of event, user identity, component of the information system, outcome of the event). The Successful Bidder shall have a formal procedure in place for granting computer system access to the data and to track access. Access for projects outside of those approved by the Commission is prohibited.
 3. Physical Data Transport. Successful Bidder shall use, if applicable, reputable means to physically transport Commission data. Deliveries must be made either via hand delivery by an employee of the Successful Bidder or by restricted

delivery via courier (e.g., FedEx, United Parcel Service, United Commissions Postal Service) with shipment tracking and receipt confirmation. This applies to transport between the Successful Bidder's offices, to and from subcontractors, and to the Commission.

4. Data Protection and Transmission.

- a. The Successful Bidder shall use appropriate means to preserve and protect Commission data. This includes, but is not limited to, use of stable storage media, regular data backups and archiving, password protection of volumes, and data encryption. The Successful Bidder must, in accordance with applicable law and the instructions of the Commission, maintain such data for the time period required by applicable law, exercise due care for the protection of data, and maintain appropriate data integrity safeguards against the deletion or alteration of such data. In the event that any data is lost or destroyed because of any act or omission of the Successful Bidder or any non-compliance with the obligations of this Contract, the Successful Bidder shall, at its own expense, use commercially reasonable efforts in accordance with industry standards to reconstruct such data as soon as feasible. In such event, the Successful Bidder shall reimburse the Commission for any costs incurred by the Commission in correcting, recreating, restoring or reprocessing such data or in providing assistance therewith; and
- b. The Successful Bidder agrees that any and all Commission data shall be stored, processed and maintained solely on the Successful Bidder's designated devices including, but not limited to, a computer workstation, server, or mainframe, and that no Commission data at any time will be processed on or transferred to any portable computing device or any portable storage medium, unless that device or storage medium is a necessary and approved component of the authorized business processes covered in the contract/agreement and or any addendum thereof, or the Successful Bidder's designated backup and recovery processes, and is encrypted in accordance with federal and state statutes, regulations and requirements, to include requirements for data defined as confidential, financial information, personal private and sensitive information (PPSI) and personally identifying information (PII) by statute or regulations. The Successful Bidder shall encrypt data at rest, on file storage, database storage, or on back-up media, and in transit in accordance with State and federal law, rules, regulations, and requirements. The solution shall provide the ability to encrypt data in motion and at rest in compliance with State or federal law. The Successful Bidder shall use secure means (HTTPS) for all electronic transmission or exchange of system, user and application data with the Commission. No personal devices or storage medium shall be used to store, access, or process Commission data.

The sanitization process must be in compliance with ITS Security Policy NYS-S13-003, (See <https://www.its.ny.gov/document/sanitizationsecure-disposal-standard>) as updated or superseded at the time the sanitization process is implemented, and, where required, Criminal Justice Information Systems

(CJIS) sanitization and disposal standards. If immediate purging of all data storage components is not possible, the Successful Bidder shall certify that any data remaining in any storage component will be safeguarded to prevent unauthorized disclosures. The Successful Bidder must then certify to the Commission, in writing, that it has complied with the provisions of this paragraph. The Commission may withhold payment to the Successful Bidder if Commission data is not released to the Commission in accordance with the preceding sections.

I. Information Security Breach and Notification Act

1. The Successful Bidder shall comply with the provisions of the New York State Information Security Breach and Notification Act (General Business Law sections 899-aa and 899-bb, and State Technology Law section 208) (“ISBNA”).
2. Breach of the security of the system. Unless otherwise provided by applicable law, in the event of a “Breach of the Security of the System” as defined in ISBNA, the Successful Bidder shall take the following actions:
 - a. Notify the Commission’s Information Security Officer (ISO) by telephone as soon as possible, but in no event more than ~~twenty-four hours~~ from the time the Successful Bidder has knowledge of a Breach of the Security of the System; **notification is 72 hours**
 - b. Consult with and receive authorization from the Commission as to the content of any notice to affected parties prior to notifying any affected parties to whom notice of the data breach is required;
 - c. Coordinate all communication regarding the Breach of the Security of the System with the Commission’s ISO and the Successful Bidder;
 - d. Cooperate with the Commission attempting (a) to determine the scope and cause of the breach; and (b) to prevent the future recurrence of such security breaches; and
 - e. Take corrective action in the timeframe required by the Commission. If the Successful Bidder is unable to complete the corrective action within the required timeframe, in addition to any other remedies available, the Commission may contract with a third party to provide the required services until corrective actions and services resume in a manner acceptable to the Commission, or until the Commission has completed a new procurement for a replacement service system. The Successful Bidder shall be responsible for the cost of these services during this period. Nothing herein shall in any way (a) impair the authority of the New York State Office of the Attorney General to bring an action against the Successful Bidder to enforce the provisions of the ISBNA or (b) limit the Successful Bidder’s liability for any violations of the ISBNA or any other applicable statutes, rules, or regulations.

J. Secure Development, Configuration and Lifecycle

1. ~~The Successful Bidder shall agree to maximize the security of any technology development throughout the term of the Contract according to general industry standards, including, but not limited to, the requirements set forth herein. These provisions apply to the base system as well as any customizations to the product under the Contract. The Successful Bidder warrants, covenants and represents that it shall comply fully with the applicable NYS Policies, Standards and Guidelines during the term of the Contract including, but not limited to, the NYS Security Standard on Secure System Development Life Cycle - NYS-S13-001, NYS Secure Coding Standard - NYS-S13-002 and the NYS Secure Configuration, NYS Secure Configuration Standard - NYS-S14-008, which can be accessed at <https://www.its.ny.gov/document/secure-coding-standard> and <https://www.its.ny.gov/document/secure-configuration-standard>. The Successful Bidder shall comply with successor policies, standards and guidelines that are adopted by ITS in the future.~~
2. The Successful Bidder shall take all actions reasonably necessary to prevent the disclosure of information regarding information security vulnerabilities to limit the likelihood that such vulnerabilities may be exposed and exploited.
3. Consistent with the provisions of the Contract, the Successful Bidder shall use the highest applicable industry standards for sound and secure technology development practices to resolve all security issues as quickly as possible. The "highest applicable industry standards" shall be defined as the degree of care, skill, efficiency, and diligence that a prudent person possessing technical expertise in the subject area and acting in a like capacity would exercise in similar circumstances.
4. Security Review.
 - a. ~~Independent Review: Before releasing any major technology upgrade to the Commission, the Successful Bidder shall have the software reviewed for vulnerabilities and security flaws by an independent third party at the Successful Bidder's expense. The scope of this review shall include assessing the software for security flaws from the perspective of the deployed application / architecture. The scope does not include code review, but rather is focused on the deployed application instance. The Commission reserves the right to perform its own independent application security review, in cooperation with ITS, in addition to the Successful Bidder's review;~~
 - b. ~~Review Coverage: Security review shall cover all aspects of the technology delivered, including third-party modules, units, integration points, components, and libraries. The review coverage shall include all aspects of the application layer that are externally facing, or part of the service infrastructure will be assessed;~~
 - c. ~~Vulnerability Scanning and Penetration Testing. The Successful Bidder agrees that, before any technology change is released to the Commission, the~~

~~Successful Bidder shall perform application vulnerability scanning and penetration testing. The Successful Bidder shall provide to the Commission written documentation of the results of any scans and tests along with a mitigation plan. The Successful Bidder agrees that vulnerabilities identified by the vulnerability scanning and penetration testing shall be mitigated within a reasonable period of time to avoid any risk to the Commission;~~

- ~~d. Scope of Review. At a minimum, the review shall cover the most common software vulnerabilities. The review shall include a combination of vulnerability scanning, penetration testing, and static analysis of the source code; and~~
- ~~e. Issues Discovered. Overall application security ratings with aggregate number of flaws found shall be reported to both the Commission and the Successful Bidder. Potential vulnerabilities or flaws that are discovered will be documented with a best effort at outlining required remediation in each area.~~

5. Security Issue Management.

- ~~a. Identification. The Successful Bidder shall track all security issues uncovered during the security review and the entire development life cycle, including, but not limited to, requirements, design, implementation, testing, deployment, or operational issues. The risk associated with each security issue will be evaluated and documented. Security issues in the deployment of the application will be documented. These include vulnerabilities both in the software and architecture that is assessed;~~
- ~~b. Investigation and Resolution of Security Issues. If security issues are discovered or reasonably suspected, the Successful Bidder shall perform an investigation to determine the nature of the issue. The issue shall be considered "novel" if it is not covered by the security requirements and is outside the reasonable scope of security testing. If novel, the Successful Bidder and Commission agree to scope the effort required to resolve the novel security issue(s), and to negotiate in good faith to achieve an agreement to perform the required work to address them. If not novel, the Successful Bidder shall use all commercially reasonable efforts consistent with sound software development practices, taking into account the severity of the risk, to resolve all security issues not considered novel as quickly as possible; and~~
- ~~c. Remediation. Security issues that are identified before software is released to the Commission shall be fixed by the Successful Bidder before releasing the software. Security issues discovered after release shall be handled per the terms of the Contract. Steps and/or guidance on how to remediate will be outlined in the report provided to the Commission.~~

6. Assurance.

~~Certification. With execution of the Contract, the Successful Bidder shall provide to the Commission a copy of the Successful Bidder's secure coding best practices policy. Upon delivery of software to the Commission, the Successful Bidder shall~~

~~certify to the Commission in writing that the Successful Bidder complied with the policy in the performance of its obligations under the Contract as well as certify that all security activities have been performed, and all identified security issues have been documented and resolved. Any exceptions to the certification status shall be fully documented with the delivery.~~

K. Vulnerability Management



- ~~1. All the Successful Bidder's systems must be scanned for vulnerabilities before being installed in production and periodically thereafter.~~
- ~~2. All systems shall be subject to periodic penetration testing.~~
- ~~3. Penetration tests are required periodically for all critical environments/systems.~~
- ~~4. Requirements for scanning/testing for vulnerabilities and mitigation/remediation must be included in third-party agreements.~~
- ~~5. The output of the scans/penetration tests will be reviewed in a timely manner by the Commission. Copies of the scan report/penetration test must be shared with the Commission's ISO/designated security representative for evaluation of risk.~~
- ~~6. Appropriate action, such as patching or updating the system, must be taken to address discovered vulnerabilities. For any discovered vulnerability, a plan of action and milestones must be created, and updated accordingly, to document the planned remedial actions to mitigate vulnerabilities.~~
- ~~7. Any vulnerability scanning/penetration testing must be conducted by individuals who are authorized by the Commission's ISO/designated security representative. The Commission's ISO must be notified in advance of any such tests. Any other attempts to perform such vulnerability scanning/penetration testing will be deemed an unauthorized access attempt.~~
- ~~8. Anyone authorized to perform vulnerability scanning/penetration testing must have a formal process defined, tested and followed at all times to minimize the possibility of disruption.~~

2.23 INDEMNIFICATION AND LIABILITY

As part of the financial transactions to be covered by this RFP and the resulting Contract, the Commission intends to include financial transactions related to its operations of the New York Lottery program, including weekly sweeps from thousands of licensed sales agents across New York State totaling in the hundreds of thousands of dollars each week, making the Commission's needs for financial protection unique from other State agencies, including the need for protection from consequential, indirect, or special damages incurred to the Commission's operations and the business of the New York Lottery program. Additionally, the Successful Bidder's interaction with the accounts of the Commission's licensed sales agents requires liability and indemnification protection for third parties tied to these transactions. To the extent that the Successful Bidder

Bank Account Analysis Statement

IMPORTANT NOTES:

Bidders must utilize Attachment 2 - Pricing Proposal and must submit category pricing as indicated. Deviations from Attachment 2 or the pricing format will be disqualified.

This information represents a sample of current services rendered and applicants should reference the Scope of Work in the original RFP for current requirements.

Service Category Service Code	Generic Service Description	(Monthly Ave) (For Selected 3 Months) Quantity
Depository Services		
10 00 15	Branch deposited cash	4,257.2
10 02 00	Deposits branch/night drop	18.3
10 02 00	Scanned deposits ticket	71.7
10 02 1B	Electronic Item Clearing Fee	4,042.0
10 02 1B	RDC Scanned Item	4,042.0
10 02 2Z	Branch per item charge	3.7
10 03 10	Canadian deposited item	7.3
10 04 00	Check charge backs	3.3
10 99 99	Deposit error svc chg	0.3
10 99 99	RDC Monthly Fee	1.0
Paper Disbursement Services		
15 00 00	CDA admin fee	1.0
15 01 00	Checks/debits paid	1.0
15 01 10	CDA checks/debits	13,765.0
15 04 10	Stop payment entry	44.0
15 04 20	Positive pay stop payment	13.3
Paper Disbursement Reconciliation Services		
20 00 10	ARP full recon maintenance	1.0
20 02 01	ARP daily transmission/month	1.0
20 02 01	ARP transmission output	21.0
General ACH Services		
25 00 00	ACH monthly fee	1.0
25 01 01	ACH Tax Payment Via banking portal	4.0
25 01 01	Orig ACH Cr Via banking portal Transfer	184.0
25 01 01	Originated ACH Credit Via banking portal	53.7
25 02 00	Incoming ACH debit item	5.7
25 02 01	Incoming ACH credit item	205.7
25 03 02	ACH return items	3.7
25 05 01	ACH data transmission	2.3
25 10 52	EPA admin fee/month	6.0
25 10 70	ACH noc's	0.3
25 11 00	Banking portal ACH monthly base fee	1.0
Wire and Other Transfer Services		
35 01 00	Banking portal domestic repeat wire	38.0
35 01 03	Banking portal domestic nonrepeat	0.7
35 01 20	Banking portal internal repeat	19.7
35 01 23	Banking portal book transfer entry	6.0
35 03 00	Incoming domestic wire stp	116.3
35 04 10	Wire mail advice for outgoing	1.3
35 06 00	Banking portal wire maintenance	1.0
Information Services		
40 02 71	Banking portal previous day detail items	14,342.3
40 02 74	Banking portal intraday detail items	372.3
40 08 00	Long-term image access	1.0
Electronic Billing/Collection		
99 99 99		1.0
99 99 99		8,665.0