

FEDERAL RESERVE BANK *of* NEW YORK *Serving the Second District and the Nation*

Vendor Information Archive

The New York Fed seeks to acquire quality goods and services, at competitive terms, from a responsible and diverse supplier base. To foster supplier diversity, the Bank is committed to promoting an environment that provides qualified suppliers with the opportunity to compete for our business on a fair and equal basis. The Bank procures a variety of goods and services, including general office equipment and supplies; building materials and furnishings; hardware and software; and a range of professional services in areas such as management consulting, accounting and financial services, human resources and technology.

VENDOR SELECTION

The Bank's acquisition policy describes the processes used to meet the Bank's procurement objectives.

Formal competitive solicitation procedures are used for goods and services costing more than \$100,000. Solicitations are made to prospective vendors through a request for proposals (RFP). The RFP includes a description of the acquisition; applicable product specifications; service requirements; contractual conditions; and the proposal evaluation criteria and their relative weights. Procedures for distribution of RFPs, submission and review of proposals, and vendor selection are designed to permit qualified vendors to participate and obtain for the Bank the benefits of competition.

The policy also defines exceptional circumstances that may warrant the use of procedures other than competitive solicitations. These include situations where a good or service is available from only one vendor, exigent circumstances that do not permit the use of a competitive solicitation, and for acquisitions made under an existing, centrally managed Federal Reserve contract that was entered into in accordance with the acquisition policy. In all cases, supporting documentation to describe the circumstance and justify the use of the exception procedure must be prepared and approved.

For smaller purchases, more streamlined acquisition procedures may be used. The Federal Reserve Act exempts Bank purchases from all federal, state, and local sales and use taxes. The Bank pays for goods and services by electronic deposit to a vendor's bank account, and also makes certain purchases using a purchase card.

VENDOR MANAGEMENT

The Bank's vendor management practices are designed to support effective risk management and to optimize service outcomes.

Vendors that are selected to do business with the Bank may be required to submit to a credit evaluation and to be subject to a background screening administered by the Bank. When addressing vendor management issues with outsourced service providers, the Bank applies a risk-based approach that ensures that the protections are employed that match the risks associated with the vendor. The risk-based approach entails, when appropriate:

- Including contract provisions to ensure that conflicts of interest are disclosed and addressed and that Bank information is safeguarded by the vendor;
- Including contract provisions dealing with oversight of subcontractors, business continuity, Bank review rights and other issues as appropriate;
- Conducting on-site reviews to monitor vendor compliance with these provisions; and
- Reviewing requests by the vendor for conflict-of-interest waivers and handling any unanticipated questions or issues that may arise during the course of the Bank's relationship with the vendor.

The Bank actively manages an outsource service provider's performance to ensure that it meets the Bank's business needs and is in compliance with the terms and conditions of the contract, including Bank standards for operational controls, information security, and ethics. The Bank may also periodically review a vendor's overall responsibility, including capacity, creditworthiness and integrity.

Ethics

All Bank employees are held to a code of conduct that prohibits the acceptance of gifts, gratuities, entertainment, or meals from vendors or those seeking to be vendors. The code also restricts employees with potential conflicts of interest from participating in acquisitions, such as where an employee has a financial interest in a prospective vendor.

The Bank expects vendors to conduct business in a manner that would not cause any Bank employee to violate the Bank's code of conduct or create the appearance of impropriety. The Bank also expects that vendors entrusted with the Bank's confidential information will take the utmost care in handling that data as specified in vendor agreement. Lastly, the Bank requires that any vendor or vendor worker bring to the Bank's attention any conflicts of interest that arise when the interests of a vendor or vendor worker may be in competition with those of the Bank.

For more information on the Bank's vendor ethics rules, download our vendor ethics briefing. [PDF](#)

OMWI Requirements

Section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 requires each Reserve Bank and the Board of Governors, as well as other financial regulatory agencies, to establish a dedicated office—an Office of Minority and Women Inclusion (OMWI)—with responsibilities concerning diversity in employment, contracting, and outreach activities.

As required by Section 342, the Bank has developed standards and procedures to ensure, to the extent consistent with applicable law, the fair inclusion and utilization of minorities, women, and minority-owned and women-owned businesses in our business and activities. The Bank expects our service providers share our commitment to workforce diversity. In accordance with our standards and procedures, certain service providers may be asked to describe the good faith efforts they have made to include minorities and women in their workforces.

For more information on the Bank's response to Section 342, please visit our diversity and inclusion web page.

DOING BUSINESS WITH US

If you are interested in registering with the Bank as a potential vendor, please complete a supplier registration form.

Supplier registration [OFFSITE](#)

VENDOR AGREEMENTS

The New York Fed is making available the agreements with certain vendors related to its financial stability and liquidity activities. Please note that some information has been redacted in light of confidentiality concerns. We recognize the importance of transparency to our financial stability efforts, and will continue to review disclosure practices with the goal of making additional information publicly available when possible.

For further information, please see the Bank's [financial statements](#).

October 15, 2010 Update: The New York Fed's Investment Management Agreements with BlackRock Financial Management, Inc. have been updated.

All documents are in PDF format [PDF](#)

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MAIDEN LANE LLC

MAIDEN LANE LLC (ML LLC), MAIDEN LANE II LLC (ML II), MAIDEN LANE III LLC (ML III) (AS INDICATED BELOW)

VENDOR	DESCRIPTION
BlackRock Financial Management, Inc. (BlackRock) ML LLC ML II ML III	Investment management and advisory services for ML LLC, ML II & ML III
Ernst & Young LLP (E&Y) (1 contract)	Closing work for ML LLC (see note ² below); Note that E&Y performed closing work for ML II & ML III pursuant to a contract related to the AIG matter, which is linked below.
Deloitte & Touche LLP ³ (3 contracts)	Audit services for ML LLC, ML II & ML III

State Street Bank & Trust Company
(2 contracts and 1 fee letter)

Administrative and custodial services for ML LLC

Bank Of New York Mellon
(BNY Mellon)
(2 contracts and 1 fee letter)

Administrative and custodial services for ML II and ML III

Note: Fees for the above vendors are paid by ML LLC, ML II,
or ML III.

TALF

AGENCY MORTGAGE-BACKED SECURITIES PURCHASE PROGRAM

CITIGROUP RINGFENCING ARRANGEMENT

AIG LENDING ARRANGEMENT

CREDIT, INVESTMENT AND PAYMENT RISK

LEGAL SERVICES

ADDITIONAL INFORMATION

Acquisition Policy (OB 10) [PDF](#)

Code of Conduct [PDF](#)

18 U.S.C. Section 208 [PDF](#) [OFFSITE](#)

¹ The parties to this contract are Deloitte & Touche and the Board of Governors of the Federal Reserve System. Inquires regarding this contract should be directed to the Board of Governors of the Federal Reserve System.

² Although the detailed description of the scope of work set forth in this contract has been redacted due to confidentiality concerns, a general description of the scope of work is as follows: E&Y was contracted to perform due diligence on the assets in the Maiden Lane LLC portfolio to assess and evaluate the quality and accuracy of financial information provided by Bear Stearns & Co. and obtained from external sources prior to acquisition by the LLC. E&Y identified all cashflows from the determination date through the closing date to facilitate settlement of the assets into the LLC. E&Y tracked and verified post close cash flow adjustments with the Investment Manager.

³ The parties to these contracts are Deloitte & Touche and the Board of Governors of the Federal Reserve System. Inquires regarding these contracts should be directed to the Board of Governors of the Federal Reserve System

⁴ Although the detailed description of the scope of work set forth in this contract has been redacted due to confidentiality concerns, a general description of the scope of work is as follows:

With respect to AIG, E&Y was contracted to provide advice on the insurance businesses; to perform valuations of the entities posted as collateral; to provide assistance in developing cash flow projections; to provide support for the divestiture process; to provide advice and assistance with domestic and global regulatory issues; to identify and report on compliance with covenants within the Credit Agreement; to provide assistance in assessing accounting and tax considerations, including off-balance sheet arrangements; to provide project management support; to provide advice and assistance on compensation issues; to provide assistance and support in assessing internal audit at the firm; to provide advice and due diligence on contemplated transactions, including SPVs and securitizations; to develop a document repository; and to provide advice and assistance in monitoring business unit performance within AIG.

With respect to ML LLC, ML II, ML III, E&Y was contracted to perform a diagnostic on the operational and financial close procedures, and to assist with the analysis of accounting matters. In addition, with respect to ML II, E&Y was contracted to perform due diligence on the assets to assess and evaluate the quality and accuracy of financial information provided by AIG and obtained from external sources prior to inclusion in the trust. E&Y identified all cashflows from the pricing date through the closing date to facilitate settlement of the assets into the LLC. E&Y tracks and verifies with the administrator all post close factor changes through August 31, 2009. With respect to ML III, E&Y was contracted to perform due diligence on the assets to assess and evaluate the quality and accuracy of financial information provided by AIGFP and obtained from external sources prior to inclusion in the trust. E&Y identified all cashflows from the pricing date through the closing date to facilitate settlement of the assets into the LLC. E&Y tracks and verifies with the administrator all post close factor changes through August 31, 2009. With respect to TALF, E&Y assisted with accounting procedures and the analysis of accounting matters.
