

PROCUREMENT POLICY OF THE TRUST
FOR CULTURAL RESOURCES OF THE CITY OF NEW YORK

*As approved by the Board of Trustees of
The Trust for Cultural Resources of The City of New York
At its meetings on May 18, 2011, March 28, 2012, March 21, 2013,
March 27, 2014, March 24, 2015, March 24, 2016, March 28, 2017 and March 27, 2018*

Recitals

WHEREAS, The Trust for Cultural Resources of The City of New York (the “Trust”) is primarily a conduit issuer of bonds for the benefit of cultural institutions in The City of New York (the “City”);

WHEREAS, the Trust’s Enabling Legislation set forth in Section 21.07 of the Arts and Cultural Affairs Law of the State of New York provides that “[i]n addition to such powers as are conferred elsewhere in article twenty of this chapter and this article, the trust shall have the following powers which may be exercised, at the discretion of the board of trustees, solely and exclusively in furtherance of its corporate purposes with or without public auction or bidding”;

WHEREAS, the Trust has no employees;

WHEREAS, the Trust relies on the services of professionals and other consultants to advise the Board of Trustees of the Trust and to carry out the mission of the Trust;

WHEREAS, administrative and accounting services have been provided to the Trust since 1992 by the New York City Economic Development Corporation (“EDC”) pursuant to a contract between the Trust and EDC;

WHEREAS, the Trust’s policy since its inception has been that each Cultural Institution (as defined in Section A.1 hereof) for which the Trust issues bonds selects the underwriter, the bond trustee, counsel to the Cultural Institution and the financial advisor to the Cultural Institution, if any;

WHEREAS, all payments for Services (as defined in Section A.1 hereof) made from the proceeds of bonds issued by the Trust are subject to review by the Comptroller of New York State and the Comptroller of The City of New York pursuant to the Enabling Legislation;

WHEREAS, the Trust is a local authority pursuant to the Public Authorities Law;

WHEREAS, Section 2824(1)(e) of the Public Authorities Law requires that “[b]oard members of state and local authorities shall . . . (e) establish written policies and procedures on . . . the procurement of goods and services” and, accordingly, the Trust is required by applicable law to adopt this Procurement Policy (this “Policy”); and

WHEREAS, due to the nature of the Trust’s operations, the Trust does not have the need to procure goods.

Section A. General

1. **Definitions.** The following terms shall have the meanings set forth below:

“**Board**” means the Board of Trustees of the Trust.

“**City**” means The City of New York.

“**Cultural Institution(s)**” means the cultural institutions located in The City of New York for whose benefit the Trust has issued bonds or made other benefits available pursuant to the Enabling Legislation.

“**EDC**” means the New York City Economic Development Corporation.

“**Enabling Legislation**” means Article 20 of the Arts and Cultural Affairs Law of the State of New York (New York State Cultural Resources Act) and Article 21 of the Arts and Cultural Affairs Law of the State of New York (Trust for Cultural Resources of the City of New York).

“**Selection Committee**” has the meaning provided in Section A(3).

“**Services**” means professional and consulting services.

“**Service Provider**” means any provider of Services to the Trust.

“**State**” means the State of New York.

“**Trust**” means The Trust for Cultural Resources of The City of New York.

2. **Applicability of this Policy.** This Policy shall apply to the procurement of contracts for all Services to be purchased by the Trust for its own use and account, expressly excluding underwriters of bonds issued by the Trust and the bond trustees for such bonds, which shall be selected by the Cultural Institution for whose benefit the bonds are issued. For the avoidance of doubt, this Policy shall not apply to Services procured by any Cultural Institution in connection with any transaction between the Trust and such Cultural Institution, including, without limitation, counsel and financial advisors (including advisors in connection with any interest rate protection agreement) retained by such Cultural Institution.

3. **Board of Trustees.**

a. As provided by Section 6.3 of the Bylaws of the Trust, no contract or other agreement shall be entered into by or on behalf of the Trust unless such contract or agreement has been authorized by the Board.

b. The Board may (but shall not be obligated to) appoint at any time a Service Provider Selection Committee (the “Selection Committee”) to evaluate and recommend Service Providers to the Trust. If the Board appoints a Selection Committee, the Selection Committee shall be responsible for recommending Service Providers to the Board, except that proposals for audit services shall be evaluated and recommended to the Board by the Audit Committee. The recommendations of the Selection Committee shall be considered and acted upon by the Board.

4. **Selection Criteria.** All contracts for Services shall take into account such factors as the Selection Committee, in consultation with the Board, may determine, including, without limitation, that the Trust has no employees and that operating and administering the activities of the Trust without employees has proved to be efficient and cost-effective for the Cultural Institutions, which share the costs of operating and administering the activities of the Trust.

5. **Procurement through EDC.** The Trust may procure contracts for Services through EDC as contractor whereby EDC obtains the desired services from a third party as subcontractor, provided that EDC shall procure the subcontractor in question in accordance with EDC's then-current procurement policy and procedures.

6. **Compliance with Applicable Laws.** All contracts entered into by the Trust shall contain all provisions required by applicable laws.