FINANCE NEW ORLEANS

ADDENDUM NO. 1

Request for Proposals for Banking Services – RFP 001-09-2026
Responses to Written Questions
October 20, 2026

FNO has received written questions from prospective Proposers regarding RFP 001-09-2026. Questions are reproduced below exactly as submitted and are not attributed to any individual firm. This Addendum is incorporated into, and forms a part of, the RFP.

Question 1: ***We would appreciate clarification regarding the scope of services and eligibility requirements. While [Proposer] can provide a comprehensive banking relationship, including depository, treasury management, and online banking services, [Proposer] does not currently have an investment banking division. Would this disqualify [Proposer] from consideration, or would FNO be open to a collaborative approach in which [Proposer] serves as the primary banking partner, while a strategic investment partner provides the capital markets, investment banking, and advisory services outlined in the RFP?***

Answer: Investment Banking and Capital Markets Capacity is an Optional/Value-Add Service under Section 7 of the RFP, not a Required Service. A Proposer's inability to provide this capability directly will not disqualify an otherwise complete and responsive proposal. Proposers may address this item through a teaming or subcontracting arrangement with another firm, provided the proposal clearly identifies the partner firm, describes its qualifications and the division of responsibilities, and confirms that the Proposer remains the single point of contractual responsibility for the resulting banking services agreement, including for any services performed by its partner. Proposers unable to offer this capability, directly or through a partner, should state "No Proposal" for this item consistent with Attachment A's instructions.

Question 2: ***What are the anticipated balances in the account?***

Answer: FNO's accounts are organized by fund/program. Approximate balances by fund (trailing six-month average, the period for which consolidated data is available) are as follows:

- **Operating Fund:** approximately $700,000 (historically ranging roughly $135,000–$700,000, depending on receipt and disbursement timing)
- **Unrestricted Investment & Reserve**: approximately $3.2 million, including reserve balances and funds supporting a homebuyer renovation and repair assistance program
- **Single-family Bond Program**: approximately $3.1–$3.3 million, including a debt service reserve held at an indenture-required target level
- **Market Rate/Down Payment Assistance Program**: approximately $600,000–$660,000
- **Housing Trust Fund**: approximately $4.9 million currently, including program funds awaiting disbursement to sub-grantees (expected to decline as deployed, replenished via annual allocations) and reserve amounts held for contingency and administrative purposes
- **Infrastructure/CGC**: approximately $5.1–$5.2 million currently, expected to decline as funds are deployed to program-eligible projects

Question 3: ***Can you provide an analysis statement or approximate transaction count?***

Answer: FNO does not currently maintain a formal account analysis statement or a consolidated transaction count across all accounts. Based on available historical activity, approximate transaction volumes are as follows:

- **Outgoing wires:** from FNO's two primary operating accounts only, approximately twice per quarter; wire activity in other accounts is limited and not currently available in consolidated form
- **Incoming wires:** infrequent; FNO does not currently maintain a consolidated count across all accounts
- **Payroll funding:** via book transfer, twice monthly
- **Accounts payable:** primarily ACH and online bank draft, approximately 30–50 payments per month in the aggregate
- **Checks:** rarely used for either payments or receipts; FNO does not maintain a consolidated count of receipt volume by method
- **HTF and CGC disbursements:** Housing Trust Fund sub-grantee draws and CGC Loan Funds project draws are both program-eligible, pre-approved disbursements; no material draws have occurred to date, and activity is expected to begin as allocations and projects are approved

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Question 4: ***What is the anticipated total number of accounts?***

Answer: FNO currently maintains 22 active accounts across the funds and programs described in Question 2.

Question 5: ***Please provide an account analysis statement that is a representative month of products and services with average activity and transaction details over the past year.***

Answer: See response to Question 3.

Question 6: ***Please provide the average account balances in each of the accounts over the past year, and the type of account/s utilized by FNO.***

Answer: See response to Question 2. FNO's accounts are primarily operating and program-specific checking, money market, and investment/reserve accounts.

Question 7: ***Please provide merchant card processing statements that are representative of the month of card processing transactions.***

Answer: Not applicable. FNO does not currently accept card payments; receipts are limited to checks and wires.

Question 8: ***What are the FNO card transactions payments for, and what is the average amount of card payments?***

Answer: Not applicable; see response to Question 7. Card/merchant processing is of interest as FNO evaluates services under Section 7's "Remote Deposit Capture, Merchant/Payment Card Services, and Other Enhancements" item, and Proposers are invited to describe their merchant services capabilities and fee structures as part of that optional scope.

Question 9: ***Does FNO pass convenience or processing fees to the payor, or absorb these card processing fees?***

Answer: Not applicable at this time; see response to Question 7.

Question 10: ***Please describe your current custody arrangement and include the information below.***

Answer: FNO's custody-relevant holdings include a primary third-party custody relationship (approximately $985,000 in a government money market fund and agency mortgage-backed securities) and four additional relationships holding fixed income and agency mortgage-backed securities under FNO's existing banking and bond-trustee arrangements (combined approximately $3.6 million, in addition to the primary relationship). Total custody-relevant assets across all five relationships are therefore approximately $4.6 million.

Question 11: ***What is the approximate value of assets that would be placed under custody?***

Answer: See response to Question 10 for FNO's current custody-relevant holdings. The amount ultimately placed under a new custody arrangement will depend on the selected service structure, applicable account and bond-document requirements, and FNO's final implementation decisions; FNO does not represent that all current custody-relevant assets will transfer.

Question 12: ***What is the breakdown of type of assets? (Equities, Fixed Income, MF real estate, Closely Held interests or other liquid assets)***

Answer: Fixed income and agency mortgage-backed securities. FNO does not hold equities, real estate, or closely-held interests.

Question 13: ***Do you currently hold any physical certificates or original documents in safekeeping?***

Answer: No. Holdings are standard agency securities and money market positions, not physical certificates.

Question 14: ***Are there any restricted or hard to value assets?***

Answer: One reserve account, within the four additional relationships described in Question 10 (not the primary custody relationship), is restricted by bond indenture terms as to use and requires trustee/bond counsel authorization for disbursement. Separately, FNO is not aware of any holdings considered hard-to-value; restriction as to use and difficulty of valuation are distinct issues.

Question 15: ***Approximately how many transactions occur annually?***

Answer: See response to Question 3 for transaction frequency by category.

Question 16: ***What volume of outgoing and incoming wires is anticipated monthly or annually?***

Answer: See response to Question 3.

Question 17: ***What type of transactions are most common? (security purchases/ sales, money movement, distributions/ capital calls/ Pvt investment activity)***

Answer: Custody-related activity is predominantly passive (interest, dividends, and scheduled mortgage-backed securities principal and interest), with occasional purchases or sales. FNO does not currently have private investment, capital call, or distribution activity in its custody relationships.

Question 18: ***Approximately how many accounts require custody services?***

Answer: Five relationships currently involve custody or safekeeping of securities: one primary third-party custodian and four additional investment, reserve, and bond-program relationships.

Question 19: ***What type of accounts are involved? (business checking or other?)***

Answer: The accounts involved in FNO's custody relationships are investment and reserve accounts. FNO's day-to-day operating accounts are business checking accounts.

Question 20: ***What is the anticipated annual growth?***

Answer: FNO expects its banking, treasury-management, custody, and capital-markets needs to grow over the life of this contract as existing programs mature and as FNO pursues additional capitalization opportunities, including the long-term development of the Resilient New Orleans Fund. FNO has not established a reliable annual growth rate for purposes of this procurement, and Proposers should not assume a guaranteed growth rate or minimum future level of activity.

Question 21: ***What reporting requirements are most important?***

Answer: Reporting by program/fund (Housing Trust Fund ("HTF"), Coalition for Green Capital ("CGC") loan facility, Down Payment Assistance ("DPA"), Payment in Lieu of Taxes ("PILOT"), the Resilient New Orleans Fund ("RNOF"), and general operating) is expected, given FNO's multiple distinct funds and programs. This list reflects FNO's current structure and may expand as additional funds, programs, or capital sources are established over the life of the contract.

Question 22: ***Do you require daily online access?***

Answer: Yes.

Question 23: ***Do you require customized reports?***

Answer: Yes, generally by program/fund as described in Question 21.

Question 24: ***Do you require integration with specific accounting software?***

Answer: Yes. Per Attachment C, item 15 of the RFP, integration capability with Sage 50 or a similar general ledger system is required.

Question 25: ***May a proposal be submitted by a team in which a non-bank firm (an SEC-registered investment adviser) serves as lead respondent, partnered with a depository institution that meets all Section 6 qualifications? If so, must the depository institution sign the proposal or be named as prime for the Required Services?***

Answer: The depository institution on any team must itself meet Section 6's Minimum Bank Qualifications and must be named as, and bear direct contractual responsibility for, the Required Services (Section 7, items 1–6). This reflects Louisiana's Local Depositories Law (R.S. 39:1211 et seq.), referenced in Section 8, which requires public deposits to be held only by an eligible fiscal agent/public depository. A non-bank firm may lead the overall proposal and the optional capital markets/advisory components, but it cannot substitute for the depository institution's direct responsibility for Required Services.

Question 26: ***May a proposer respond only to the Optional / Value-Add Services (Items 7, 8, and 10) without proposing the Required Services? If so, how will Section 9 criteria that do not apply (e.g., ECR / historical rates) be scored for that proposal?***

Answer: FNO is reviewing this question and will respond in a Supplemental Addendum (see below).

Question 27: ***Attachment B is structured for depository services. For capital strategy and advisory services, may proposers submit a fixed-fee or retainer structure in a separate fee exhibit? Further, per Section 4, please provide account-level balance and transaction volume detail to support accurate fee proposal.***

Answer: Yes, Proposers offering capital strategy, advisory, or capital markets services may submit a separate fee exhibit describing their proposed fee structure (fixed-fee, retainer, or otherwise) for that scope. For account-level balance and transaction volume detail, see responses to Questions 2 and 3.

Question 28: ***With respect to DBE participation under Attachment H:***

(a) Attachment H lists SLDBE, DOTD/LAUCP, and "Other." Which other certifications will FNO accept? Specifically, will FNO accept out-of-state Unified Certification Program DBE certifications, NMSDC MBE, WBENC, SBA 8(a), or state MWBE/HUB certifications?

(b) Will FNO count a firm whose SLDBE application, or LAUCP reciprocity request, is pending at submission, provided certification is obtained before contract execution?

(c) Will an FDIC- or OCC-designated Minority Depository Institution count toward DBE participation, with or without SLDBE or LAUCP certification?

(d) Does work performed by a certified DBE prime or lead respondent count toward the 35% goal, or only subcontracted and outsourced components?

(e) For a banking and advisory relationship, how will FNO calculate the DBE percentage (e.g., share of total fees, share of services by scope, or another measure)?

(f) Is DBE participation scored within the Section 9 criteria, or treated as a pass/fail responsiveness requirement?

Answer: FNO is reviewing these questions. A response will follow in the Supplemental Addendum (see below).

Question 29: ***Do the Attachment F minimum limits apply to each team member or only to the depository institution? Attachment F also refers to a Certificate of Insurance Coverage at Attachment H, which is the DBE form. Please confirm which form should be used.***

Answer: FNO confirms this reference is incorrect; Attachment H is the DBE Participation Form, not an insurance certificate. The selected Proposer should submit a standard ACORD certificate of insurance evidencing the coverage required under Attachment F. The selected Proposer will also be responsible for ensuring that any team member performing services maintains insurance appropriate to its assigned scope, and for providing evidence of such coverage upon request.

Question 30: ***May a team include a subcontractor affiliated with the lead respondent, provided the relationship is fully disclosed in Attachment G?***

Answer: Yes. Attachment D and Attachment G address actual or potential conflicts of interest, not team or subcontractor structure generally. An affiliated subcontractor may be included, provided the relationship and resulting arrangement are clearly described in the proposal and disclosed on the Conflict of Interest Disclosure Affidavit (Attachment G).

Question 31: ***Are there statutory, ordinance, or grant restrictions on how Housing Trust Fund allocations, CGC facility proceeds, or program income may be deployed, recovered, and redeployed (e.g., loan-only, recapture, or income-eligibility requirements)? Are any of these sources federal funds subject to 2 CFR Part 200?***

Answer: FNO is reviewing this question and will respond in a Supplemental Addendum (see below).

Question 32: ***If a team advances to interviews, may representatives of each team member participate?***

Answer: Yes.

Items Under Review – Supplemental Addendum Forthcoming

FNO acknowledges receipt of Questions 26, 28, and 31 above and will issue a Supplemental Addendum addressing these items by October 27, 2026.