

## UNIVERSITY OF ALABAMA IN HUNTSVILLE

### Request for Proposals – Financial Advisor

The University of Alabama Huntsville (UAH) seeks to establish a relationship with a firm to provide bond and general financial advisory services for a period of up to three years. **For the period of time that a firm or individual is hired or retained to provide financial advice or assistance in the borrowing or issuing of bonds, the firm or individual shall not be eligible to serve as underwriter or in any other capacity than financial advisor.**

Procedures for issuing bonds must comply with the Board of Trustees of The University of Alabama Board Manual, Board Rule 419, pp. 203-205. The Board Rule may be accessed at <http://uasystem.edu/wp-content/uploads/2016/11/Rule-419-Procedures-for-Issuing-Bonds.pdf>.

During the next three years, UAH currently anticipates bond issue(s) for at least one capital project. Construction on the new Charger Village addition is currently underway, and a revenue bond issue of approximately \$37 million is planned for early 2018. The scope and timing of the bond issue is subject to change at the discretion of the University and the Board of Trustees, and other bond issues may be considered including refunding of current institutional bonds.

#### Scope of Services

The University is seeking qualified candidates to serve as Financial Advisor for a period of up to three years. The purpose of this Request for Proposals (RFP) is to evaluate potential firms to serve as the primary Financial Advisor for a 2018 revenue bond issue and potentially for a three-year period beginning with such issue.

UAH is seeking a Financial Advisor that will accomplish the following during the term of the engagement:

- 1) Review current outstanding debt (amounts, types, interest rates and covenants applying to that debt).
- 2) Review methods currently utilized by UAH for issuance of debt.
- 3) Review overall debt capacity-advise on impact of issuing additional debt on ratings, interest rates, and risk.
- 4) Provide recommended alternatives about the overall structure for existing and planned debt.
- 5) Assist and advise UAH annually to meet all disclosure requirements for outstanding bond issues.
- 6) Provide general financial advice and analysis as requested by UAH from time to time that may or may not be related to specific bond issues or capital financings.

Additionally, for each debt issue during the engagement, the Financial Advisor will accomplish the following:

- 1) Develop a plan of finance that meets institutional needs in a manner that helps secure the best interest rates possible;
- 2) Coordinate, schedule, and participate in rating agency reviews and interactions as primary liaison;
- 3) Review legal documentation in conjunction with University counsel;
- 4) Coordinate the competitive bidding process and the evaluation of the bids;
- 5) Coordinate and monitor the closing process;
- 6) Assist in preparation of materials to be presented to the Board of Trustees of the University of Alabama and participate in presentations as directed.

#### Qualifications of the Financial Advisor

The Financial Advisor selected must demonstrate considerable knowledge of municipal and governmental finance including higher education financing, and have a proven track record of providing innovative approaches in tax-exempt financings. The Financial Advisor should have extensive experience in the financing of governmental entities including, but not limited to, higher education institutions, Alabama governmental entities, general obligation issues, and revenue bonds of all types.

#### Content of Response to Request for Proposals

Candidates for Financial Advisor will be openly considered based on demonstrated ability to meet the general objectives outlined above and responses to the specific information requested below:

1. Prepare a detailed list of financings on which your firm has served, or is currently serving, as the Financial Advisor for all issues in 2016 and 2017, including the value of the financings for each engagement included on this list. Also, please distinguish between negotiated and competitive bid sales for each of the financings described on this list.
2. Provide names of references UAH can contact from a representative sample of the financings listed in #1. By representative, UAH anticipates that the group would include both public and private, negotiated and competitive bid, and different financing values.
3. Identify the key individuals from your firm who you anticipate will work directly on this engagement. Please include a description of each individual's background, their primary location, and their expected role on this engagement.
4. Describe any relationship that could create a conflict of interest if your firm is selected. Disclose all compensation arrangements that your firm has or within the past 12 months has had, with any potential parties to a proposed financing by UAH.
5. Indicate if your firm is under any investigation or has been notified of an investigation by any federal or state regulatory agency. Since January 1, 2015, if your firm has been involved in any material litigation, administrative proceedings, violation of or

investigation for any regulatory agency rules (SEC, MSRB, NASD, NYSE, state securities board or commission), provide an explanation and the current status.

6. The prospective Financial Advisor should:
  - a. propose the methodology for accomplishing the requirements and deliverables outlined;
  - b. propose a timeline for on and off-site activities to accomplish the work related to the 2018 revenue bond issue(s) within the general timeframe included in this document;
  - c. outline hours, fees, and expenses for services related to the 2018 revenue bond issue(s);
  - d. provide a proposed fee structure for ongoing work including financial advice and analytical services requested by UAH;
  - e. identify support needed from UAH.
7. All agreements or contracts that will be signed prior to delivery of services must be included with the response for review by staff. Documents not submitted with the response may not be considered at a later date. In all cases, should there be a conflict in the terms and conditions, those items and conditions in this RFP and any resulting contract will prevail.

### Evaluation Criteria

Qualifications will be evaluated based on demonstrated expertise and related experience of the firm and those members of the firm assigned to this engagement, demonstrated ability to complete projects within specified time tables, and costs, including required UAH staff effort.

### Final Selection

Following review of the responses, a selection committee of University representatives will make a recommendation through appropriate channels. Once a decision is made, the University shall notify all firms submitting responses of that selection and will prepare and send a proposed contract to the selected firm.

There is no legal requirement for the University to bid the borrowing of funds, the issuance of any bonds, or any services necessary or desired in connection with those matters and is therefore a process designed, modified, or abandoned by the University as it shall determine to be in its best interests. This RFP, the terms and conditions, the specifications and alternatives, the identification and selection of the firms and individuals to serve as Financial Advisor, and all other aspects and components of this process are in the exclusive discretion of the University and the Board of Trustees of The University of Alabama, and such officials shall be the sole judge and decision-maker in the manner of selecting a Financial Advisor and in the final selection of the Financial Advisor.

### General Condition/Requirements

The Board of Trustees has an established preference for the issuance of debt via competitive bid and has stipulated that Financial Advisor services related to the issuance of debt be secured through an RFP process.

All proposals submitted pursuant to this request for proposals shall be made in accordance with the provisions of the laws of the State of Alabama and the response specifications.

While UAH may enter into a long-term relationship with the firm selected, it has the right to cancel this agreement prior to the end of the term without penalty.

**For the period of time that a firm or individual is hired or retained to provide financial advice or assistance in the borrowing or issuing of bonds, the firm or individual shall not be eligible to serve as underwriter or in any other capacity than financial advisor.**

### General Timeline for 2018 Revenue Bond Issue(s)

Selection/approval of Financial Advisor anticipated in June 2017, preparation of documents in November/December 2017, Board approval of sale and documents in February 2018, competitive sale in February 2018. Schedule is flexible and subject to change.

### Submission Deadline

An electronic submission of proposals via PDF file is required. All proposals should be emailed as an attachment to Lisa Strickland, Executive Assistant to the Senior Vice President for Finance and Administration, at [Lisa.Strickland@uah.edu](mailto:Lisa.Strickland@uah.edu), no later than 5:00 p.m. Friday, May 12th, 2017. Any questions concerning this Request for Proposal should also be submitted via email to Lisa Strickland. Prospective Financial Advisors should acknowledge that no other source is authorized to provide information concerning this request.

While not required, written proposals may be sent to:

Lisa Strickland  
Executive Assistant to the Senior Vice President for Finance and Administration  
The University of Alabama in Huntsville  
301 Student Services Building  
Huntsville, Alabama 35899