



STATE OF VERMONT
OFFICE OF THE STATE TREASURER

109 State Street, 4th Floor
MONTPELIER, VERMONT 05609-6200
802-828-2301
www.vermonttreasurer.gov

REQUEST FOR PROPOSAL

OFFICE OF THE VERMONT STATE TREASURER FINANCIAL ADVISORY SERVICES

DATE: March 6, 2006

QUESTIONS DUE BY: March 16, 2006

DATE OF BID OPENING: March 27, 2006

TIME OF BID OPENING: 2:00 P.M.

LOCATION OF BID OPENING: 109 State Street, Montpelier, VT, 4th Floor

CONTACT: Donna Holden
TELEPHONE: (802) 828-3708
E-MAIL: Donna.Holden@state.vt.us
FAX: (802) 828-2772



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SEALED BID INSTRUCTIONS

All bids must be sealed and must be addressed to the Office of the State Treasurer, 109 State Street, 4th Floor, Montpelier, VT 05609-6200. **BID ENVELOPES MUST BE CLEARLY MARKED 'SEALED BID' AND SHOW THE PROPOSAL TITLE, OPENING DATE AND NAME OF BIDDER.**

All bidders are hereby notified that sealed bids must be in the Office of the State Treasurer by the time of the bid opening. Bidders are cautioned that it is their responsibility to originate the sending of bids in sufficient time to ensure receipt by the Office of the State Treasurer prior to the time of the bid opening. Hand-carried bids shall be delivered to a representative of the Office of the State Treasurer prior to the bid opening. Bids not in possession of the Office of the State Treasurer at the time of the bid opening will not be considered.

The Office of the State Treasurer may, for cause, change the date and/or time of the bid opening. Such modifications (or amendments) to the RFP will be posted to the Treasurer's Web site at www.vermonttreasurer.gov and will not be distributed through any other means. It is the bidder's responsibility to check the Web site for such changes.

All bids will be publicly opened. Any interested party may attend the bid opening. Bid results may be requested in writing and are available once an award has been made.

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1 OVERVIEW

The following subsections provide general information about the RFP.

1.1 Executive Summary

The office of the Vermont State Treasurer is requesting proposals for financial advisory services for tax-exempt debt issuance and other related financial activities. In addition, the financial advisor is responsible for assisting in preparation of the Capital Debt Affordability Advisory Committee Report for the State of Vermont.

Proposal specifications are set forth in Section 2, "Scope of Services."

Proposals in response to this RFP are due no later than 2:00 P.M. Eastern Time (ET) on March 27, 2006.

1.2 Minimum Bidder Qualifications

The bidder must meet all of the following minimum qualifications to be given further consideration. Failure to satisfy each of the minimum qualifications will result in the immediate rejection of the proposal.

- The bidder must demonstrate a history of providing the desired services with a minimum of five years of public sector experience.

1.3 Single Point of Contact

The sole point of contact for questions and all other contractual matters relating to this RFP is:

Name: Ms. Donna Holden
Title: Contracts Administrator
Vermont State Treasurer's Office
109 State Street, 4th Floor
Montpelier, Vermont 05633-6200
Telephone: 802-828-3708
FAX: 802-828-2772
E-Mail: Donna.Holden@state.vt.us

All e-mail communication with Ms. Holden must include the words "Financial Advisor RFP" in the subject line.

Bidder's proposals, due by 2:00 PM for bid opening on March 27, 2006, are to be delivered to the VSERS office, marked to the attention of Ms. Donna Holden (see above).

Attempts by bidders to contact any other party may result in the rejection of their proposal.

1.4 Bidder Questions

Questions must be submitted in writing until the date and time specified in Section 1, *RFP Timetable*.

E-mail is the preferred method of communicating questions. All e-mail communications with Ms. Holden must include the words “**Financial Advisory Services**” in the subject line. All questions submitted must include the name of the firm and the person submitting the questions.

Response to questions will be posted by the Treasurer’s Office on the Treasurer’s Web site.

1.5 RFP Timetable

RELEASE DATE OF THE RFP:	March 6, 2006
QUESTIONS DUE BY:	March 16, 2006
ANSWERS TO QUESTIONS POSTED ON www.vermonttreasurer.gov	March 20, 2006
ALL PROPOSALS MUST BE SUBMITTED NO LATER THAN 2:00 P.M. Eastern Time ON:	March 27, 2006

1.6 Attachments to RFP

The Office of the State Treasurer has provided the following information as attachments to the RFP:

- **Attachment A** – Standard Contract Provisions

2 SCOPE OF SERVICES

2.1 General Information

The State Treasurer's Office in the State of Vermont issues yearly approximately \$45 million in general obligation bonds exclusive of refundings, and may issue additional short-term debt instruments, including revenue anticipation notes, lines of credit and commercial paper.

The State's Financial Advisor has traditionally advised the state in structuring the issuance and sale of all bonds, notes, and other securities as well as providing assistance and analyses for other financings, including negotiating terms and drafting documents, legislation, regulations, and procedures. The Financial Advisor acts as a liaison between the State and bond rating agencies.

In addition, the Financial Advisor will be responsible for analyses, drafting and presentation of the State of Vermont's Capital Debt Affordability Advisory Committee Report. The Capital Debt Affordability Advisory Committee annually recommends to the legislature the maximum amount of new long-term general obligation debt that may be authorized by the State for the next fiscal year. The Committee's recommendation is based on deliberations with technical assistance and other support from the Financial Advisor and on analyses in a draft report prepared by the Financial Advisor relating to debt service requirements, debt service as a percentage of general and transportation fund revenues, outstanding debt as a percentage of personal income, and debt per capita and other appropriate ratios and considerations developed by the Financial Advisor. The final report inclusive of the Committee's recommendation is due by September 30 of each year.

The Financial Advisor conducts analyses and participates in presentations regarding alternative forms of financing and associated impacts on the State's overall credit posture. The Financial Advisor is expected to introduce and analyze new or alternate forms of credit instruments that may become available to the State.

The State's Financial Advisor works closely with the Treasurer, Deputy Treasurer, Director of Finance and Investments, other Treasury staff, the Attorney General's office, Bond Counsel, bond rating agencies, registrars/paying agents, selected underwriting teams, underwriters' counsel, bond insurers, verification agents and various financial institutions. Occasionally, the State's Financial Advisor will advise, through the Treasurer's office, the Governor and the Governor's staff, other State agencies and the State Legislature on debt-related issues.

2.2 Services Requested

The State's Financial Advisor shall provide the following services with regard to financial matters to the State on a continuing basis throughout the period of this contract. Such financial services shall include, but not be limited to, rendering financial advice as well as analysis and research in the following areas:

- A. Advise and assist the State in the development, structure and timing of issuance of tax-exempt bonds in accordance with applicable laws, customs, and practices governing such issuance.

- B. Advise and assist the State in considering and structuring other modes of financing, including but not limited to refundings, taxable bonds, credit-enhancement, leased equipment financings, asset-backed financings, GARVEE bonds, pension obligation bonds, and private placements.
- C. Advise on the amount, timing, and nature of borrowings, as well as the credit structure, maturity schedule, call provisions and other items, as needed.
- D. Advise on the merits of competitive, negotiated or private placement of debt.
- E. Assist in the preparation of official statements, notices of sale (competitive offerings) and other appropriate information to prospective bond and note investors.
- F. Assist in preparing and presenting timely and adequate information on proposed financings and the State's finances and operations to the bond rating agencies and institutions providing credit enhancement.
- G. Evaluate the terms and recommendation of acceptance, rejection or renegotiation with respect to sale bids or final pricing as applicable. This includes confirmation of competitive bids, and verification reports in the case of refundings.
- H. Advise on such matters as bond registration, printing, investment of proceeds and other matters related to the settlement and delivery of the bonds or notes, as required.
- I. Assist with preparation of RFP/Qs and evaluation of proposals for the procurement of:
 - Credit enhancements, including LOCs and bond insurance
 - Reinvestment of proceeds
 - Investment banking services
 - Official Statement printing
 - Competitive offerings
 - Paying Agent or Trustee
 - Escrow Agent, if required
 - Verification Agent, if required
- J. In the case of competitive offerings, assume responsibility for the following:
 - Preparation and advertisement of Notice of Sale
 - Preparation of Bid Form
 - Advice as to manner of bid procedures
 - Management of competitive bidding procedures
- K. Attend (in person or by telephone, as required) meetings related to debt offerings and participation in the deliberations at such meetings, including:
 - Preparation of Official Statement with the entire working group
 - Due diligence
 - Rating agency presentations
 - Pricing
 - Closing

- Capital Debt Affordability Advisory Committee
 - Legislative and other committee meetings
- L. Provide ongoing financial advisory services, including:
- Review financial issues with the rating agencies (and arrange and support calls and meetings) relating to specific debt issues and to periodic updates.
 - Evaluate financial proposals received by the State Treasurer's Office, including, but not limited to leasebacks, refundings and alternate forms of tax-exempt debt.
 - Provide advice on investor relations and assistance in preparation of related presentation materials.
- M. Advise and assist the State in structuring short-term financing programs including bond anticipation notes, revenue or tax anticipation notes, lines of credit, letters of credit, commercial paper programs, or other financings, as required.
- N. Review bond documents, regulations, rules, proposed legislation, and other documents relating to the State's financing programs.
- O. Draft, prepare and present the Capital Debt Affordability Advisory Committee Report including development of all supporting models, preparation of preliminary (draft) report, attendance at and technical assistance for one or more CDAAC meetings, and preparation of the final report inclusive of the Committee's recommendation to the legislature.
- P. Assist the State when necessary in the negotiation and preparation of any agreements between the State and other jurisdictions participating in any financing program.
- Q. As necessary, resolve issues regarding the sale and issuance of bonds that are raised by prospective purchasers, rating agencies, or public officials.
- R. As requested, participate in public forums as the State's Financial Advisor to explain financial aspects of borrowings or debt.
- S. Prepare and maintain projected debt service, debt outstanding and other schedules related to State debt for use in State budgeting processes and official statements.
- T. Provide other technical assistance on debt financings, bond ratings and financing alternatives as requested by the State.

2.3 Requirements Related to Conflicts of Interest and Independence

Bidders shall identify all existing or potential conflicts of interest that would prevent the bidder from fully performing the tasks described in this RFP. Such disclosure will be a continuing requirement subsequent to award of a Contract and for the life of the Contract.

In all matters relating to work required by the State the bidder shall remain free from personal and external impediments to independence, and verify its organization is independent and will maintain an independent attitude and appearance with respect to the services required.

2.4 Insurance Coverage

The Contractor shall maintain an errors and omissions insurance policy, which provides a prudent amount of coverage for the negligent or willful acts or omissions of any shareholder, employee or agents thereof. The Contractor shall also maintain policies pursuant to the State's Standard Contract provisions as defined in Attachment A.

3 PROCUREMENT AND CONTRACTUAL ADMINISTRATION

The following subsections discuss the administrative and contractual requirements that pertain to this procurement.

3.1 Bidding and Contractual Requirements

The State of Vermont reserves the right to obtain clarification or additional information necessary to properly evaluate a proposal. Bidders may be asked to give a verbal presentation. Failure of bidder to respond to a request for additional information or clarification could result in rejection of that bidder's proposal. The State reserves the right to accept or reject any and all bids, in whole or in part, with or without cause. The State reserves the right to make an award without further discussion of the proposal submitted. The State does not guarantee that an award will be made as a result of this RFP.

3.1.1 Incurred Expenses

The cost of developing and submitting the proposal is entirely the responsibility of the bidder. This includes costs to determine the nature of this engagement, preparation of the proposal, submitting the proposal, negotiating for the contract, and other costs associated with this RFP.

3.1.2 Public Records and Bidder Proprietary Information

All responses will become the property of the State of Vermont and will be a matter of public record. **Any page with proprietary information must be marked by bidders as such, pursuant to 1 V.S.A. Chapter 5, §317(c)(9).** Further, **bidders must provide within their responses a justification for each marked page.** Any determination to defend information designated as proprietary will be at the sole discretion of the Attorney General's Office and no representation is made hereby that the information can, or will, be protected.

3.1.3 Pricing

The bidder must be aware the State wants the most effective combination of price, performance, and quality possible within the constraints of their budget. Pricing must include all expenses. There may be no best and final offer procedure. Therefore, the proposal shall be submitted on the most favorable terms that the bidder can provide.

3.1.4 Subcontracting

The State of Vermont will only enter into contracts with the primary contractor, and the State must approve any subcontractor contract in writing (See ATTACHMENT A, sub-Attachment C #13). The selected bidder must assume responsibility for subcontractor performance and payment. Subcontractors must abide by all conditions set forth in the contract with the primary contractor. The successful bidder will be expected to execute sub agreements for each subcontractor named in the proposal upon award of this contract. The bidder must provide a brief description in the cost proposal in regard to the basis for selecting each subcontractor (low bid, competitive negotiation, technical capabilities, etc.). The bidder must provide subcontractor cost estimates in the bidder's cost proposal.

3.1.5 Doing Business in Vermont

The bidder awarded this contract shall, upon notification of award, apply for registration with the Vermont Secretary of State's Office to do business in the State of Vermont, if not already so registered. The registration form may be obtained from the Vermont Secretary of State, Redstone Building, 26 Terrace Street, Drawer 09, Montpelier, VT 05609-1101. The telephone number is (802) 828-2386. The Treasurer's Office will not execute the contract until the bidder is registered with the Secretary of State's Office.

Bidders are responsible for complying with all statutory provisions applicable to doing business in the State of Vermont (see above) and Attachment A of the contract attached to this RFP, which is required to be executed once the specific details of the transaction have been inserted. Any objections, or requested changes to the standard form language must be provided with the bid, or they shall be waived by the bidder. Any additional contract language sought by the bidder must be provided with the bid, or such language requests shall be waived by the bidder.

3.1.6 Minority Business Enterprises

The State of Vermont recognizes the important contribution and vital impact that small businesses have on the state's economy. In this regard, the state subscribes to a free and open bidding process that affords all businesses equal access and opportunity to compete for state contracts for goods and services. The state also recognizes the existence of businesses owned by minorities and women and has directed all state agencies and departments to make a good faith effort to encourage these firms to compete for state contracts.

3.1.7 Duration of Proposal Offer

Proposals submitted in response to this RFP are irrevocable for 120 days following the closing date of proposals. This period may be extended at the request of the State, and with the bidders' written approval.

3.1.8 Revisions to the Solicitation

The State reserves the right to modify requirements should a bidder inquiry identify a change that is in the best interest of State. Such modifications (or amendments) to the RFP will be posted to the Treasurer's Web site at www.vermonttreasurer.gov and will not be distributed through any other means. It is the bidder's responsibility to check the Web site for such changes.

3.1.9 General Conditions

The general conditions and specifications of the RFP, the successful bidder's response/proposal, all questions and answers, and all RFP amendments (if any) will become part of the contract by reference. The bidder is expected to respond with due diligence by providing the requested information in the designated manner. Bidders failing to respond to this RFP as prescribed will place themselves at a comparative disadvantage or will be subject to disqualification at the discretion of the Office of the State Treasurer.

3.1.10 Contract Duration

The successful bidder to this RFP can expect a contract with the State (see sample contract Attachment A), for a term of two years with two one-year extensions.

The successful bidder will be required to execute the State's standard contract after the specific details of the transaction have been inserted. Any bidder seeking changes to the State standard form contract, or to add additional language to the contract must state whether the request is a requirement of their bid, or simply a request for the State's consideration. Any objections, or requested changes to the standard form language must be provided with the bid, or they shall be waived by the bidder. In the event the State determines that an otherwise apparent winning bidder's requirements are unacceptable, it may handle the bid in the manner it deems most appropriate, including but not limited to rejecting the bid as not complying with this RFP. Bidders should be aware that the State of Vermont rarely accepts amendments to its standard form contract.

4 PROPOSAL PREPARATION

This section sets forth the format that must be followed by bidders in developing their proposals in response to this RFP. The instructions provided and format requested for bidder proposals are designed to ensure a clear and complete understanding and comprehensive evaluation of each proposal. There is no intent to limit the content of the proposals or to inhibit a presentation in other than the bidder's favor.

Each proposal should be prepared simply and economically, avoiding the use of elaborate promotional materials beyond those sufficient to provide a complete, accurate and reliable presentation. The proposals must be enclosed in an envelope and must be clearly marked as a financial advisory proposal.

Faxed proposals will not be accepted.

4.1 Proposal Acceptance

The bidder is encouraged to include additional information or data as may be appropriate or to offer alternate solutions. However, the bidder should not exclude from its proposal any portion requested in this document. Proposals that vary materially from this prescribed format may be judged non-compliant and withdrawn from consideration. The bidder should also list any potential conflicts of interest including an explanation.

The bidder must understand that the State will view the degree of compliance with this section as an indication of the degree of cooperation to be expected from the bidder in working with the State after contract award.

4.1.1 Proposal Packaging and Required Copies

Cost Proposals (Part V below) must be packaged separately from Technical Proposals (Parts I, II, III and IV below) and sealed in a separate envelope, so labeled.

Bidders must mark any pages that contain proprietary information as such. Further, they must provide within their responses a justification for each marked page. Any determination to defend information designated as proprietary will be at the sole discretion of the Attorney General's Office and no representation is made hereby that the information can, or will, be protected.

Bidders must submit four (4) bound copies of their proposals. In addition, the bidder must provide one (1) unbound master copy of the technical proposal and one (1) unbound master copy of the cost proposal, each packaged separately. We point out that the requirement for separate Cost Proposals actually doubles the above numbers.

The information in the table provided below must appear on the title page of each copy of each proposal, and on the outside of the packages in which they are shipped (if proposals are shipped by overnight courier, the title sheet may be affixed to the package inside the courier's packaging material):

Contents of Response Cover Page

RFP title:	FINANCIAL ADVISORY SERVICES
RFP section:	Technical or Cost
<i>Closing date and time for submission of proposals: March 27, 2006 , 2:00 pm.</i>	
Name, address, e-mail, and (voice) telephone number of firm submitting proposal	

Proposals must be addressed for this RFP to the point of contact identified in Section 1, *Single Point of Contact*.

Bidders are to organize their proposals into five parts with a cover letter and other administrative information as follows:

Part I – Administrative	Cover page Cover Letter as described below Tax Certificate Table of Contents
Part II	Bidder Information
Part III	Technical Approach
Part IV	Bidder References
Part V (to be packaged separately)	Cost

The following subsections describe the required content of the bidder’s proposal.

4.2 Bidder’s Proposal Part I -Administrative Section

In addition to the cover page and table of contents, the items that need to appear in the Administrative Section of the proposal are described below.

4.2.1 Cover Letter

The response should contain a cover letter and introduction, including: the company name and address, and the name, e-mail address, and telephone number of the person or persons authorized to represent the respondent regarding all matters related to the response. The cover letter must contain the following statement:

“We have read the State’s Request for Proposals (RFP) for Financial Advisory Services and fully understand its intent. We certify that we have adequate personnel, equipment, and facilities to provide the State’s requested services that we have indicated we can meet. We understand that our ability to meet the criteria and provide the required services shall be judged solely by the Office of the State Treasurer.”

A person authorized to bind the firm to all commitments made in its response shall sign this letter.

In addition, the cover letter must certify that:

- The response is genuine, and is not collusive or a sham.
- The response is not made in the interest of or on the behalf of any person not named therein.
- The bidder has not directly or indirectly induced or solicited any person to submit a false or sham response or to refrain from submitting a proposal.
- The bidder has not in any manner sought by collusion to secure an advantage over any other respondent.
- The bidder has thoroughly examined the RFP requirements, and the proposed fees cover all the services that the State has requested.
- The bidder acknowledges and accepts all terms and conditions included in the RFP.

- The bidder agrees to provide services in a manner acceptable to the State, and as stipulated in the RFP and subsequent contract.
- The bidder and key professionals do not have or anticipate a potential conflict of interest with the Office of the State Treasurer.
- The bidder and key professionals do not accept fees and derive no benefit from relationships with any persons involved in the RFP.
- The bidder has completed and submitted, with the RFP response, the Vermont Tax Certificate, provided in this RFP.
- The bidder has submitted financial information. Publicly owned businesses agree to provide their most recent annual report, current balance and income statement, and D&B report. Privately owned businesses agree to provide company financials. Proprietary and/or confidential materials must be marked accordingly.

4.2.2 Tax Certificate

This certificate appears on page 3 of this RFP and must be completed and submitted with the response to the RFP.

4.3 Bidder's Proposal Part II – Bidder Information

4.3.1 Section 1 – General

In this section, the bidder shall provide basic information about its firm and staff, including the following:

- a. Name, address, e-mail address, voice and fax telephone numbers of contact person in the firm submitting the proposal and of the location from which this service will be provided.
- b. Please provide a description of the ownership and structure of the firm, which includes the parent company and any affiliated companies, joint ventures and/or business partners.
- c. Are any near-term changes to the firm's corporate or organizational structure anticipated? If yes, please specify.
- d. Please list all office locations and the number of individuals working in each office. Please specify which office would be the primary relationship office.
- e. List the owners of the firm (from largest to smallest with respect to ownership) and their ownership percentages. Please include individuals and all other entities.
- f. Please list all principals of the firm and their backgrounds, credentials and certifications.
- g. Please provide the most recently completed audited financial statements for your firm.

4.3.2 Bidder Qualifications

- The bidder must demonstrate a history of providing the desired services with a minimum of five years of experience.

4.4 Bidder's Proposal Part III - Technical Approach

This part of the bidder's proposal shall address the following:

- *Section 1 – Summary/Overview.* This should include a statement in the bidder's own words of the overall nature of the services requested in this RFP and a narrative of how it will provide the requested services identified in the RFP. The narrative should address all services outlined in the "Scope of Services" and should be prepared simply and economically, providing a straightforward and concise description of the bidder's philosophy, services and qualifications.
- *Section 2 – Questions.* Please provide a full and concise response to the following questions.

A. Company Background

1. Please describe your firm's background and history in providing services requested herein.
2. Provide a broad overview of your firm, including a functional description of any parent, affiliated or subsidiary company, and any business partners. Provide an organization chart of your firm and describe the working relationships between each component and your consulting group.
3. Does your firm have a written Code of Conduct, Ethics Policy or Conflict of Interest Policy? Please include copies of each.
4. Please disclose in full detail anything that may create a conflict or appearance of a conflict of interest. Please include any financial investment by you or your firm in any underwriting activity and any joint venture, partnership or similar arrangement for any product or service with any underwriter.
5. Within the last five years, has your organization or an officer or principal been involved in any business litigation, regulatory or other legal proceedings? If so, please provide an explanation and indicate the current status or disposition.
6. Please describe the level of coverage for errors and omissions insurance and any fiduciary or professional liability insurance your firm carries. List the insurance carrier(s) supplying the coverage.

B. Management Summary

1. What is the underlying philosophy of your firm in providing financial advisory services? What are your particular strengths?
2. How many financial advisory consultants does your firm employ? Please describe the respective seniority of each. For how many clients is each responsible?
3. Please provide a full résumé for each consultant that will be assigned to the Vermont account. Include résumés of other key personnel who may be involved in special projects for the State. Include any regulatory actions taken or pending relating to each consultant.

4. List all current clients covered by the individual(s) that is proposed to cover the State of Vermont account. Include a brief description of the scope of work performed for each.
5. What percentage of your revenues is derived from financial advisory services? What other services does your firm provide?

C. Financial Advisory Services

1. Describe in detail your process for developing and structuring procedures for the issuance of tax-exempt bonds. Describe (chart) in detail how this process differs with credit enhancement, lease financings, asset-backed or taxable issuance.
2. Provide a summary chart of competitive, negotiated or private placement of debt for which you played the senior financial advisory role in the past three years.

Method	General Obligation Bonds*		Refunding Bonds		Other**	
	Dollar Amount	Number of Issues	Dollar Amount	Number of Issues	Dollar Amount	Number of Issues
Competitive						
Negotiated						
Private Placement						

* Exclusive of refunding bonds.

**Specify type including, revenue bonds, pension obligation bonds, GARVEES, etc., and describe in question #3 below.

3. Has your firm had experience with other forms of public debt besides General Obligation Bonds such as GARVEE Bonds, Pension Obligation Bonds or Revenue Bonds? If yes, please describe.
4. Describe the depth of your firm’s analytical capabilities: personnel assigned to modeling and other quantitative analyses, use of unique proprietary and other financial models, ability to analyze and verify time sensitive and complex bids and other proposed financings, etc.

4.5 Bidder’s Proposal Part IV – Bidder References

The bidder shall provide a minimum of three references. For each reference (item 2, below), the bidder must include the name, address, e-mail address, and telephone numbers of individuals qualified to provide information from both the management and technical viewpoints.

1. Please list all clients who have hired your firm for financial advisory services during the past three years, including name, title and telephone number of contact.
2. Please provide contact information requested above for three references from current clients similar to the State of Vermont in size and sophistication. Include the length of time during which services were performed; and a description of the specific services provided.
3. Please list all clients who have terminated your relationship during the past three years, and their reasons for doing so. Please include the name, title and telephone number of contact.

4.6 Bidder's Proposal Part V - Cost

Please provide your fee inclusive of all professional and out-of pocket expenses (out-of-pocket expenses include but are not limited to travel, communications, production and other office expenses) for services outlined in this RFP. The fee may be stated as:

- 1) A flat rate for each contract year (two years) and optional years (up to two one-year extensions at the option of the State); and/or in the alternative
- 2) An hourly rate for each contract year and optional years with a "not to exceed" dollar amount.

NOTE: This part of the proposal must be bound separately and sealed in an envelope separate from the technical proposal and be labeled "Cost Proposal." Cost information is NOT to be provided in any other part of the bidder's proposal.

5. BIDDER EVALUATION AND SELECTION CRITERIA

5.1 Bidder Evaluation

The Office of the State Treasurer will conduct a fair and impartial evaluation of the proposals received in response to this RFP.

Fees and compensation will be an important factor in the evaluation of responses. However, the Office of the State Treasurer is not required to select the low-cost bidder, but may select the bid that demonstrates the “best value” overall, including proposed alternatives, and that meets the objectives of this RFP. The Office of the State Treasurer reserves the right to negotiate a change in any element of contract performance or cost identified in the RFP.

The factors to be used by the Treasurer’s Office in evaluating the proposals will include, but are not limited to, the following:

Evaluation of Proposals
A. RFP Understanding Approach Clarity Creativity of proposal Responsiveness to Scope of Services and ability to provide requested services
B. General Experience and Qualifications of Firm Experience Assigned personnel Any other resources assigned to State
C. Cost

The Office of the State Treasurer reserves the right to seek clarification of any proposal submitted, request oral presentations and to select the proposal considered to best promote the public interest.

The State of Vermont is conscious of and concerned about collusion. It should therefore be understood by all that in signing the bid and contract documents they agree that the prices quoted have been arrived at without collusion and that no prior information concerning these prices has been received from or given to a competitive company.

Note: Cost proposals will be opened and reviewed only for those bids that meet the established minimum technical thresholds.

ATTACHMENT A – STANDARD CONTRACT PROVISIONS

STATE OF VERMONT STANDARD CONTRACT FOR PERSONAL SERVICES

1. **Parties:** This is a contract for personal services between the State of Vermont _____ (hereafter called “State”), and _____ with _____ principal place of business in _____ (hereafter called “Contractor”).

Contractor’s form of business organization is _____.

Contractor (is/is not) required by law to have a Business Account Number from the Vermont Department of Taxes. Account Number is (#_____/not required by law).

2. **Subject Matter:** The subject matter of this contract is personal services generally on the subject of _____. Detailed services to be provided by the Contractor are described in ATTACHMENT A (below).

3. **Maximum Amount:** In consideration of the services to be performed by Contractor, the State agrees to pay Contractor, in accordance with the payment provisions specified in ATTACHMENT B, a sum not to exceed \$_____.00.

4. **Contract Term:** The period of Contractor’s performance shall begin on _____, 20____, and end on _____, 20____.

5. **Prior Approvals:** If approval by the Attorney General’s Office or the Secretary of Administration is required (under current law, bulletins, and interpretations), neither this contract nor any amendment to it is binding until it has been approved by either or both such persons.

-Approval by the Attorney General’s Office is required.

-Approval by the Secretary of Administration is required.

6. **Amendment:** No changes, modifications, or amendments in the terms and conditions of this contract shall be effective unless reduced to writing, and numbered and signed by the duly authorized representative of the State and Contractor.

7. **Cancellation:** This contract may be canceled by either party by giving written notice at least ____ days in advance of the proposed cancellation date.

8. **Attachments:** This contract consists of ____ pages including the following attachments, which are incorporated herein:

Attachment A – Specifications of Work to be Performed

Attachment B – Payment Provisions

Attachment C – “Customary State Contract Provisions” (revision date 2/95).

Contract # _____

WE, THE UNDERSIGNED PARTIES, AGREE TO BE BOUND BY THIS CONTRACT.

by the STATE OF VERMONT:

by the CONTRACTOR:

Date: _____

Date: _____

Signature: _____

Signature: _____

Name/Title: _____

Name/Title: _____

Agency: _____

Fed ID/S. Sec# _____

STATE OF VERMONT
CONTRACT FOR PERSONAL SERVICES

ATTACHMENT A
SPECIFICATIONS OF WORK TO BE PERFORMED

(Insert Attachment A)

STATE OF VERMONT
CONTRACT FOR PERSONAL SERVICES

ATTACHMENT B
PAYMENT PROVISIONS

(Insert Attachment B)

STATE OF VERMONT
CONTRACT FOR PERSONAL SERVICES

ATTACHMENT C
CUSTOMARY STATE CONTRACT PROVISIONS

1. Entire Agreement: This contract represents the entire agreement between the parties on the subject matter. All prior agreements, representations, statements, negotiations, and understandings shall have no effect.
2. Applicable Law: This contract shall be governed by the laws of the State of Vermont.
3. Appropriations: If this contract extends into more than one fiscal year of the State (July 1 to June 30) and if appropriations are insufficient to support this contract, the State may cancel at the end of the fiscal year, or otherwise upon the expiration of existing appropriations authority.
4. No Employee Benefits for the Contractor: The Contractor understands that the State will not provide any individual retirement benefits, group life insurance, group health and dental insurance, vacation and sick leave, worker's compensation, or other benefits or services available to State employees, nor will the State withhold any State or Federal taxes. The Contractor understands that all tax returns required by the Internal Revenue Code and the State of Vermont, including, but not limited to, income, withholding, sales and use, and rooms and meals, must be filed by the Contractor, and information as to contract income will be provided by the State of Vermont to the Internal Revenue Service and the Vermont Department of Taxes.
5. Independence, Liability: The Contractor will act in an independent capacity and not as officers or employees of the State. The Contractor shall indemnify, defend, and hold harmless the State and its officers and employees from liability and any claims, suits, judgments, and damages arising as a result of the Contractor's acts and/or omissions in the performance of this contract.

Insurance: Before commencing work on this contract, the Contractor must provide certificates of insurance to show that the following minimum coverages are in effect. It is the responsibility of the Contractor to maintain current certificates of insurance on file with the State through the term of the contract.

Worker's Compensation: With respect to all operations performed, the Contractor shall carry worker's compensation insurance in accordance with the laws of the State of Vermont.

General Liability and Property Damage: With respect to all operations performed under the contract, the Contractor shall carry general liability insurance having all major divisions of coverage including, but not limited to:

- Premises - Operations
- Independent Contractor's Protective
- Products and Completed Operations
- Personal Injury Liability
- Contractual Liability

The policy shall be on an occurrence form and limits shall not be less than:

- \$1,000,000 Per Occurrence
- \$1,000,000 General Aggregate
- \$1,000,000 Products/Completed Products Aggregate

\$50,000 Fire Legal Liability

\$1,000,000 Errors and Omissions per occurrence

The policy must cover the loss, damage, theft, or destruction of documents that may occur during the period when Contractor is in possession of the documents, and must provide first dollar coverage (i.e., no deductible) for actual replacement costs (State or Contractor staff time to reconstruct folders). The State has determined that the cost to replace a lost file is \$1,000.

Automotive Liability: The Contractor shall carry automotive liability insurance covering all motor vehicles, no matter the ownership status, used in connection with the contract. Limits of coverage shall not be less than \$1,000,000 Combined Single Limit.

No warranty is made that the coverages and limits listed herein are adequate to cover and protect the interests of the Contractor for the Contractor's operations. These are solely minimums that have been set to protect the interests of the State.

7. Reliance by the State on Representations: All payments by the State under this contract will be made in reliance upon the accuracy of all prior written representations by the Contractor, including but not limited to bills, invoices, progress reports, and other proofs of work.

8. Records Available for Audit: The Contractor will maintain all books, documents, payrolls, papers, accounting records, and other evidence pertaining to costs incurred under this agreement and make them available at reasonable times during the period of this contract and for three years thereafter for inspection by any authorized representatives of the State or Federal Government. If any litigation, claim, or audit is started before the expiration of the three-year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved. The State, by any authorized representative, shall have the right at all reasonable times to inspect or otherwise evaluate the work performed or being performed under this contract.

9. Fair Employment Practices and Americans with Disabilities Act: The Contractor agrees to comply with the requirements of Title 21 V.S.A. Chapter 5, Subchapter 6, relating to fair employment practices, to the full extent applicable. Contractor shall also ensure, to the full extent required by the Americans with Disabilities Act of 1990, that qualified individuals with disabilities receive equitable access to the services, programs, and activities provided by the Contractor under this contract. Contractor further agrees to include this provision in all subcontracts.

10. Set Off: The State may set off any sums that the Contractor owes the State against any sums due the Contractor under this contract; provided, however, that any set-off of amounts due the State of Vermont as taxes shall be in accordance with the procedures more specifically provided hereinafter.

11. Taxes Due to the State:

a. Contractor understands and acknowledges responsibility, if applicable, for compliance with State tax laws, including income tax withholding for employees performing services within the State, payment of use tax on property used within the State, and corporate and/or personal income tax on income earned within the State.

b. Contractor certifies under the pains and penalties of perjury that, as of the date the contract is signed, the Contractor is in good standing with respect to, or in full compliance with, a plan to pay any and all taxes due the State of Vermont.

c. Contractor understands that final payment under this contract may be withheld if the Commissioner of Taxes determines that the Contractor is not in good standing with respect to, or in full compliance with, a plan to pay any and all taxes due to the State of Vermont.

d. Contractor also understands the State may set off taxes (and related penalties, interest, and fees) due to the State of Vermont, but only if the Contractor has failed to make an appeal within the time allowed by law, or an appeal has been taken and finally determined and the Contractor has no further legal recourse to contest the amounts due.

12. Child Support: (Applicable if the Contractor is a natural person, not a corporation or partnership.) Contractor states that, as of the date the contract is signed, he/she:

is not under any obligation to pay child support; or

is under such an obligation and is in good standing with respect to that obligation; or

has agreed to a payment plan with the Office of Child Support Services and is in full compliance with that plan.

Contractor makes this statement with regard to support owed to any and all children residing in Vermont. In addition, if the Contractor is a resident of Vermont, Contractor makes this statement with regard to support owed to any and all children residing in any other state or territory of the United States.

13. Subcontractors: Contractor shall not assign or subcontract the performance of this agreement or any portion thereof to any other contractor without prior written approval of the State. Contractor also agrees to include in all subcontract agreements a tax certification in accordance with Paragraph 11 above.

14. No Gifts or Gratuities: Contractor shall not give title or possession of any thing of substantial value (including property, currency, travel and/or education programs) to any officer or employee of the State during the term of this contract. Contractor will certify that it is in compliance with Regulation 2001-01: Standards of Conduct, and will notify the State of any required disclosure. See Attachment D.

15. Copies: All written reports will be printed using both sides of the paper.

Notwithstanding any other provision in this contract, the parties understand that this contract is a public record.

- End RFP -