

## **ADMINISTRATION RECOMMENDATION/REPORT**

The administration recommends the Board of Trustees approve a contract for financial advisor services with Public Financial Management LLC (PFM) for the Fiscal Affairs department.

## **BACKGROUND**

The College is an issuer of general obligation and revenue-based debt with a total outstanding debt, including appropriation-based financings of approximately \$481 million as of August 31, 2017. The financial advisor will assist the College in the analysis, structure, and placement of an estimated \$500 million in financing and refinancing as well as provide advice on other financing and financial management issues.

A request for proposals, Project Number 18-01, was issued to procure financial advisor services. Three (3) responses were received and evaluated by a team consisting of Business Office and Fiscal Affairs administrators who determined the proposal submitted by Public Financial Management, LLC would provide the best value to the College.

## **IMPACT OF THIS ACTION**

The financial advisor will be responsible for assisting the College in debt issuance to include pre-sale, sale, post-sale, as well as monitoring outstanding bond issues for refunding opportunities. The financial advisor will also provide financial analysis services to supplement the College's internal analytical resources on specific items, such utilizing experiences and ideas observed in other jurisdictions for our capital improvement program.

## **BUDGET INFORMATION (INCLUDING ANY STAFFING IMPLICATIONS)**

The estimated expenditure related to an issuance of new debt of up to \$175 million is \$150,000. Any future debt issuance expenditure is funded by the debt issuance.

## **MONITORING AND REPORTING TIMELINE**

The initial award term will begin April 16, 2018, ending August 31, 2019, with renewal options of three (3) one-year terms.

## **ATTACHMENTS**

Attachment 1 - Tabulation

## **RESOURCE PERSONNEL**

Teri Zamora	281-998-6306	teri.zamora@sjcd.edu
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Genie Freeman-Scholes	281-998-6349	genevieve.scholes@sjcd.edu

**Project Name:** Financial Advisor Services  
**Project Number:** RFP 18-01  
**Number of Evaluators:** 2

Tabulation Date: 10.10.2017

Stated Criteria	Total Points Available		Public Financial Mgmt, Inc.	RBC Capital Markets, LLC	George K. Baum & Company
Project Understanding and Management	50		41	42	37
Qualifications and Experience of Firm	40		33	32	29
Qualifications and Experience of Personnel	40		32	34	30
Price Proposal	40		38	34	13
Overall Completeness, Clarity, and Quality of Proposal	20		14	16	15
Business Questionnaire	10		8	8	7
Presentation	80		72.5	70	n/a
	<b>280</b>		<b>238.5</b>	236	131
			<b>Total Points Received</b>		

<b>Final Ranking</b>	
Vendor Name	Total Score
<b>Public Financial Mgmt, Inc.</b>	<b>238.5</b>
RBC Capital Markets, LLC	236
George K. Baum & Company	131