

**REQUEST FOR PROPOSALS #CU2205
BOND UNDERWRITING SERVICES**

Table of Contents

Section 1	General Information and Standard Terms and Conditions.....	Page 2
Section 2	Eligibility Requirements.....	Page 5
Section 3	Background Information.....	Page 6
Section 4	Scope of Services and Comments on Plan of Finance.....	Page 6
Section 5	Vendor Information and Qualifications.....	Page 8
Section 6	Proposal Evaluation Criteria and the Selection Process.....	Page 9
Section 7	Additional Information.....	Page 11

Appendices

1	Municipal Bond Underwriting Experience
2	Public University Bond Underwriting Experience
3	Negotiated Public University Underwriting Experience Detail
4	Interest Rate Scales

Exhibits:

Exhibit A	Taxpayer Identification Form W9
Exhibit B	Purchasing Affidavit
Exhibit C	Title Page
Exhibit D	Agreement Addendum

Questions will be received until 4:00 PM EST on February 15, 2022

Proposals will be received until 4:00PM EST on February 25, 2022

REQUEST FOR PROPOSALS

RFP # CU2205 BOND UNDERWRITING SERVICES

SECTION 1: GENERAL INFORMATION AND STANDARD TERMS AND CONDITIONS

1.1 Purpose: Concord University (“Concord” or the “University”) seeks to retain a bond underwriting firm or firm to assist with the refinancing of its Series 2014 Housing Revenue Bonds.

1.2 Schedule of Events:

Release of RFP:	February 8, 2022
Question Deadline:	February 15, 2022, 4:00 PM ET
Addendum/Response to Questions:	February 18, 2022
Proposal Due Date:	February 25, 2022, 4:00 pm ET
Target Award Date:	March 8, 2022

Questions and Answers: Questions concerning this RFP will be received in writing (via e-mail is acceptable) by the point of contact until the deadline identified in Section 1.2. When submitting questions by e-mail, please reference RFP #CU2205 in the subject line. Questions, if any, will be answered by addendum and posted to the webpage identified in Section 1.4 below

1.3 Bidder’s Point of Contact: The sole point of contact for questions, clarification and inquiries concerning this Request for Proposal (RFP) is:

John Galatic, Vice President of Business & Finance/CFO
Concord University
Marsh Hall, Room 227A
P.O. Box 1000
1000 Vermillion Street
Athens, WV 24712

Phone: (304) 384-5190
Email: jgalatic@concord.edu

1.4 Posting of Information: This RFP and any addenda, including answers to questions, will be posted at the following website. [**https://www.concord.edu/about/important-offices-centers/business-office/accounts-payable-procurement/rfps.aspx**](https://www.concord.edu/about/important-offices-centers/business-office/accounts-payable-procurement/rfps.aspx)

1.5 Questions and Answers: Questions concerning this RFP will be received in writing (via e-mail is acceptable) by the point of contact until the deadline identified in Section 1.2. When submitting questions by e-mail, please reference RFP #CU2205 in the subject line. Questions, if any, will be answered by addendum and posted to the webpage identified in Section 1.4 above.

1.6 Proposal Submission: Please deliver an original and 6 copies of the proposal on or before the date required in Section 1.2. The outside of the envelope should be clearly marked with the RFP number, the bid opening date/time and the VP of Business & Finance/CFO's name.

NOTE: ALL FEES AND INTEREST RATE SCALE INFORMATION PROVIDED PURSUANT TO SECTION 6.4.3 AND APPENDIX 4 ARE TO BE PROVIDED IN A SEPARATE SEALED ENVELOPE LABELED AS PRICING INFORMATION.

In addition, a digital copy of the proposal should be submitted; the preferred method for submission of the digital copy is by flash/thumb drive which should be included with the original bid.

PROPOSALS RECEIVED AFTER THE DUE TIME AND DATE WILL NOT BE CONSIDERED. IT IS THE BIDDER'S SOLE RESPONSIBILITY TO ENSURE TIMELY DELIVERY OF THE PROPOSAL.

1.7 Proposals shall remain in effect ninety (90) days from the submission date.

1.8 Conflict of Interest: By signing the proposal, the bidder affirms that it and its officers, members and employees have no actual or potential conflict of interest, beyond the conflicts disclosed in its proposal. Bidder will not acquire any interest, direct or indirect, that would conflict or compromise in any manner or degree with the performance of its services under this contract. If any potential conflict is later discovered or if one arises, the bidder must disclose it to the institution promptly.

1.9 Independent Proposal: A proposal will not be considered for award if the price in the proposal was not arrived at independently, without collusion, consultation, communication or agreement as to any matter relating to such prices with any other offer or with any competitor. The price quoted in the bidder's proposal will not be subject to any increase and will be considered firm for the life of the contract unless specific provisions have been provided for adjustment in the original contract.

1.10 Rejection of Proposals: Concord reserves the right to accept or reject any or all proposals, in part or in whole. The University reserves the right to withdraw this RFP at any time for any reason. Submission of, or receipt by, the University confers no rights upon the bidder nor obligates the institution in any manner.

1.11 Expenses: The institution will not be held liable for any expenses incurred by any bidder responding to this RFP including expenses to prepare or deliver the proposal or attend any oral presentation.

1.12 Interviews: Discussions and/or interviews may be held with the bidders under final consideration prior to making a selection for award; however, the RFP may be awarded without such discussions or interviews.

1.13 Oral Statements and Commitments: Any oral representations made or assumed to be made during discussions held between the bidder's representatives and the institution personnel are not binding. Only the information issued in writing and added to the RFP by an official written addendum is binding.

1.14 Award: It is anticipated that a single contract will be awarded for all services. However, the institution reserves the right to configure the contract in whatever manner is in its' best interests.

1.15 Public Record: All documents submitted in response to the RFP and any documents created as a result of this RFP are considered public record. All bids, proposals or offers submitted shall become public information and will be available for inspection during normal business hours at the institution.

The only exception for public record is disclosure information listed in WV Code § 29B-1-4. Primarily, only trade secrets are considered exempt from public disclosure.

1.16 Contract: The RFP and the bidder's response will be incorporated into the contract by reference. The order of precedence is the contract, the RFP and any addendum and the bidder's proposal in the response to the RFP.

1.17 Contract Term: This contract will be effective upon award and shall extend for a period that is the earlier of the closing of the proposed refinancing, or 2 years. By mutual consent of the vendor and the institution, the contract may be renewed for an additional one (1) year.

1.18 Contract Changes: Any changes to the original contract will be made via a Change Order issued by the institution. No change is official until a signed Change Order is produced.

1.19 Contract Termination for Unavailability of Funds. If funds are not appropriated or allocated for the services provided under this contract, the institution may terminate the contract at the end of the affected current fiscal period without charge or penalty. The institution shall give the vendor written notice of such non-appropriation or non-allocation of funds as soon as possible after the institution receives notice.

1.20 Contract Termination for Failure to Perform: The institution may terminate the contract resulting from this RFP immediately at any time the vendor fails to meet the terms of the contract.

1.21 Payment of fees will be made upon successful completion of the required services. Progress payments for services satisfactorily completed may be made pursuant to a payment schedule which is deemed satisfactory to the University and is included in the bidder's response to this RFP.

1.22 Invoices: The vendor shall submit invoices, in arrears. State law prohibits payment of invoices prior to receipt of services. State law does not provide for interest payments on late payments. Invoices properly prepared and submitted in accordance with the terms and conditions of the contract are usually paid within thirty (30) days.

1.23 Governing Law: This contract shall be governed by the laws of the State of West Virginia.

SECTION 2: ELIGIBILITY REQUIREMENTS

2.1 Debarment – WV Code §5A-3-33 through §5A-3-33F. Vendors that have been debarred by the federal government are not eligible to offer on or receive contracts to supply goods or services to the state and its subdivision for a specified period of time.

2.2 Taxpayer Identification Information. The Internal Revenue Service (IRS) requires the institution to request a taxpayer identification number (TIN) for tax reporting purposes. IRS Form W9 is used to obtain this information. See Exhibit A.

2.3 Purchasing Affidavit – WV State Code §5A-3-10a. WV State Code requires all vendors to submit an affidavit regarding any debt owed to the State. The Affidavit (Exhibit B) should be completed, signed and returned with the bidder's proposal.

2.4 RFP Response Title Page – The Title Page includes the RFP Number, Addenda Received check boxes, the Bidder's business name, business address and telephone number, a contact name and e-mail address and includes a signature line and date for the individual authorized to obligate the business. See Exhibit C.2.5 Proposals will be accepted only from entities who:

2.4.1 Are free from obligations and interests that may conflict with the interests of Concord University and the State of West Virginia;

2.4.2 Those experienced in municipal public finance transactions similar to that being undertaken by Concord, and

2.4.3 Are able to provide assurances to Concord University that neither personnel working on the financing nor the firm they represent, have in any way violated the ethics provisions of Chapter 68 of the West Virginia Code.

Failure to meet the criteria listed above will be cause for immediate disqualification of the proposal.

SECTION 3: BACKGROUND INFORMATION

3.1 Concord University is a public, comprehensive regional institution located in rural southern West Virginia. The university serves over 1,700 students.

3.2 In 2014, Concord utilized \$16,460,000 in revenue bonds to fund the renovation of the Towers dormitory complex in Athens, WV.

3.3 Concord's most recent bond rating according to Moody's is Baa3, and the university's outlook is stable. For the Series 2014 Revenue Bonds, the current principal balance is \$14,656,232.

3.3 The following West Virginia Code Chapters are applicable to this issue:

- A. Chapter 18, Article 12b, as amended
- B. Chapter 18B, Article 10, as amended
- C. Chapter 29, Article 22, Section 18, as amended
- D. Chapter 29, Article 22, Section 18a, as amended.

SECTION 4: SCOPE OF SERVICES AND COMMENTS ON PLAN OF FINANCE

4.1 The bond underwriter(s) will work with the Vice President of Business and Finance, his staff and Concord's municipal advisor, Longhouse Capital Advisors, to complete the planned Series 2022 refinancing of the Series 2014 Revenue bonds. The bond underwriter(s) shall provide the following services, which include but are not limited to the following:

- 4.1.1 Working with Concord and its municipal advisor, develop one or more financing structures which meet the University's financing goals and repayment abilities.
- 4.1.2 Once the plan of finance is established, provide updates of interest rates, annual debt service and debt service savings to the team, as requested.
- 4.1.3 Working with Concord and its municipal advisor, help develop a timetable for the financing.
- 4.1.4 Assist in obtaining an updated rating for the issue and preparing bids for bond insurance. Help the financing team to assess the benefits and detriments of using such insurance.
- 4.1.5 In the weeks leading up to the sale of the bonds, provide the University and its municipal advisor with market updates, and identifying market issues it deems to be "comparable" to Concord's for purposes of establishing couponing, yields and yield spread to municipal indices.
- 4.1.6 Develop and implement a plan to market the issue to potential investors. Advise the University on the timing of the debt issuance. Pre-Market and sell the bonds on the day of pricing.
- 4.1.7 Enter into a Purchase Contract with the University to underwrite or place the issue in accordance with the terms of the RFP and current market conditions.
- 4.1.8 Help in the creation of a "closing memorandum" showing the flow of funds on the day of closing.
- 4.1.9 After the closing, provide a 'Final Pricing Book' for the financing. The book will include final bond schedules, a comparison of Concord's financing to comparable market issuances, a final sales report detailing the maturity-by-maturity order flow (by manager and order type), the final allocations of orders to managers,

final designations (when available) and the type of investors each maturity was sold to. The book will also include other helpful materials including the distribution list, timetable, and the investor presentation, if one has been prepared.

THE RESPONSES ON WHICH BIDDERS' PROPOSALS WILL BE SCORED ARE INCLUDED IN THE FOLLOWING SECTIONS:

- **Section 4: 4.2.1.1; 4.2.1.2; 4.2.1.3; 4.3.1; 4.3.1.1; 4.3.1.2**
- **Section 5: Entire Section**
- **Section 6: 6.4.3.1 through 6.4.3.3**

4.2 Marketing and Underwriting of Bonds

4.2.1 Outline your strategy for selling Concord's bonds. Include in your answer:

4.2.1.1 Whom do you expect will be the primary investors in the University's issue? Will this differ depending on whether the bonds are sold with or without bond insurance? What role will retail buyers have?

4.2.1.2 Examples of your firm's ability to sell bonds under adverse conditions and its willingness to use its capital to underwrite bonds, if necessary.

4.2.1.3 What strategies you would employ in the marketing process to enhance University and investor relations and to broaden ownership of the University's debt?

4.3 Financing Recommendations - The University intends to structure its Series 2022 refinancing bonds with one year of interest-only debt service and extend the final maturity of the bonds by one year to June 1, 2044. Once debt begins amortizing, principal will be amortized so as to provide uniform annual savings between FY 2024 and FY 2044. The University's rating was recently affirmed at Baa3 by Moody's, removing the negative outlook and replacing it with a stable one. Develop and communicate the following financing recommendations.

4.3.1 Bond Insurance and Debt Service Reserve Fund.

4.3.1.1 Based on conversations Longhouse Capital has had with bond insurers, we expect the planned Series 2022 Bonds will qualify for bond insurance with no Debt Service Reserve Fund and an assumed premium in the range of 80 to 100 bps. Do you believe selling the bonds with bond insurance will be economically beneficial to Concord?

4.3.1.2 Do you expect that a Debt Service Reserve Fund will be needed for the bonds in an *unenanced scenario*? If so, why?

SECTION 5: VENDOR INFORMATION AND QUALIFICATIONS

5.1 Overview of Firm's Sales and Distribution Resources and Strategy

5.1.1 Firm overview: Provide a brief description of your firm and how public finance is organized.

5.1.2 Please indicate the capital position of your firm for its most recent fiscal year end, including Total Capital and Net Excess Capital.

5.2 Underwriting Experience: Provide the following information that demonstrates your firm's experience serving as a senior managing and/ or co-managing underwriter. Limit your tabulations for underwriting to tax-exempt (and taxable municipal) fixed-rated debt issues.

5.2.1 Overall Municipal Bond Experience - Describe your firm's experience underwriting municipal bonds of all types. Complete a table regarding your firm's underwriting experience beginning January 1, 2019. Use the format provided in Appendix 1 – Municipal Underwriting Experience. Within that table highlight any West Virginia bond issue management experience.

5.2.2 Public University Bonds - Describe your firm's experience underwriting just *Public University municipal bonds*. Complete a table regarding your firm's underwriting experience beginning January 1, 2019. Use the format provided in Appendix 2 – Public University Underwriting Experience. Within that table highlight any West Virginia bond issue management experience. Use Appendix 3 – Negotiated Public University Underwriting Experience Detail to provide a listing of these issues.

5.2.3 Representative Transactions Similar to Concord's - Identify three representative transactions that best demonstrate your underwriting experience and capabilities for issuers like the University. Representative transactions for institutions with characteristics similar to the University's planned issue are preferred. Provide pricing information for these financings, including date of sale, maturity dates, principal amounts, coupons, yields (including Yields to Maturity), call provisions, yield spreads to the MMD High Grade Index scale applicable to the day of sale, and any other information you deem relevant.

5.2.4 Briefly describe your firm's municipal sales and distribution network (retail and institutional), including the number of offices, registered representatives, and municipal salespersons, both in West Virginia and nationally.

5.3 Financing Team's Qualifications and Experience

5.3.1 Primary Contact / Office(s) out of which Primary work will be done - Identify by name and title the individual(s) that will be assigned to work as the key point of contact(s) for this financing team. Include a resume (of each individual) that describes his/her experience in public finance in general and higher education specifically, and proposed

responsibilities. Highlight any experience of bankers working on the financing that is particularly relevant to Concord's financing. Also indicate the location of the offices out of which the investment banking and underwriting work will be completed.

5.3.2 Provide the names and contact details of three references who can speak to your firm's capabilities. References should be from clients comparable to the type and scope of services solicited in this RFP.

SECTION 6: PROPOSAL EVALUATION CRITERIA AND THE SELECTION PROCESS

6.1 Economy of Preparation: Proposals should be prepared simply and economically, providing a straightforward, concise description of the bidder's ability to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of content.

NOTE: ALL PRICES AND INTEREST RATE SCALE INFORMATION PROVIDED PURSUANT TO SECTION 6.4.3 AND APPENDIX 4 ARE TO BE PROVIDED IN A SEPARATE, SEALED ENVELOPE LABELED AS "PRICING AND INTEREST RATE SCALE INFORMATION".

6.2 Proposals should be limited to 50 pages. Additional material may be presented as exhibits to the main proposal.

6.3 A Title Page (Exhibit C) should be provided. The Title Page is the preferred method of providing the bidder's information. If the bidder does not utilize the Title Page, the bid must provide a cover letter with, at a minimum, the signature of an individual authorized to obligate the company and a date.

6.4 The proposal will be evaluated on a one hundred (100) point scale with points assigned as outlined below.

Vendors failing to score at least 70% or 49 points for Sections 6.4.1 and 6.4.2 will not be considered to have met the minimum acceptable score. Any vendor not meeting the minimum acceptable score will NOT have their prices opened and will NOT be considered for award of the bid.

6.4.1 Qualifications, Experience and Company Background – 40 points

Responses to Section 5 will be reviewed and evaluated here.

6.4.1.1 Overview of Firm's Sales and Distribution Resources and Strategy (Section 5.1) – 5 points

6.4.1.2 Underwriting Experience (Section 5.2) – 25 points

6.4.1.3 Financing Team’s Qualifications and Experience (Section 5.3) – (10 points)

6.4.2 Scope of Services and Comments on Plan of Finance – 30 points

Responses to Section 4 will be reviewed and evaluated here.

6.4.3 Underwriting Fees & Estimated Interest Rate Scales – 30 points

6.4.3.1.1 Please provide a breakdown of your proposed underwriter’s discount, assuming a \$14.265 mm refinancing issue. Do not include underwriter’s counsel fees among your expenses, as the University expects to pay this outside of the Underwriter’s spread.

6.4.3.1.2 Please provide the name of the firm and attorney with whom you would expect to work as your counsel. Indicate that firm’s not-to-exceed underwriter’s counsel fee for the financing. Note that the Underwriter’s Counsel will have primary responsibility for drafting the Official Statement for the Series 2022 bonds.

6.4.3.1.3 Please provide indicative pricing information for three scenarios involving the refinancing as shown in Appendix 4. The three scenarios include:

- Scale 1) An unenhanced issue rated Baa3 (Moody’s)
- Scale 2) An Assured Guaranty-insured issue
- Scale 3) A BAM-insured issue

For each scenario, the University asks the bidder to provide an interest rate scale showing, by maturity, coupons, yields, and yield spreads to the AAA MMD (the June interpolated scale as of close of business on **Thursday, February 17, 2022 and published the morning of Friday, February 18, 2022**, including both yields to call and yields to maturity, where applicable. Use the format provided in **Appendix 4**.

The interest rate scales should use the following common assumptions:

- No Debt Service Reserve Fund
- A call date for the bonds of June 1, 2030
- An issuance date for the Series 2022 Refinancing of June 2, 2022

Fully describe the rationale and strategy behind your proposed pricing levels for each scenario, including any examples of comparable issues to objectively support your proposed levels.

6.5 Award will be made to the bidder receiving the highest point total (out of 100) for scored questions in Sections 4, 5 and 6.

6.6 In the event that mutually acceptable terms cannot be reached within a reasonable period of time, with the highest ranked bidder, the VP of Business and Finance reserves the right to undertake negotiations with the next highest ranked bidder and so on until mutually acceptable terms can be reached.

SECTION 7: ADDITIONAL INFORMATION

- 7.1 By submitting a proposal in response to this RFP, a firm shall be deemed to have accepted all the terms, conditions, and requirements set forth in herein unless otherwise clearly noted and explained in writing. Any exception(s) or additional terms and conditions a firm wishes to offer for consideration must be clearly itemized and explained. Otherwise, the RFP in total shall be incorporated into the contract by reference. The University may accept or reject the Firm's proposed exceptions as it deems appropriate and in the best interests of the Systems.
- 7.2 The State's Agreement Addendum (WV-96) is attached to demonstrate the State law and guidelines which must be adhered to in any contracts presented to the University for execution (See Exhibit D). A copy of additional terms and conditions that a firm wishes to offer for consideration should be enclosed with the proposal. The West Virginia Attorney General's Office must accept or reject proposed modifications to the WV-96.

**APPENDIX 1 – MUNICIPAL BOND UNDERWRITING
EXPERIENCE**

Concord University
 Investment Banking Services RFP

Appendix 1 - Summary of Municipal Underwriting Experience (Section 6.3A)

Municipal Underwriting Experience

Senior Manager	2019	2020	2021	2022 YTD	TOTAL
Negotiated Issues					0
Competitive Issues					0
Total Number of Issues	0	0	0	0	0
Total Par Amount of Issues					\$0

Co-Manager	2019	2020	2021	2022 YTD	TOTAL
Negotiated Issues					0
Competitive Issues					0
Total Number of Issues	0	0	0	0	0
Total Par Amount of Issues					\$0

NOTE: Firms may use this form or another format to tabulate transactions; provided, however, that the information requested on this form is supplied.

**APPENDIX 2 – PUBLIC UNIVERSITY BOND
UNDERWRITING EXPERIENCE**

Concord University
 Investment Banking Services RFP

Appendix 2 - Summary of Public University Underwriting Experience (Section 6.3B)

Public University Underwriting Experience

Senior Manager	2019	2020	2021	2022 YTD	TOTAL
Negotiated Issues					0
Competitive Issues					0
Total Number of Issues	0	0	0	0	0
Total Par Amount of Issues					\$0

Co-Manager	2019	2020	2021	2022 YTD	TOTAL
Negotiated Issues					0
Competitive Issues					0
Total Number of Issues	0	0	0	0	0
Total Par Amount of Issues					\$0

NOTE: Firms may use this form or another format to tabulate transactions; provided, however, that the information requested on this form is supplied.

**APPENDIX 3 – NEGOTIATED PUBLIC UNIVERSITY
UNDERWRITING EXPERIENCE DETAIL**

APPENDIX 4 – INTEREST RATE SCALES

Concord University
 Investment Banking Services RFP
 Appendix 4 -Scales (Section 5.4)

Detail of Indicative Rates Based on Section 6.6C Scenarios

Rating: Baa2/Stable (Moody's)
 EOB Scale: MMD "AAA" Interpolated June Scale as of EOB 2/17/22 (published morning of 2/18/22)
 Dated/Deliver Date: 6/2/2022
 Call Date: 6/1/2030
 Call Price: 100%

Years	Maturity	Est. Par Amount	S=Serial T=Term	"AAA" MMD*
1	6/1/2024	\$400,000	S	
2	6/1/2025	\$420,000	S	
3	6/1/2026	\$440,000	S	
4	6/1/2027	\$460,000	S	
5	6/1/2028	\$485,000	S	
6	6/1/2029	\$510,000	S	
7	6/1/2030	\$535,000	S	
8	6/1/2031	\$560,000	S	
9	6/1/2032	\$590,000	S	
10	6/1/2033	\$610,000	S	
11	6/1/2034	\$635,000	S	
12	6/1/2035	\$660,000	T1	
13	6/1/2036	\$690,000	T1	
14	6/1/2037	\$715,000	T1	
15	6/1/2038	\$740,000	T1	
16	6/1/2039	\$760,000	T1	
17	6/1/2040	\$780,000	T2	
18	6/1/2041	\$805,000	T2	
19	6/1/2042	\$830,000	T2	
20	6/1/2043	\$855,000	T2	
21	6/1/2044	\$880,000	T2	
22	6/1/2045	\$905,000	T2	
TOTAL		\$14,265,000		

SCALE 1: UNENHANCED Baa3 ISSUE			
Coupon	Spread	Yield to Call	Yield To Maturity

SCALE 2: AGM INSURANCE			
Coupon	Spread	Yield to Call	Yield To Maturity

SCALE 3: BAM INSURANCE			
Coupon	Spread	Yield to Call	Yield To Maturity

*Use the "AAA" interpolated April MMD Scale as of the close of business on Thursday, February 17, 2022 and published the morning of Friday, February 18, 2022.

**EXHIBITS A-D
(UNDER SEPARATE COVER)**