



Request for Proposals

June 25, 2018

Bond Program Administrator Services for the National Finance Authority

Purpose of Request for Proposals (“RFP”)

The New Hampshire Business Finance Authority (“BFA”)/National Finance Authority (“Authority”) invite proposals from qualified bond program administrator services firms (to include financial and/or municipal advisory services) interested in providing the Authority with Bond Program Administrator Services.

Firms are invited to submit information outlining their organization’s qualifications and willingness to provide the bond program administrator services described in Appendix A of the RFP.

BFA and Authority

The BFA was created in 1992 to foster economic development and create employment in New Hampshire. The BFA accomplishes these objectives by working with New Hampshire's banking, business, and economic development sectors to develop and implement programs that expand the availability of credit in the state. Its customers include manufacturers, small and medium-sized businesses, health providers, and non-profit educational and cultural organizations. The BFA continues to update and expand its programs to meet the ever-changing credit needs of New Hampshire's business community, including for-profit and not-for-profit businesses.

The Authority is the BFA operating under the name the National Finance Authority pursuant to NH RSA 162-S introduced in SB 537. The legislation provides that, “It is declared that the policy of the state of New Hampshire to promote itself as an effective location for private enterprise, and therefore the policy of the state of New Hampshire is to provide for the establishment, support, preservation and redevelopment of business and industry, whether or not operated for profit, located outside the state of New Hampshire. It is further declared that the performance of the powers conferred on the business finance authority as set forth in this chapter shall be regarded as performing an essential governmental function in carrying out the policy set forth in this section and by the carrying out of the powers set forth in the following provisions of this chapter. The purpose of this section is to expand and not to limit the existing powers of the business finance authority in order to carry out this policy.” References herein to the “Authority” shall include the BFA.

Pre-Contractual Expenses

The Authority shall not be liable, under any circumstance, for any “Pre-Contractual Expenses” incurred by proposers and proposers shall not include any such expenses as part of their responses to this RFP. Pre-Contractual Expenses are defined as any expenses incurred by the proposer in: (1) preparing its proposal in response to this RFP; (2) submitting that proposal to the Authority; (3) negotiating with the Authority any matter related to this RFP, including

a possible contract; or (4) engaging in any other activity prior to the effective date of award, if any, of a contract resulting from this RFP.

No Commitment to Award

Issuance of this RFP and receipt of proposals does not commit the Authority to award a contract. The Authority expressly reserves the right to postpone proposal opening for its own convenience, to accept or reject any or all proposals received in response to this RFP, to negotiate with more than one proposer concurrently, or to cancel all or part of this RFP.

Requested Content

Transmittal Letter / Introduction

The letter of transmittal shall be addressed to the Executive Director of the BFA and should, at a minimum, contain the following:

- A. Identification of the offering firm, including name, mailing address, e-mail address, and telephone number of the firm;
- B. Name, title, address, and telephone number of lead individual working on the proposal;
- C. If different than paragraph B above, the name, title, address, and telephone number of contact person during period of evaluation;
- D. Identification of any information contained in the proposal which the firm deems to be, and identifies as, confidential or proprietary financial information, and wishes to be withheld from disclosure under the State Right to Know Law (a blanket statement that all contents of the information are confidential or proprietary, and requests to keep confidential any information that is required to be disclosed under applicable law, will not be honored by the Authority); and
- E. Signature of person authorized to bind the firm to a contract.

Qualifications, Related Experience and References

Please provide or deliver the following in your response to the RFP:

- A. Background information about your firm, including number of employees, number and locations of offices and other pertinent data. Disclose any conditions (e.g., bankruptcy, pending litigation, planned office closures, impending merger) and potential conflicts of interest your firm may have that may restrict your firm's ability to deliver services. Indicate what steps would be taken to mitigate or eliminate any such potential conflicts.
- B. State whether your firm is registered as a municipal advisor with the SEC and the MSRB. Describe any other licensing your firm has obtained. Please state whether you will expressly agree to act as a fiduciary to the Authority.
- C. Describe your firm's or individuals of your firm's most noteworthy qualifications for providing administrative and financial services to the Authority. Specifically, highlight those qualifications that distinguish you from your competitors. The proposer should have successful experience as a contractor providing administrative and financial/municipal advisory services to conduit bond issuing entities.
- D. Provide a list of conduit revenue bond financings your firm or individuals of your firm completed from 2013-2017, including but not limited to Public, Private, Partnerships (P3), multifamily housing, 501(c)(3), exempt

facility, small manufacturing and other conduit revenue bond financings. Please include including the principal amount, name of issue, name of issuer and issuance date.

- E. Provide a list of relevant clients – especially public authorities and/or other public agencies – to which your firm is currently providing (or has provided) similar services. Include names, beginning/ending dates of contracts, and names, titles, and telephone numbers of individuals with whom you had significant dealings. Please state whether the Authority can contact those individuals if deemed necessary.
- F. Provide a list of up to three (3) client references for the proposer, including at least one (1) from a public agency, including name of entity, address, telephone number, and contact person.
- G. Provide the requested initial contract term and any renewal provisions.

Proposed Staffing and Project Organization

Please provide or deliver the following in your response to the RFP:

- A. Identify your firm’s individuals that would be assigned the primary responsibility for administering and carrying out services shown in Appendix A. Indicate the responsibilities and location for each team member. Please provide the applicable background and experience of the individual(s) identified in this response.
- B. Describe all relevant experience over the last three years for individuals identified above.
- C. Indicate whether your firm is covered under errors and omissions / professional liability insurance; whether such coverage is a form of self-insurance or with a third-party provider; and the “policy limits” of such coverage.

Proposed Compensation

Please provide a proposed compensation structure for the services described in this RFP. The BFA/Authority will consider “success fee” compensation structures that include percentages of par, percentages of issuance fees, sliding scales based thereon, combinations thereof and others. Please state whether compensation is contingent on any future events, such as the closing of a transaction. The BFA/Authority will base their selection on a variety of factors of which proposed compensation structure is only one. The BFA/Authority reserves the right to select a proposal that does not include the lowest proposed compensation structure and reserves the right to negotiate the proposed compensation structure after a preliminary selection is made.

Projected Business

Please provide annual projections for the dollar volume of total conduit revenue bond closings each year of the requested contract period. Please explain the bases for these projections (closing volume at similar entities, etc.) and indicate if you have any existing backlog of business. Please note that these projections may be used to establish minimum thresholds for contract continuation/renewal and/or to establish minimum annual compensation for the BFA/Authority.

Public Benefit to State of NH

In addition to providing unmatched customer service to borrowers across the US, NH desires to have the program provide direct public benefit to the state. Please provide your firm’s approach to this benefit. Examples of potential public benefit that go beyond fee earnings are viewed as particularly important. Such examples could include but are not limited to, opportunity for business recruitment conversations with for-profit borrowers, introducing new

affordable housing developers to NH, and creating knowledge sharing opportunities between NH non-profits and those located outside of the state.

Clarification of Specifications

Clarifications of and amendments to this RFP will be made via e-mail. Please provide your e-mail address for this purpose to James Key-Wallace (jameskw@nhbfa.com) as soon as possible. Failure to provide an e-mail address will not in and of itself disqualify any proposer. However, the BFA/Authority take no responsibility for the failure of any proposer to receive timely notification of a clarification or amendment for any reason, including the negligence of the BFA/Authority or otherwise.

If additional information is necessary to assist the respondent in interpreting the requirements of this RFP, questions should be directed to:

James Key-Wallace
Executive Director
NH Business Finance Authority
2 Pillsbury Street, Suite 201
Concord, NH 03301
603-415-0191
jameskw@nhbfa.com

Submission of Proposals:

Please provide your proposal by e-mail no later than July 25, 2018 at 6:00 PM Eastern Time. The proposer bears the risk of non-delivery by e-mail due to communications or other technical difficulties. The e-mail responses must be sent to: jameskw@nhbfa.com. The e-mail should be followed up with one (1) hard copy to the Executive Director at the address listed above.

Late proposals will not be accepted. The BFA/Authority reserve the right to reject any or all proposals, or select more than one proposal.

Interviews and References:

The Authority reserve the right to interview some, all or none of the firms responding to this RFP. Interviews, if conducted in person, will be held in Concord, NH. Attendance at any interview will be at the proposer's sole cost and expense. The Authority also reserve the right to contact some, all or none of the references listed in your proposal in lieu of or in addition to interviews.

Appendix A- Bond Program Administrator Services

SERVICES TO BE PROVIDED TO THE AUTHORITY

- A. Fiduciary Duty. Contracted firm will owe a fiduciary duty to the Authority.
- B. Program Marketing: Contracted firm will perform the following advisory services in connection with the ongoing business development of the Authority.
- (1) Pursue market development opportunities to attract qualified borrowers to the Authority's programs.
 - (2) Prepare, maintain, and as necessary, staff the Authority's promotional and marketing materials, including brochures and website.
 - (3) Provide interested parties with materials (e.g., applications, program descriptions, etc.) and address inquiries regarding the use of and access to the Authority's financing programs.
 - (4) Draft the Authority's financing standards and policies (e.g., credit quality, public benefit/purpose, etc.), subject to BFA board approval.
 - (5) Develop the Authority's application for financings and description of financing programs, subject to BFA board approval.
- C. Pre-Issuance/Application Process: Contracted firm will perform the following activities for the Authority in connection with ongoing financing activities.
- (1) Collect, review and process all applications, ensuring completeness and qualification with the Authority's financing standards and policies.
 - (2) Prepare and submit to the Authority Board a "staff" report summarizing the financial standing of each applicant, a description of the project of such applicant and projected compliance with the Authority's financing standards and policies.
 - (3) Once borrower applications are received, be available to answer questions from, and if requested, participate in meetings with, the financing team to ensure that all aspects of the financing plan maintain compliance with the Authority's financing standards and policies as well as state and federal laws and regulations.
 - (4) Coordinate the public hearing ("TEFRA") process.
 - (5) If necessary, coordinate the bond volume cap allocation in the respective state(s) where the project(s) is/are located.
 - (6) Coordinate with Bond and/or Issuer's Counsel to ensure that standard provisions are contained in Authority's financing documents.
 - (7) If necessary or appropriate, be available to attend all bond closings as the Authority's representative.
 - (8) Clearly articulate the public benefit to the State of NH associated with each transaction.
- D. Post-Issuance – Documentation and Compliance Reporting: Contracted firm will perform the following advisory services for the Authority relating to the post-issuance activities.

- (1) If necessary or appropriate, confirm that the required arbitrage rebate reports have been filed by the Authority's borrowers.
- (2) If necessary or appropriate, confirm that the annual continuing disclosure reports have been filed by the Authority, if required.
- (3) If necessary or appropriate, confirm that the trustee has received the notices and other documentation required from the Authority, if any, under the financing documents.
- (4) Respond to post-issuance questions from borrowers and trustees.
- (5) Manage, in consultation with the Authority's counsel, any post-financing issues that may arise.

E. General Administration: Contracted firm will perform the following administrative services for the Authority.

- (1) Assist in scheduling, coordinating, and attending all board meetings of the Authority.
- (2) Prepare, circulate and coordinate the posting of the agenda for board meetings of the Authority and maintain files of the agendas for all board meetings of the Authority.
- (3) Prepare agenda packages for each Authority meeting, which includes a copy of each resolution to be adopted by the Authority and a copy of all documents to be approved by the Authority by such resolution.
- (4) If necessary or appropriate, confirm that 501(c)(3) annual filings are made (e.g., IRS Form 990 filings).
- (5) All other reasonable administrative items as delineated by the Board of Directors of the Authority.

F. Financial Administration: Contracted Firm will perform the following services as Professional Advisor to the Authority related to finance and accounting.

- (1) Perform all functions necessary to process customer invoicing and vendor payments for the Authority.
- (2) Reconcile monthly bank statements against accounting records.
- (3) Prepare monthly, quarterly, and annual financial statements for Board review.
- (4) Provide the Executive Director with the information necessary to comply with RSA 162-A:23.
- (5) Undertake responsibility for preparing audit schedules and acting as primary point of contact related to the component unit annual financial audit.