

EXECUTIVE SUMMARY

ACTION ITEM: Request for Authority to Retain the Services of a Financial Advisor

ISSUE:

The University of Arizona (UA) seeks Board approval, pursuant to Board Policy 3-501, to enter into a contract with RBC Capital Markets as the primary consultant, and Public Financial Management, Inc., as the alternate consultant for financial advisor service on debt related matters including the issuance of System Revenues Bonds (SRBs) and Certificates of Participation (COPs). The contracts are for a period of three years with two one-year options totaling five years.

BACKGROUND:

- Pursuant to Board Policy 3-803, the University sent a request for proposals for financial advisor service to ten firms and posted a notice on the UA Procurement and Contracting web-site.
- The firms that responded to the request for proposals were: Peacock, Hislop, Staley & Given, Inc; Piper Jaffray & Co.; Prager, Sealy & Co., LLC.; Public Financial Management, Inc.; and RBC Capital Markets.
- The firms selected were based upon a committee's review and evaluation of their proposals, and on-site interviews in accordance with evaluating criteria of qualifications and experience, pricing, and quality and adequacy of the responses.
- The fees for RBC Capital Markets would be \$1.10 per \$1,000 (\$25,000 minimum) plus reimbursement for direct expenses, payable only upon closing a specific issue. The fees for COP issues with multiple series would be \$7,500.

RECOMMENDATION:

RESOLVED: That The University of Arizona be, and hereby is, authorized to enter into a contract with RBC Capital Markets as the primary consultant and Public Financial Management Inc. as the alternate consultant to provide financial advisor service on debt related matters including the issuance of SRBs and COPs for a period of three years with two one-year options totaling five years.

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