

EXECUTIVE SUMMARY

ACTION ITEM: Approval of Firms to Provide Underwriting Services.

ISSUE:

Arizona State University (ASU) requests Arizona Board of Regents (ABOR) approval of the following underwriting firms to provide underwriting services for any bond or certificates of participation (COPs) financings:

A.G. Edwards & Sons, Inc.
Citigroup Global Markets, Inc.
Goldman Sachs & Co.
Lehman Brothers, Inc.
Merrill Lynch, Pierce, Fenner & Smith Incorporated
Morgan Stanley & Co. Incorporated
Peacock, Hislop, Staley & Givens, Inc.
UBS Financial Services Inc.

BACKGROUND:

- In accordance with Board Policy 3-501, the underwriting appointments are to be submitted to the ABOR for approval.
- Advertisement was placed in a Phoenix area newspaper and requests for proposals were sent to 22 firms.
- Twenty firms responded by the deadline to the Request for Proposals (RFPs).
- Final selection was based upon review and analysis of these proposals in accordance with evaluation criteria of:
 - Capabilities and qualifications of firm and assigned personnel;
 - Relevant experience;
 - Level of satisfaction of present and former clients (evaluated for the final candidates only);
 - Reasonableness of costs (underwriting discount arrangement); and
 - General quality and adequacy of response.
- The term of the requested contracts is one year, with four additional one-year renewal options upon mutually agreement of the parties. The RFPs also provided for possible contract extension for an additional sixth and/or seventh year, after the first five years, if mutually agreed, and if the University President or designee determined in writing that such a contract extension would be advantageous to the University.

RECOMMENDATION/CONCLUSION:

RESOLVED: That Arizona State University be, and hereby is, authorized to retain the following firms for underwriting services for any bond or certificates of participation financings: A.G. Edwards & Sons, Inc.; Citigroup Global Markets, Inc.; Goldman Sachs & Co.; Lehman Brothers, Inc.; Merrill Lynch, Pierce, Fenner & Smith Incorporated; Morgan Stanley & Co. Incorporated; Peacock, Hislop, Staley & Givens, Inc.; and UBS Financial Services Inc.