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California Educational Facilities Authority REQUEST FOR PROPOSALS-Secondary Notice to Prospective Proposers

Municipal Advisor for Bond Sale and Related Services

RFP No. CEFA 03-19

September 11, 2019

You are invited to review and respond to this Request for Proposals (“RFP”), entitled RFP No. CEFA 03-19, for the California Educational Facilities Authority (“CEFA” or “Authority”). The RFP seeks municipal advisor services for the bond sale process utilized by CEFA in its role as conduit issuer of tax-exempt bonds for qualified, non-profit, higher-educational facilities, as well as to assist the Authority with its various other programs. This RFP will yield a maximum of three contracts, as more particularly described herein. In submitting your proposal, you must comply with these instructions.

This RFP includes the Sample Standard Agreement the selected firm(s) will be expected to execute. The agreement will include by reference the General Terms and Conditions and Contractor Certification Clauses which may be viewed and downloaded online at <https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/Standard-Contract-Language>. The General Terms and Conditions and all Exhibits that are a part of the Sample Standard Agreement are not negotiable. By submitting a proposal, all firms agree to the terms and conditions stated in this RFP.

In the opinion of CEFA, this RFP is complete and without need of explanation. However, if a firm has questions or needs clarification, the contact person for this RFP is:

Martha Maldonado
Operations Manager
California Educational Facilities Authority
915 Capitol Mall, Suite 435
Sacramento, CA 95814
(916) 653-2872

Please note that *verbal* information given will not be binding upon the State unless such information is issued in writing as an official addendum.

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A. Purpose and Description of Services

1. Introduction

CEFA is requesting proposals from municipal advisory firms (the “Firm(s)”) to assist with tax-exempt bond issuances and equipment financings for non-profit higher educational facilities as well as to assist with various other programs. All proposals submitted to perform these services must describe the experience and qualifications demonstrating the Firm’s ability to provide these services. Failure to provide required information may result in disqualification.

CEFA anticipates entering into three separate contracts to be referred to as a Primary Contract, a Secondary Contract, and a Tertiary Contract. The Firm scoring the highest points following the evaluation process as outlined in Section C, Item 6, “Evaluation Process” will be awarded the Primary Contract to be used on an as-needed basis to perform a wide range of services, including assisting with bond sales (Section A, Item 2, Scope of Services). The Secondary Contract will be awarded to the Firm scoring the second highest points and will be used on an as-needed basis in the event CEFA determines a conflict of interest (as defined in Section C, Item 2b, Conflict of Interest – Dual Representation) exists with the Primary Firm. The Tertiary Contract will be awarded to the Firm scoring the third highest points and will be used on an as-needed basis in the event CEFA determines a conflict of interest (as defined in Section C, Item 2b, Conflict of Interest – Dual Representation) exists with the Primary and Secondary Firms.

The selected Firm(s) is/are expected to be technically and professionally capable of providing services in all subject areas described in Section A, Item 2, Scope of Services and meet the Minimum Qualifications for Proposers in Section B. CEFA anticipates a November 1, 2019 contract start date and the Firm(s) must be available at that time to assume services. CEFA anticipates entering into a two-year contract with a one-year option to extend for the described services. In addition, due to the sensitive nature of the duties performed by the municipal advisor, a contract will allow in the sole discretion of the State, an extension of time not to exceed one year, for project or bond transaction completion prior to or during any transition to a new contractor. Upon contract award, and annually thereafter throughout the term of the contract, the selected Firm(s) will be required to comply with the Political Reform Act and file a Statement of Economic Interest (Form 700, Fair Political Practices Commission). See Attachment A for a program description of CEFA.

2. Scope of Services

a. Municipal Advisor on Bond and Equipment Financings

The Primary Firm will be expected to assist CEFA on an as-needed basis to perform a wide range of services related to each bond transaction throughout the proposed contract period. In the event CEFA determines there is an actual or potential conflict of interest for the Primary Firm, the bond transaction will be assigned to the Secondary or Tertiary Firm, respectively. Services will include:

- 1) Assist CEFA in the review of proposed underwriter spread components and estimated costs of issuance items. Make recommendations on adding syndicate members for particular transactions.
- 2) Evaluate the proposed structure of the financing as presented by the senior managing underwriter in conjunction with existing debt service of the borrower as well as the proposed security and covenant package preferred by the borrower. Make recommendations as necessary regarding security features, specific covenants, credit enhancement, specific maturities of serial or term bonds, fixed or variable rates or call provisions. Discuss recommendations with the senior managing underwriter or the borrower’s financial advisors (or both) as may be directed by CEFA.

- 3) Provide an independent scale of market comparables for the proposed financing and assist CEFA in the evaluation of the proposed scale presented by the senior managing underwriter. On an as-needed basis, participate in the pre-pricing discussion with syndicate members, CEFA, the borrower, and State Treasurer's Office. Offer suggestions on final pre-pricing adjustments, including but not limited to coupons, yields, premium or discount maturities or other structural modifications based on current market conditions.
 - 4) Participate in pre-pricing and pricing calls. Evaluate the proposed sale, including orders, proposed changes in structure or interest rates and the level of interest from institutional and retail buyers. Make recommendations to CEFA regarding acceptance of the underwriting offer.
 - 5) On refinancing transactions, review, when appropriate, the pricing of securities in escrow funds and make recommendations to ensure the most cost-effective escrow.
 - 6) Provide assistance in reviewing the allocation and allotments of bonds proposed by the senior managing underwriter, when necessary.
 - 7) As directed by CEFA, prepare a post-sale evaluation of the financing and the key participants for use by CEFA in its effort to facilitate an efficient and cost-effective transaction.
 - 8) In all respects, represent the best interests of CEFA and the State of California in all transactions and proceedings by strict adherence to the statutory conflict of interest laws of California (as defined in Exhibit E, item #1).
 - 9) Be available during regular business hours (Monday through Friday, 8:00 a.m. until 5:00 p.m. Pacific Time), either by phone or in person, for consultations with CEFA staff, which may require travel to the CEFA office or other locations as necessary.
- b. Student Loan Program
- 1) Provide consultation with CEFA staff regarding the financial condition of CEFA's student loan program, including participating in meetings with student loan program staff, auditors and CEFA staff, as necessary.
 - 2) Analyze annual, quarterly, and monthly audited or interim financial statements and other financial reports related to the student loan program. Make recommendations for corrective or supplemental action as necessary, and participate with CEFA staff in presenting or implementing such recommendations.
 - 3) Review and provide written analyses, on an as-needed basis, of trustee statements provided to CEFA for all outstanding student loan program bonds and loans. Analyses shall include the performance of detailed audits of trustee held funds and accounts, periodic billings to borrowers, redemption procedures, loan loss reserve calculations and any other functions performed by the trustee with respect to the student loan program.
 - 4) As needed, assist CEFA with post-issuance tax compliance policy and procedures and provide guidance in connection with the student loan program.
 - 5) Prepare and present special reports, analyses or studies on subjects related to the student loan program, which fall within the training and experience of the Firm; and prepare and present annual reports of CEFA's student loan program, and other information as necessary.

- 6) Assist CEFA staff in their continuing efforts to improve operational efficiency including, without limitation, processes, procedures and computer applications relative to the monitoring of the student loan programs outstanding bonds.
- 7) Be available during regular business hours (Monday through Friday, 8:00 a.m. until 5:00 p.m. Pacific Time), either by phone or in person, for consultations with CEFA staff, which may require travel to the CEFA office or other locations as necessary.

c. Additional Municipal Advisor Projects

On an as-needed basis, additional projects may occur from time to time requiring municipal advisory services. In the event CEFA determines there is an actual or potential conflict of interest for the Primary Firm, or the Primary Firm declines the additional assigned project due to workload of other CEFA assignments, the project would be assigned to the Secondary or Tertiary Firm, respectively. The Primary Firm will have two (2) days to accept or pass the additional project(s). Additional projects may include the following:

- 1) Assist CEFA by providing analysis and advice on issues or questions related to tax-exempt debt markets, student loan programs, and the non-profit higher education sector, or any other related financial matter.
- 2) Provide, as requested, periodic training of CEFA staff on various aspects of the bond sale and equipment financing process.
- 3) Be available within reasonable timeframes for consultation with CEFA staff on issues relating to the financing process, which may require travel to the CEFA Office.
- 4) The creation and implementation of new financing programs including bond and equipment financing, loans or grants.
- 5) Analysis of the cost/benefit of different structuring and pricing options of bond or loan programs. This includes, but is not limited to pooled financings versus stand-alone financings, fixed-rate versus variable-rate bonds, insured versus uninsured bonds, callable versus non-callable bonds, and par versus premium or discount bonds.
- 6) Perform financial analysis on proposals for new products as they pertain to higher education or financing programs.
- 7) Assist CEFA staff with rating agency presentations. Assist CEFA staff in the preparation of presentations for workshops and conferences.
- 8) Assist CEFA when conducting a comprehensive study of fees that issuers throughout the country are paying to financial advisors, pricing advisors, bond counsels, disclosure counsels and issuer counsels.
- 9) Assist CEFA with conducting comprehensive analysis and evaluation of current or potential borrowers. Analysis may also include comparisons of other educational facilities throughout the state or country.
- 10) Assist in the review and revision of CEFA's tax-exempt bond guidelines.
- 11) Assist CEFA in creating template bond or loan documents and identify, address and resolve common policy issues that tend to arise in bond documents from transaction to transaction.

- 12) The Firm(s) shall assist CEFA by providing other municipal advisory services that may arise from time to time, related to tax-exempt bond issuance and equipment financings for non-profit higher educational facilities or student loan programs.

3. Term of Agreement

The term of the agreement(s) is two years, with CEFA retaining the option to extend the contract for up to one additional year. The effective date will be either the start date of November 1, 2019 or the approval date by the Department of General Services (“DGS”), whichever is later. In addition, due to the sensitive nature of the duties performed by the municipal advisor, the contract will allow in the sole discretion of the State, an extension of time not to exceed one year, for project or bond transaction completion prior to or during any transition to a new contractor. No work shall commence until the effective date. The contract amount will not exceed \$300,000.00 for the Primary Firm, \$250,000.00 for the Secondary Firm, and \$200,000.00 for the Tertiary Firm for the term of the agreement, including any extension.

B. Minimum Qualifications for Proposers

The Firm(s) must have, at a minimum, the following qualifications and experience:

1. Firm(s) must be on the State Treasurer’s Office Municipal Advisor Pool list as of the proposal due date for this RFP and at the time the contract is awarded.
2. Firm(s) must have an office established in the State of California.
3. Firm(s) must be licensed to do business in the State of California.
4. Firm(s) must have two (2) years’ experience as a municipal advisor to a statewide issuer of bonds.
5. Firm(s) must have access to online financial market data and the ability to react to bond structure and pricing proposals and changes prior to and during bond pricing.
6. Firm(s) must have knowledge and experience with tax-exempt bond structures, including fixed, variable, and auction rate securities, derivative products, swaps and forward options.
7. Firm(s) must demonstrate the ability and have the technology to provide verifications of bond premiums and discounts, debt service calculations, true interest cost and related information in a timely manner.
8. Firm(s) must **not** be a Firm that provides underwriting or investment banking services.
9. Firm(s) must register as a Municipal Advisor with both the Municipal Securities Rulemaking Board and the Securities and Exchange Commission.

Failure to meet the minimum qualifications will cause a proposal to be considered non-responsive and subsequently rejected.

C. Proposal Requirements and Information

1. Key Action Dates

All proposers are hereby advised of the following schedule and will be expected to adhere to the required dates and times:

Date	Action
September 11, 2019	RFP available on the California State Contracts Register and CEFA website
September 27, 2019	<u>Final Date for Proposal Submission</u> Proposals must be received at the CEFA office at 915 Capitol Mall, Room 435, Sacramento, CA 95814 By 4:00 p.m., Pacific Daylight Time
October 4, 2019	Evaluation and selection of Firm(s) by evaluation committee
October 7, 2019	Notice of Intent to Award Contract
October 14, 2019	Proposed Contract Award Date
November 1, 2019	Proposed Contract Start Date, or upon DGS approval, whichever is later

2. Content and Format of Proposals

a) Firm Experience, Personnel and References

CEFA expects to have a close working relationship with its MA(s), as evidenced in the Scope of Services, Section A, Item 2 and requires the demonstration of a high degree of experience, training and proficiency in the performance of services. CEFA expects the MA(s) to be knowledgeable of the most recent financing trends, including possessing the ability to verify proposed debt service schedules for the lowest possible financing cost to the borrower. The MA(s) must maintain appropriate expertise and technology at the Firm’s expense.

1. Experience as a Municipal Advisor to a state or other governmental issuer of tax-exempt bonds

Discuss the Firm’s overall experience providing municipal advisory services, including pricing and structuring of state or government issued tax-exempt bonds, as well as the Firm’s experience reviewing and assessing the security and covenant package attendant to transactions. Discuss the Firm’s overall experience successfully completing the duties outlined in Scope of Services, Section A, Item 2. Please provide a detailed list of MA experience by client or transaction for the past three years as an attachment.

2. Qualification and Duties of Personnel/Resumes

Professional Personnel - Please identify the personnel who will be providing the professional services required by the proposal, including years and type of experience for each person. Experience should include number of years at current Firm as well as all prior service. Identify the role and duties each professional staff member will serve in this proposal, as outlined in the

Scope of Services, Section A, Item 2, and his/her title. Additionally, please include staff of subcontractors, if any.

CEFA expects the Firm(s) to ensure and maintain the quality and availability of professional personnel assigned to this Agreement for the entire term of the Agreement. Any replacements must have substantially the same or better qualifications and experience than the original personnel.

The Firm must provide a detailed resume for each member of personnel assigned to this Agreement.

3. References

Please submit a list of at least three (3) references (which CEFA may contact) for which the Firm(s) has/have provided similar municipal advisory services within the past three (3) years.

4. Other experience relating to Scope of Services

Please discuss the Firm's other relevant experience related to the Scope of Services as outlined in Section A, Item 2. CEFA will consider the applicant's demonstrated experience in the following areas:

- Experience as an MA to California State or local governmental issuers of tax-exempt higher educational facility bonds.
- Experience with the preparation and presentation of informative comparable reports, including the review of proposed underwriting scales pertaining to the pricing of tax-exempt bonds for higher educational facilities.
- Any other relevant experience related to the Scope of Services.

b) **Conflict of Interest – Dual Representation**

On an as-needed basis, the Primary Firm will be called upon to perform a wide range of services related to the bond sale and issuance process. Prior to a pending assignment, the Primary Firm must disclose any business relationship which may be construed as a potential or actual conflict of interest. In the event CEFA determines that there is a potential or actual conflict of interest for the Primary Firm, the assignment will go to the Secondary Firm. In the event CEFA determines there is the potential or actual conflict of interest for the Secondary Firm, the assignment will go to the Tertiary Firm. CEFA has the sole and exclusive authority to determine if a potential or actual conflict of interest exists. Also, additional projects may occur from time to time requiring municipal advisory services. In the event CEFA determines there is an actual or potential conflict of interest for the Primary Firm, or the Primary Firm declines the additional project due to workload of other CEFA assignments, the project will be awarded to the Secondary or Tertiary Firm, respectively. The assigned Firm will have two days to accept or pass the additional project. The Firms will have a continuing requirement to disclose any client relationship that may present an actual or potential conflict of interest.

c) **Cost Detail Format and Requirements**

CEFA requires services on an as-needed basis, depending on the volume of bond financing applications as well as other factors. CEFA reserves the right to limit fees paid to the MA on any individual transaction.

Professional Services - The blended hourly rate for professional services will be an average of the hourly rate for all professionals expected to provide services under this anticipated contract (Partner, Managing Directors, Associate, etc.), not including support services or staff training. The blended hourly rate will be the hourly rate the Firm will be paid for professional services, if awarded the contract. The proposal must identify lead personnel and identify all staff to be covered under “professional service” in the blended hourly rate. It is the responsibility of the Firm to determine the blended hourly rate, based on the expected participation of various professionals with the Firm. Each proposal must indicate the Firm’s blended hourly rate for professional services. Proposals which do not indicate a blended hourly rate for professional services will be considered non-responsive and incomplete. **Support services cannot be billed under professional services. CEFA will not reimburse contractors for support services performed by professional staff (“support services” are defined below).**

Support Services - Support services are services that do not require the focus of professional staff. This component includes, but is not limited to: ministerial or administrative work such as typing, copying, faxing, mailing, preparation of correspondence, and aspects of research that may be appropriately conducted by support staff. Please provide the hourly rate for support services. The support services rate must not be averaged into the professional services blended hourly rate. The support services rate will be the hourly rate the Firm will be paid for support services if awarded the contract. Each proposal must indicate the Firm’s blended hourly rate for support services. **If the Firm does not provide a rate for support services or indicates that the rate is zero dollars, the Firm will not be reimbursed for support services.**

Point Award Formula

The blended hourly rate and the support services hourly rate is the hourly rate the Firm will be paid for services for the two-year contract and the one-year option to extend, including any extension for project or bond transaction completion.

The following formula will be used for the award of the points for the blended hourly rate and support services:

- Lowest total fee proposal for blended hourly rate for professional services will be awarded the maximum cost points (25 points).

Proposals are awarded total fee points based on the following calculation:

(Lowest bidder’s blended hourly rate proposal/Bidder’s blended hourly rate proposal) = (factor)

Blended hourly rate points for bidder = (factor) X maximum blended hourly rate points

EXAMPLE: A maximum of 25 points is available for blended hourly rate

Lowest Bidder’s Blended Hourly Rate Proposal = \$150/hr

Bidder’s Blended Hourly Rate Proposal = \$200/hr

(Lowest bidder’s blended hourly rate proposal/Bidder’s blended hourly rate proposal) = \$150/\$200 = $\frac{3}{4}$

Blended hourly rate points awarded to bidder = $\frac{3}{4}$ x 25 = 18.75 points

- Lowest total fee proposal for hourly rate for support services will be awarded the maximum cost points (10 points).

The same formula will be used for the support services hourly rate with a maximum of 10 points available.

(Lowest bidder's support services hourly rate proposal/Bidder's support services hourly rate proposal) = (factor)

Support services hourly rate points for bidder = (factor) X maximum support services hourly rate points

The Firm must submit cost for services regarding this RFP as follows:

- Blended hourly rate for professional services = \$/hr.
- Hourly rate for support services = \$/hr.

Maximum hours billable for travel to CEFA may not exceed two hours each way, unless prior approval is obtained. Travel, transportation and per diem expenses shall not exceed the rates payable to State employees. The Firm will be compensated for hours expended by providing a detailed monthly invoice to CEFA.

Reimbursable actual expenses, not including travel, will be limited to \$300.00 for the entire term of the contract (including any term extension), and include but are not limited to costs incurred for: postage, couriers, printing, document reproduction, and conference calls. CEFA will not reimburse the Firm(s) for printing or copying electronically-received or delivered documents for the contractor's in-house use. Actual expenses must be itemized and receipts must be attached to an invoice. **Support services cannot be billed as a reimbursable actual expense subject to the \$300.00 maximum.**

3. Submission of Proposal

- a) Proposals should describe the Firm's ability to satisfy the requirements outlined in this RFP. Proposals must be complete and accurate. Omissions, inaccuracies or misstatements may be cause for rejection of a proposal.
- b) The proposal package should be prepared in the least expensive method.
- c) All proposals must be submitted under **sealed** cover and sent to CEFA by September 27, 2019, 4:00 p.m., Pacific Daylight Time. Proposals received after the Final Date for Proposal Submission will not be considered.
- d) Two (2) **unbound** originals and two (2) copies of the proposal must be submitted.
- e) The original proposals must be marked "**ORIGINAL COPY.**" All documents contained in the original proposal packages must have original signatures and must be signed by a person who is authorized to bind the Firm. All additional proposal sets may contain photocopies of the original package.
- f) The proposal envelopes must be plainly marked with the RFP number and title, the Firm name and address, and marked "DO NOT OPEN" as shown in the following example:

Subject – Request for Proposals – "**Municipal Advisor for
Bond Sale and Related Services**"

RFP No. CEFA 03-19

Firm Name
Firm Address
DO NOT OPEN

If the proposal is made under a fictitious name or business title, the actual legal name of the Firm must be provided. Proposals not submitted under sealed cover and marked as indicated may be rejected.

- g) All proposals shall include the documents identified in Section E, Required Attachments Checklist. Proposals not including the required attachments shall be deemed non-responsive. A non-responsive proposal is one that does not meet the minimum proposal requirements.
- h) Mail or deliver proposals to the following address:

Ms. Martha Maldonado
Operations Manager
California Educational Facilities Authority (CEFA)
915 Capitol Mall, Suite 435
Sacramento, CA 95814
- i) Proposals must be submitted for the performance of services described herein. Any deviation from the work specifications will not be considered and may cause a proposal to be rejected.
- j) A proposal may be rejected if it is conditional or incomplete, or if it contains any alterations or other irregularities of any kind. CEFA may reject any or all proposals and may waive any immaterial deviation in a proposal. CEFA's waiver of an immaterial deviation shall in no way modify the RFP document or excuse the proposer from full compliance with all requirements if awarded the agreement.
- k) Costs for developing proposals is entirely the responsibility of the proposer and shall not be charged to CEFA or the State of California.
- l) An individual who is authorized to contractually bind the proposing Firm shall sign Attachment 2, Proposal/Proposer Certification Sheet. The signature must indicate the title or position that the individual holds in the Firm. An unsigned proposal may be rejected.
- m) A Firm may modify a proposal after its submission by withdrawing its original proposal and resubmitting a new proposal prior to the proposal submission deadline as set forth in the Key Action Dates. Proposal modifications offered in any other manner, oral or written, will not be considered.
- n) A Firm may withdraw its proposal by submitting a written withdrawal request to CEFA, signed by the proposer or an authorized agent in accordance with (h) above. A Firm may then submit a new proposal prior to the proposal submission deadline. Proposals may not be withdrawn without cause subsequent to the proposal submission deadline.
- o) CEFA may modify the RFP prior to the date fixed for submission of proposals by the issuance of an addendum to all parties who received a proposal package.
- p) CEFA reserves the right to reject all proposals and the agency is not required to award an agreement.
- q) Before submitting a response to this solicitation, Firms should review their proposals, correct all errors and confirm compliance with the RFP requirements.
- r) Where applicable, the Firm should carefully examine work sites and specifications. No additions or increases to the agreement amount will be made due to a lack of careful examination of work sites and specifications.

- s) Only one proposal per individual or business entity will be considered.
- t) CEFA will not accept alternate contract language from the Firm. A proposal with such language will be considered a counter proposal and will be rejected. The General Terms and Conditions (GTC) are not negotiable.
- u) No oral understanding or agreement shall be binding on either party.

4. Evaluation Process

- a) The initial review of the proposals will confirm that all information and required attachments have been submitted in conformity with the requirements of this RFP. The absence of required information and attachments will cause a proposal to be deemed nonresponsive and may result in the proposal’s disqualification. Responsive proposals will then be reviewed and scored by an evaluation committee. The categories and the corresponding total possible points for each category is as follows:

The proposal scoring criteria is as follows:

	Proposal Scoring Criteria	Weight
1.	Experience as a municipal advisor to any State or governmental issuer of tax-exempt bonds	30 Points
2.	Qualifications of professional personnel	20 Points
3.	Other experience related to scope of services	15 Points
4.	Cost	35 Points
	Total Possible Points	100 Points

- b) The following point scale will be used to score responses to each scored category, except cost:

Percent of Maximum Score Allotted to Particular Weighted Criterion

- 100% - Excellent response backed by demonstrated ability
- 85% - Good response backed by demonstrated ability
- 75% - Fair response backed by demonstrated ability
- 60% - Poor response
- 0% - Bidder does not demonstrate ability

- c) Proposals that contain false or misleading statements, or which provide references which do not support an attribute or condition claimed by the proposer, may be rejected.
- d) CEFA will establish awards (if any) in the following order:
 - The Primary Contract will be awarded to the Firm scoring the highest points.
 - The Secondary Contract will be awarded to the Firm scoring the second highest points.
 - The Tertiary Contract will be awarded to the Firm scoring the third highest points.

5. Award and Protest

- a) Notice of the proposed award(s) shall be posted in a public place in the office of the California Educational Facilities Authority, 915 Capitol Mall, Room 435, Sacramento, CA 95814 and on the following Internet site for five (5) working days prior to awarding the agreement(s): <http://www.treasurer.ca.gov/CEFA>.
- b) If any Firm, prior to the award of an agreement, files a protest with Board and the DGS Office of Legal Services, 707 Third Street, 7th Floor, Suite 7-330, West Sacramento, California 95605, on the grounds provided under Public Contract Code section 10345(b), the agreement shall not be awarded until either the protest has been withdrawn or DGS has decided the matter. It is suggested that any protest be submitted by certified or registered mail.
- c) Within five (5) days after filing the initial protest, the protesting Firm shall file with the Department of General Services, Office of Legal Services and CEFA a full and complete written statement specifying the grounds for the protest.

6. Disposition of Proposals

- a) Upon proposal opening, all documents submitted in response to this RFP will become the property of CEFA and the State of California. Documents will be regarded as public records under the California Public Records Act (Government Code Section 6250 et seq.) and subject to review by the public.
- b) Proposal packages may be returned only at the Firm's expense, unless such expense is waived by CEFA.

7. Agreement Execution and Performance

- a) Performance shall start not later than 30 days (or on the expressed date set by CEFA and the selected Firm) after all approvals have been obtained and the agreement is fully executed. If the Firm fails to commence work at the agreed upon time, CEFA, upon five (5) days written notice to the Firm, reserves the right to terminate the agreement. In addition, the Firm shall be liable to CEFA for the difference between the Firm's proposal price and the actual cost of performing work by another contractor.
- b) All performance under the agreement shall be completed on or before the termination date of the agreement.

D. Preference Programs

- 1) Small Business or Microbusiness Preference – <https://www.dgs.ca.gov/PD/Resources/Page-Content/Procurement-Division-Resources-List-Folder/How-to-do-business-with-the-state-of-California>. If there are any inconsistencies herein with applicable statutes, regulations, or the State Contracting Manual, the statutes, regulations, and State Contracting Manual shall supersede.

A five percent (5%) preference will be applied to a certified small business or microbusiness submitting a proposal for this RFP. To obtain the preference, a proposer must be certified as a small business or microbusiness and submit a copy of its certification approval letter from DGS or submit a complete application for certification to DGS by 5:00 p.m., Pacific Daylight Time on the proposal due date. The winning proposer must be a certified small business or microbusiness at the time of contract award. The 5% preference is used only for computation purposes to determine the winning proposal and does not alter the dollar amount of the resulting contract.

Once each proposal has been scored, if the highest scored proposal is from a non-certified small business or microbusiness, then 5% of the highest scoring proposal will be added to the total points for each proposal submitted by a certified small business or microbusiness. These final numbers, with the 5% included, will be used to determine the highest scoring proposal.

Questions regarding the small business or microbusiness certification or preference approval should be directed to the Office of Small Business Services at (916) 375-4940 or online at: <https://www.dgs.ca.gov/PD/Resources/Page-Content/Procurement-Division-Resources-List-Folder/How-to-do-business-with-the-state-of-California>

2) Non-Small Business Preference – <https://www.dgs.ca.gov/PD/Resources/Page-Content/Procurement-Division-Resources-List-Folder/How-to-do-business-with-the-state-of-California>

A five percent (5%) preference is available to a non-small business claiming twenty-five percent (25%) California certified small business subcontractor participation. If claiming the non-small business subcontractor preference, the proposal must include a list of the small business(es) with which the Proposer commits to subcontract in an amount of at least 25% of the net proposal price with one or more California certified small businesses. Each listed certified small business must perform a "commercially useful function" in the performance of the contract as defined in Government Code section 14837(d)(4).

The required list of California certified small business subcontractors must be attached to the proposal and must include the following: 1) subcontractor name; 2) address; 3) phone number; 4) a description of the work to be performed and/or products supplied; and 5) the dollar amount or percentage of the net bid price (as specified in the solicitation) per subcontractor.

Proposers claiming the 5% preference must commit to subcontract at least 25% of the net proposal price with one or more California certified small businesses. Completed certification applications and required support documents must be submitted to the OSDS no later than 5:00 p.m., Pacific Daylight Time on the proposal due date. Questions regarding certification should be directed to the OSDS at (916) 375-4940 or online at: <https://www.dgs.ca.gov/PD/Resources/Page-Content/Procurement-Division-Resources-List-Folder/How-to-do-business-with-the-state-of-California>.

The awarded preference shall be 5% of the highest scoring proposal. A non-small business, which qualifies for this preference, may not take an award away from a certified small business or microbusiness.

3) Target Area Contract Preference Act ("TACPA") Preference - <https://www.dgs.ca.gov/PD/Services/Page-Content/Procurement-Division-Services-List-Folder/Request-a-Target-Area-Contract-Preference>. If there are any inconsistencies herein with applicable statutes, regulations, or the State Contracting Manual, the statutes, regulations, and State Contracting Manual shall supersede.

The TACPA preference will be granted for this procurement. Proposers wishing to take advantage of the TACPA preference will need to review the following website and submit the appropriate response with the proposal: <https://www.dgs.ca.gov/PD/Services/Page-Content/Procurement-Division-Services-List-Folder/Request-a-Target-Area-Contract-Preference>

Proposers wishing to take advantage of the TACPA preference are required to submit the following application and forms:

- TACPA (STD.830)
- Bidder's Summary of Contract Activities and Labor Hours (DGS/PD 525)
- Manufacturer Summary of Contract Activities and Labor Hours (DGS/PD 526)

- 4) California Disabled Veteran Business Enterprise (DVBE) Participation
<https://www.dgs.ca.gov/PD/Resources/Page-Content/Procurement-Division-Resources-List-Folder/How-to-do-business-with-the-state-of-California>

This solicitation DOES NOT include a minimum DVBE participation requirement. DVBE participation is not required in the bid or proposal. However, a DVBE incentive will be applied as provided in Attachment 9.

DVBE INCENTIVE. The State will apply a DVBE incentive for responsive bids or proposals from responsible bidders that propose DVBE participation. The DVBE incentive will vary in relation to the percentage of confirmed DVBE participation (up to five percent (5%)).

DVBE PARTICIPATION COMMITMENT. Bidders who have been certified by California as a DVBE must also submit a completed form STD 843 (Disabled Veteran Business Enterprise Declaration). All disabled veteran owners and disabled veteran managers of a DVBE must sign form STD 843. The form is available at: www.documents.dgs.ca.gov/pd/poliproc/STD-843FillPrintFields.pdf

E. Required Attachments

1. Required Attachment Check List (Attachment 1)
For the proposal to be considered responsive, all required attachments listed on Attachment 1 must be included in the proposal by September 27, 2019 at 4:00 p.m. Pacific Daylight Time, the proposal deadline date and time.

ATTACHMENT 1

CEFA 03-19

REQUIRED ATTACHMENTS CHECKLIST

A complete proposal will consist of the items identified below. Complete this checklist to confirm the items in your proposal. Place a check mark or "X" next to each item that you are submitting. For a proposal to be considered responsive, all required attachments must be returned. This checklist must also be included with your proposal package.

<u>Attachment</u>	<u>Attachment Name/Description</u>
_____	Attachment 1 – Required Attachment Checklist
_____	Attachment 2 – Proposal/Proposer Certification Sheet
_____	Attachment 3 – Proposer References
_____	Attachment 4 – Payee Data Record (STD 204)
_____	Attachment 5 – Contractor Certification Clauses (CCC 04/2017)
_____	Attachment 6 – Small Business or Microbusiness Preference*
_____	Attachment 7 – Non-Small Business Preference*
_____	Attachment 8 – Target Area Contract Preference Act (TACPA) Preference*
_____	Attachment 9 – Disabled Veteran Business Enterprise (DVBE) Incentive Program*
_____	Attachment 10 – GSPD-05-105/Bidder Declaration
_____	Attachment 11 – Minimum Qualifications Certification
_____	Attachment 12 – Darfur Contracting Act
_____	Attachment 13 – Evidence of Qualification to do Business in the State of California
_____	Attachment 14 – California Civil Rights Laws Certification

*If applicable

ATTACHMENT 2

CEFA 03-19

PROPOSAL/PROPOSER CERTIFICATION SHEET

This Proposal/Proposer Certification Sheet must be signed and returned along with all the "required attachments" as an entire package in duplicate with original signatures. The proposal must be transmitted in a sealed envelope in accordance with RFP instructions.

Do not return the RFP or the "Sample Agreement" at the end of this RFP.

- A. Place all required attachments behind this certification sheet.
- B. The signature affixed hereon and dated certifies compliance with all the requirements of this proposal document. The signature below authorizes the verification of this certification.

**An Unsigned Proposal/Proposer Certification Sheet
May Be Cause for Rejection**

1. Company Name	2. Telephone Number ()	2a. Fax Number ()
3. Address		
Indicate your organization type:		
4. <input type="checkbox"/> Sole Proprietorship	5. <input type="checkbox"/> Partnership	6. <input type="checkbox"/> Corporation
Indicate the applicable employee and/or corporation number:		
7. Federal Employee ID No. (FEIN)	8. California Corporation No.	
9. Indicate applicable license and/or certification information:		
10. Proposer's Name (Print)	11. Title	
12. Signature	13. Date	
14. Are you certified with the Department of General Services, Office of Small Business Certification and Resources (OSBCR) as:		
a. California Small Business Yes <input type="checkbox"/> No <input type="checkbox"/> If yes, enter certification number: _____	b. Disabled Veteran Business Enterprise Yes <input type="checkbox"/> No <input type="checkbox"/> If yes, enter your service code below: _____	
NOTE: A copy of your Certification is required to be included if either of the above items is checked "Yes". Date application was submitted to OSBCR, if an application is pending:		

Completion Instructions for Proposal/Proposer Certification Sheet

Complete the numbered items on the Proposal/Proposer Certification Sheet by following the instructions below.

Item Numbers	Instructions
1, 2, 2a, 3	Must be completed. These items are self-explanatory.
4	Check if your Firm is a sole proprietorship. A sole proprietorship is a form of business in which one person owns all the assets of the business in contrast to a partnership and corporation. The sole proprietor is solely liable for all the debts of the business.
5	Check if your Firm is a partnership. A partnership is a voluntary agreement between two or more competent persons to place their money, effects, labor, and skill, or some or all of them in lawful commerce or business, with the understanding that there shall be a proportional sharing of the profits and losses between them. An association of two or more persons to carry on, as co-owners, a business for profit.
6	Check if your Firm is a corporation. A corporation is an artificial person or legal entity created by or under the authority of the laws of a state or nation, composed, in some rare instances, of a single person and his successors, being the incumbents of a particular office, but ordinarily consisting of an association of numerous individuals.
7	Enter your federal employee tax identification number.
8	Enter your corporation number assigned by the California Secretary of State's Office. This information is used for checking if a corporation is in good standing and qualified to conduct business in California.
9	Complete, if applicable, by indicating the type of license and/or certification that your Firm possesses and that is required for the type of services being procured.
10, 11, 12, 13	Must be completed. These items are self-explanatory.
14	If certified as a California Small Business, place a check in the "yes" box, and enter your certification number on the line. If certified as a Disabled Veterans Business Enterprise, place a check in the "Yes" box and enter your service code on the line. If you are not certified to one or both, place a check in the "No" box. If your certification is pending, enter the date your application was submitted to OSBCR.

ATTACHMENT 3

CEFA 03-19

PROPOSER REFERENCES

Submission of this attachment is mandatory. Failure to complete and return this attachment with your proposal will cause your proposal to be rejected and deemed non-responsive.

List below three references for services performed within the last three years, which are similar to the scope of work to be performed in this contract.

REFERENCE 1			
Name of Firm			
Street Address	City	State	Zip Code
Contact Person		Telephone Number	
Dates of Service		Value or Cost of Service	
Brief Description of Service Provided			

REFERENCE 2			
Name of Firm			
Street Address	City	State	Zip Code
Contact Person		Telephone Number	
Dates of Service		Value or Cost of Service	
Brief Description of Service Provided			

REFERENCE 3			
Name of Firm			
Street Address	City	State	Zip Code
Contact Person		Telephone Number	
Dates of Service		Value or Cost of Service	
Brief Description of Service Provided			

ATTACHMENT 4

CEFA 03-19

PAYEE DATA RECORD (STD 204)

All proposers must complete the **Payee Data Record (STD 204)** and include it with their proposal. The Payee Data Record form can be accessed from the following link: <http://www.documents.dgs.ca.gov/dgs/fmc/pdf/std204.pdf>

ATTACHMENT 5

CEFA 03-19

CCC 04/2017

CERTIFICATION

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective Contractor to the clause(s) listed below. This certification is made under the laws of the State of California.

<i>Contractor/Bidder Firm Name (Printed)</i>		<i>Federal ID Number</i>
<i>By (Authorized Signature)</i>		
<i>Printed Name and Title of Person Signing</i>		
<i>Date Executed</i>	<i>Executed in the County of</i>	

CONTRACTOR CERTIFICATION CLAUSES

1. **STATEMENT OF COMPLIANCE:** Contractor has, unless exempted, complied with the nondiscrimination program requirements. (Gov. Code §12990 (a-f) and CCR, Title 2, Section 11102) (Not applicable to public entities.)
2. **DRUG-FREE WORKPLACE REQUIREMENTS:** Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:
 - a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
 - b. Establish a Drug-Free Awareness Program to inform employees about:
 - 1) the dangers of drug abuse in the workplace;
 - 2) the person's or organization's policy of maintaining a drug-free workplace;
 - 3) any available counseling, rehabilitation and employee assistance programs; and,
 - 4) penalties that may be imposed upon employees for drug abuse violations.
 - c. Every employee who works on the proposed Agreement will:
 - 1) receive a copy of the company's drug-free workplace policy statement; and,
 - 2) agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Contractor may be ineligible for award of any future State agreements if the department determines that any of the following has

occurred: the Contractor has made false certification, or violated the certification by failing to carry out the requirements as noted above. (Gov. Code §8350 et seq.)

3. NATIONAL LABOR RELATIONS BOARD CERTIFICATION: Contractor certifies that no more than one (1) final unappealable finding of contempt of court by a Federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of a Federal court, which orders Contractor to comply with an order of the National Labor Relations Board. (Pub. Contract Code §10296) (Not applicable to public entities.)

4. CONTRACTS FOR LEGAL SERVICES \$50,000 OR MORE- PRO BONO REQUIREMENT: Contractor hereby certifies that Contractor will comply with the requirements of Section 6072 of the Business and Professions Code, effective January 1, 2003.

Contractor agrees to make a good faith effort to provide a minimum number of hours of pro bono legal services during each year of the contract equal to the lessor of 30 multiplied by the number of full time attorneys in the firm's offices in the State, with the number of hours prorated on an actual day basis for any contract period of less than a full year or 10% of its contract with the State.

Failure to make a good faith effort may be cause for non-renewal of a state contract for legal services, and may be taken into account when determining the award of future contracts with the State for legal services.

5. EXPATRIATE CORPORATIONS: Contractor hereby declares that it is not an expatriate corporation or subsidiary of an expatriate corporation within the meaning of Public Contract Code Section 10286 and 10286.1, and is eligible to contract with the State of California.

6. SWEATFREE CODE OF CONDUCT:

a. All Contractors contracting for the procurement or laundering of apparel, garments or corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a public works contract, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment, materials, or supplies furnished to the state pursuant to the contract have been laundered or produced in whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. The contractor further declares under penalty of perjury that they adhere to the Sweatfree Code of Conduct as set forth on the California Department of Industrial Relations website located at www.dir.ca.gov, and Public Contract Code Section 6108.

b. The contractor agrees to cooperate fully in providing reasonable access to the contractor's records, documents, agents or employees, or premises if reasonably required by authorized officials of the contracting agency, the Department of Industrial Relations, or the Department of Justice to determine the contractor's compliance with the requirements under paragraph (a).

7. DOMESTIC PARTNERS: For contracts of \$100,000 or more, Contractor certifies that Contractor is in compliance with Public Contract Code section 10295.3.

8. GENDER IDENTITY: For contracts of \$100,000 or more, Contractor certifies that Contractor is in compliance with Public Contract Code section 10295.35.

DOING BUSINESS WITH THE STATE OF CALIFORNIA

The following laws apply to persons or entities doing business with the State of California.

1. **CONFLICT OF INTEREST**: Contractor needs to be aware of the following provisions regarding current or former state employees. If Contractor has any questions on the status of any person rendering services or involved with the Agreement, the awarding agency must be contacted immediately for clarification.

Current State Employees (Pub. Contract Code §10410):

- 1). No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.
- 2). No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

Former State Employees (Pub. Contract Code §10411):

- 1). For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.
- 2). For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her leaving state service.

If Contractor violates any provisions of above paragraphs, such action by Contractor shall render this Agreement void. (Pub. Contract Code §10420)

Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (Pub. Contract Code §10430 (e))

2. **LABOR CODE/WORKERS' COMPENSATION**: Contractor needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Contractor affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code Section 3700)

3. **AMERICANS WITH DISABILITIES ACT**: Contractor assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)

4. **CONTRACTOR NAME CHANGE**: An amendment is required to change the Contractor's name as listed on this Agreement. Upon receipt of legal documentation of the name change the State will process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.

5. CORPORATE QUALIFICATIONS TO DO BUSINESS IN CALIFORNIA:

a. When agreements are to be performed in the state by corporations, the contracting agencies will be verifying that the contractor is currently qualified to do business in California in order to ensure that all obligations due to the state are fulfilled.

b. "Doing business" is defined in R&TC Section 23101 as actively engaging in any transaction for the purpose of financial or pecuniary gain or profit. Although there are some statutory exceptions to taxation, rarely will a corporate contractor performing within the state not be subject to the franchise tax.

c. Both domestic and foreign corporations (those incorporated outside of California) must be in good standing in order to be qualified to do business in California. Agencies will determine whether a corporation is in good standing by calling the Office of the Secretary of State.

6. RESOLUTION: A county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.

7. AIR OR WATER POLLUTION VIOLATION: Under the State laws, the Contractor shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

8. PAYEE DATA RECORD FORM STD. 204: This form must be completed by all contractors that are not another state agency or other governmental entity.

ATTACHMENTS 6, 7 and 8

CEFA 03-19

PREFERENCE PROGRAMS (IF APPLICABLE)

Attach proof in claiming Small Business or Microbusiness Preference, Non-Small Business Preference, or Target Area Contract Preference Act (TACPA) Preference, if applicable.

Small Business or Microbusiness Preference

– <https://www.dgs.ca.gov/PD/Resources/Page-Content/Procurement-Division-Resources-List-Folder/How-to-do-business-with-the-state-of-California>

Non-Small Business Preference

– <https://www.dgs.ca.gov/PD/Resources/Page-Content/Procurement-Division-Resources-List-Folder/How-to-do-business-with-the-state-of-California>

Target Area Contract Preference Act (TACPA) Preference

<https://www.dgs.ca.gov/PD/Services/Page-Content/Procurement-Division-Services-List-Folder/Request-a-Target-Area-Contract-Preference>

ATTACHMENT 9

CEFA 03-19

**CALIFORNIA DISABLED VETERAN BUSINESS ENTERPRISE (DVBE)
PARTICIPATION GOAL PROGRAM INSTRUCTIONS**

DVBE PARTICIPATION REQUIREMENT. The Disabled Veteran Business Enterprise (DVBE) Participation Goal Program for State contracts is established in Public Contract Code (PCC) section 10115 et seq., Military and Veterans Code (MVC) section 999 et seq., and California Code of Regulations (CCR), title 2, section 1896.60 et seq. **This solicitation DOES NOT include a minimum DVBE participation requirement. DVBE participation is NOT required in the bid or proposal. However, a DVBE incentive will be applied as provided below.**

DVBE INCENTIVE. The State will apply a DVBE incentive for responsive bids or proposals (herein “bid” or “bids”) from responsible bidders that propose DVBE participation. The DVBE incentive will vary in relation to the percentage of confirmed DVBE participation. The following percentages shall apply.

Confirmed DVBE Participation of	DVBE Incentive
5% and above	5%
4% to 4.99% inclusive	4%
3% to 3.99% inclusive	3%
2% to 2.99% inclusive	2%
1% to 1.99% inclusive	1%

As applicable:

(1) **Awards based on low price** – The DVBE incentive is applied by reducing the bid price by the amount of DVBE incentive as computed from the lowest responsive bid price submitted by a responsible bidder. The DVBE incentive is for evaluation purposes only. Application of the DVBE incentive shall not displace an award to a small business with a non-small business.

(2) **Awards based on high score** – The DVBE incentive is a percentage of the total possible available points, not including points for socioeconomic incentives or preferences. The DVBE incentive points are included in the sum of non-cost points. The DVBE incentive points cannot be used to achieve any applicable minimum point requirements.

Bidders who have been certified by California as a DVBE (or who are bidding rental equipment and have obtained the participation of subcontractors certified by California as a DVBE) must also submit a completed form **STD. 843 (Disabled Veteran Business Enterprise Declaration)**. All disabled veteran owners and disabled veteran managers of the DVBE(s) must sign the form(s). Should the form not be included with the solicitation, contact the State contracting official or obtain a copy at the following website: www.documents.dgs.ca.gov/pd/poliproc/STD-843FillPrintFields.pdf. The completed form should be included with the bid response.

At the State’s option prior to award, bidders may be required to submit additional written clarifying information. Failure to submit the requested written information as specified may be grounds for bid rejection.

RESOURCES AND INFORMATION*

U.S. Small Business Administration:

Central Contractor Registration on-line database

www.ccr.gov

FOR:

Service-Disabled Veteran-Owned Businesses in California

Local Organizations:

DVBE local contacts

<https://www.dgs.ca.gov/PD>

FOR:

List of Potential DVBE Subcontractors

Department of General Services, Procurement Division (DGS-PD) eProcurement:

Website: <https://caleprocure.ca.gov/pages/index.aspx>

Phone: (916) 375-2000

Email: eprocure@dgs.ca.gov

FOR:

- SB/DVBE Search
 - CSCR Advertisements
 - Training Modules
-

DGS-PD Office of Small Business and DVBE Services (OSDS):

707 Third Street, Room 1-400, West Sacramento, CA 95605

Website: <https://www.dgs.ca.gov/PD/Resources/Page-Content/Procurement-Division-Resources-List-Folder/How-to-do-business-with-the-state-of-California>

OSDS Receptionist: (916) 375-4940

PD Receptionist: (800) 559-5529

Fax: (916) 375-4950

Email: osdchelp@dgs.ca.gov

FOR:

- Directory of OSDS Certified DVBEs
 - Certification Applications
 - Certification Information
 - Certification Status, Concerns
 - General DVBE Program Information
 - DVBE Business Utilization Plan
 - SB/DVBE Advocates
 - Lists of Trade and Focus Publications
-

Commercially Useful Function Definition

Military and Veterans Code section 999(b)

California Code of Regulations, title 2, section 1896.62(l)

*Contact information and available resources may be subject to change by the respective administration, department, division, or office. DVBEs must be certified by OSDS.

ATTACHMENT 10

CEFA 03-19

BIDDER DECLARATION (GSPD-05-105)

All bidders must complete the **Bidder Declaration (GSPD-05-105)** and include it with the bid response. When completing the declaration, bidders must identify all subcontractors proposed for participation in the contract. Bidders awarded a contract are contractually obligated to use the subcontractors for the corresponding work identified unless the State agrees to a substitution and it is incorporated by amendment to the contract.

The Bidder Declaration (GSPD-05-105) can be accessed from the following link: <https://www.documents.dgs.ca.gov/pd/poliproc/master-biddeclar08-09.pdf>

ATTACHMENT 11

CEFA 03-19

MINIMUM QUALIFICATIONS CERTIFICATION

The Bidder certifies that it fulfills the minimum qualifications outlined in Section B of Request for Proposals No. CEFA 03-19 (the "RFP").

On behalf of _____, I certify
(Firm Name)

that said firm, including any and all subcontractors, complies with the Minimum Qualifications set forth in Section B of the RFP.

(Authorized Signature of Firm)

(Firm Name)

(Print Name)

(Date)

(Title)

ATTACHMENT 12

CEFA 03-19

DARFUR CONTRACTING ACT

Pursuant to Public Contract Code section 10478, if a bidder or proposer currently or within the previous three years has had business activities or other operations outside of the United States, it must certify that it is not a “scrutinized” company as defined in Public Contract Code section 10476.

Therefore, to be eligible to submit a bid or proposal, please insert your company name and Federal ID Number and complete only one of the following three paragraphs (via initials for Paragraph # 1 or Paragraph # 2, or via initials and certification for Paragraph # 3):

<i>Company/Vendor Name (Printed)</i>	<i>Federal ID Number</i>
<i>Printed Name and Title of Person Initialing (for Options 1 or 2)</i>	

1. _____ We do not currently have, and have not had within the previous
 Initials three years, business activities or other operations outside of the United
 States.

OR

2. _____ We are a scrutinized company as defined in Public Contract Code
 Initials section 10476, but we have received written permission from the
 Department of General Services (DGS) to submit a bid or proposal
 pursuant to Public Contract Code section 10477(b). A copy of the
 written permission from DGS is included with our bid or proposal.

OR

3. _____ We currently have, or we have had within the previous three years,
 Initials business activities or other operations outside of the United States,
 + certification but we certify below that we are not a scrutinized company
 below as defined in Public Contract Code section 10476.

CERTIFICATION For # 3.

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective proposer/bidder to the clause listed above in # 3. This certification is made under the laws of the State of California.

<i>By (Authorized Signature)</i>	
<i>Printed Name and Title of Person Signing</i>	
<i>Date Executed</i>	<i>Executed in the County and State of</i>

ATTACHMENT 13

CEFA 03-19

EVIDENCE OF QUALIFICATION TO DO BUSINESS IN THE STATE OF CALIFORNIA

Proposer and any subcontractor identified in the proposal must be qualified to do business in the State of California. Proposer must submit evidence demonstrating compliance with this requirement with its proposal. Include a copy of the proposer's evidence of qualification as Attachment 13.

ATTACHMENT 14

CEFA 03-19

CALIFORNIA CIVIL RIGHTS LAWS CERTIFICATION

Pursuant to Public Contract Code section 2010, a person that submits a bid or proposal to, or otherwise proposes to enter into a renew a contract with, a state agency with respect to any contract in the amount of \$100,000 or above shall certify, under penalty of perjury, at the time the bid or proposal is submitted or the contract is renewed, all of the following:

1. **CALIFORNIA CIVIL RIGHTS LAWS**: For contracts executed or renewed after January 1, 2017, the contractor certifies compliance with the Unruh Civil Rights Act (Section 51 of the Civil Code) and the Fair Employment and Housing Act (Section 12960 of the Government Code); and
2. **EMPLOYER DISCRIMINATORY POLICIES**: For contracts executed or renewed after January 1, 2017, if a contractor has an internal policy against a sovereign nation or peoples recognized by the United States government, the contractor certifies that such policies are not used in violation of the Unruh Civil Rights Act (Section 51 of the Civil Code) or the Fair Employment and Housing Act (Section 12960 of the Government Code).

CERTIFICATION

I, the official named below, certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

<i>Proposer/Bidder Firm Name (Printed)</i>		<i>Federal ID Number</i>
<i>By (Authorized Signature)</i>		
<i>Printed Name and Title of Person Signing</i>		
<i>Date Executed</i>	<i>Executed in the County and State of</i>	

STANDARD AGREEMENT

STD 213 (Rev. 03/2019)

AGREEMENT NUMBER

SAMPLE

PURCHASING AUTHORITY NUMBER (If Applicable)

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME

California Educational Facilities Authority (CEFA)

CONTRACTOR NAME

To Be Determined

2. The term of this Agreement is:

START DATE

November 1, 2019 (or upon approval by the Department of General Services, whichever is later)

THROUGH END DATE

October 31, 2021 (with a one-year option to extend)

3. The maximum amount of this Agreement is:

To Be Determined

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

EXHIBITS	TITLE	PAGES
Exhibit A	Scope of Work	4
Attachment 1	Key Personnel	
Exhibit B	Budget Detail and Payment Provisions	2
Exhibit C*	General Terms and Conditions - (GTC 04/2017)	1
Exhibit D	Special Terms and Conditions	7
Exhibit E	Additional Provisions	1

Items shown with an asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto.

These documents can be viewed at <https://www.dgs.ca.gov/OLS/Resources>

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

CONTRACTOR

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)

To Be Determined

CONTRACTOR BUSINESS ADDRESS

CITY

STATE

ZIP

PRINTED NAME OF PERSON SIGNING

TITLE

CONTRACTOR AUTHORIZED SIGNATURE

DATE SIGNED

STATE OF CALIFORNIA

CONTRACTING AGENCY NAME

California Educational Facilities Authority (CEFA)

CONTRACTING AGENCY ADDRESS

915 Capitol Mall, Suite 435

CITY

Sacramento

STATE

CA

ZIP

95814

PRINTED NAME OF PERSON SIGNING

Frank Moore

TITLE

Acting Executive Director

CONTRACTING AGENCY AUTHORIZED SIGNATURE

DATE SIGNED

CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL

EXEMPTION (If Applicable)

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SAMPLE

EXHIBIT A
(Standard Agreement)

SCOPE OF WORK

1. Municipal Advisor on Bond and Equipment Financings

The Primary Firm will be expected to assist CEFA on an as-needed basis to perform a wide range of services related to each bond transaction throughout the proposed contract period. In the event CEFA determines there is an actual or potential conflict of interest for the Primary Firm, the bond transaction will be assigned to the Secondary or Tertiary Firm, respectively. Services will include:

- a) Assist CEFA in the review of proposed underwriter spread components and estimated costs of issuance items. Make recommendations on adding syndicate members for particular transactions.
- b) Evaluate the proposed structure of the financing as presented by the senior managing underwriter in conjunction with existing debt service of the borrower as well as the proposed security and covenant package preferred by the borrower. Make recommendations as necessary regarding security features, specific covenants, credit enhancement, specific maturities of serial or term bonds, fixed or variable rates or call provisions. Discuss recommendations with the senior managing underwriter or the borrower's financial advisors (or both) as may be directed by CEFA.
- c) Provide an independent scale of market comparables for the proposed financing and assist CEFA in the evaluation of the proposed scale presented by the senior managing underwriter. On an as-needed basis, participate in the pre-pricing discussion with syndicate members, CEFA, the borrower, and State Treasurer's Office. Offer suggestions on final pre-pricing adjustments, including but not limited to coupons, yields, premium or discount maturities or other structural modifications based on current market conditions.
- d) Participate in pre-pricing and pricing calls. Evaluate the proposed sale, including orders, proposed changes in structure or interest rates and the level of interest from institutional and retail buyers. Make recommendations to CEFA regarding acceptance of the underwriting offer.
- e) On refinancing transactions, review, when appropriate, the pricing of securities in escrow funds and make recommendations to ensure the most cost-effective escrow.
- f) Provide assistance in reviewing the allocation and allotments of bonds proposed by the senior managing underwriter, when necessary.
- g) As directed by CEFA, prepare a post-sale evaluation of the financing and the key participants for use by CEFA in its effort to facilitate an efficient and cost-effective transaction.
- h) In all respects, represent the best interests of CEFA and the State of California in all transactions and proceedings by strict adherence to the statutory conflict of interest laws of California (as defined in Exhibit E, item #1).

EXHIBIT A
(Standard Agreement)

- i) Be available during regular business hours (Monday through Friday, 8:00 a.m. until 5:00 p.m. Pacific Time), either by phone or in person, for consultations with CEFA staff, which may require travel to the CEFA office or other locations as necessary.
2. Student Loan Program
- a) Provide consultation with CEFA staff regarding the financial condition of CEFA's student loan program, including participating in meetings with student loan program staff, auditors and CEFA staff, as necessary.
 - b) Analyze annual, quarterly, and monthly audited or interim financial statements and other financial reports related to the student loan program. Make recommendations for corrective or supplemental action as necessary, and participate with CEFA staff in presenting or implementing such recommendations.
 - c) Review and provide written analyses, on an as-needed basis, of trustee statements provided to CEFA for all outstanding student loan program bonds and loans. Analyses shall include the performance of detailed audits of trustee held funds and accounts, periodic billings to borrowers, redemption procedures, loan loss reserve calculations and any other functions performed by the trustee with respect to the student loan program.
 - d) As needed, assist CEFA with post-issuance tax compliance policy and procedures and provide guidance in connection with the student loan program.
 - e) Prepare and present special reports, analyses or studies on subjects related to the student loan program, which fall within the training and experience of the Firm; and prepare and present annual reports of CEFA's student loan program, and other information as necessary.
 - f) Assist CEFA staff in their continuing efforts to improve operational efficiency including, without limitation, processes, procedures and computer applications relative to the monitoring of the student loan programs outstanding bonds.
 - g) Be available during regular business hours (Monday through Friday, 8:00 a.m. until 5:00 p.m. Pacific Time), either by phone or in person, for consultations with CEFA staff, which may require travel to the CEFA office or other locations as necessary.
3. Additional Municipal Advisor Projects
- On an as-needed basis, additional projects may occur from time to time requiring Municipal Advisory Services. In the event CEFA determines there is an actual or potential conflict of interest for the Primary Firm, or the Primary Firm declines the additional assigned project due to workload of other CEFA assignments, the project would be assigned to the Secondary or Tertiary Firm, respectively. The Primary Firm will have two (2) days to accept or pass the additional project(s). Additional projects may include the following:

EXHIBIT A
(Standard Agreement)

- a) Assist CEFA by providing analysis and advice on issues or questions related to tax-exempt debt markets, student loan programs, and the non-profit higher education sector, or any other related financial matter.
- b) Provide, as requested, periodic training of CEFA staff on various aspects of the bond sale and equipment financing process.
- c) Be available within reasonable timeframes for consultation with CEFA staff on issues relating to the financing process, which may require travel to the CEFA Office.
- d) The creation and implementation of new financing programs including bond and equipment financing, loans or grants.
- e) Analysis of the cost/benefit of different structuring and pricing options of bond or loan programs. This includes, but is not limited to pooled financings versus stand-alone financings, fixed-rate versus variable-rate bonds, insured versus uninsured bonds, callable versus non-callable bonds, and par versus premium or discount bonds.
- f) Perform financial analysis on proposals for new products as they pertain to higher education or financing programs.
- g) Assist CEFA staff with rating agency presentations. Assist CEFA staff in the preparation of presentations for workshops and conferences.
- h) Assist CEFA when conducting a comprehensive study of fees that issuers throughout the country are paying to financial advisors, pricing advisors, bond counsels, disclosure counsels and issuer counsels.
- i) Assist CEFA with conducting comprehensive analysis and evaluation of current or potential borrowers. Analysis may also include comparisons of other educational facilities throughout the state or country.
- j) Assist in the review and revision of CEFA's tax-exempt bond guidelines.
- k) Assist CEFA in creating template bond or loan documents and identify, address and resolve common policy issues that tend to arise in bond documents from transaction to transaction.
- l) The Firm(s) shall assist CEFA by providing other municipal advisory services that may arise from time to time, related to tax-exempt bond issuance and equipment financings for non-profit higher educational facilities or student loan programs.

EXHIBIT A
(Standard Agreement)

3. Term of Agreement

The term of the agreement(s) is two years, with CEFA retaining the option to extend the contract for up to one additional year. The effective date of this contract is, either the start date of October 15, 2019 or the approval date by the Department of General Services (“DGS”), whichever is later. In addition, due to the sensitive nature of the duties performed by the municipal advisor, this contract will allow, in the sole discretion of the State, an extension of time (not to exceed one year) for project or bond transaction completion prior to or during any transition to a new contractor. No work shall commence until the effective date. The contract amount will not exceed \$300,000.00 for the Primary Firm, \$250,000.00 for the Secondary Firm, and \$200,000.00 for the Tertiary Firm for the term of the agreement, including any extension.

4. Project Representatives

State Agency: California Educational Facilities Authority (CEFA)	Contractor: To Be Determined
Name: Ms. Martha Maldonado Operations Manager	Name: To Be Determined
Phone: (916) 653-2799	Phone:
Fax: (916) 654-5362	Fax:

Direct all inquiries to:

State Agency: California Educational Facilities Authority (CEFA)	Contractor: To Be Determined
Attention: Ms. Martha Maldonado	Attention: To Be Determined
Address: 915 Capitol Mall, Suite 435 Sacramento, CA 95814	Address:
Phone: (916) 653-2799	Phone:
Fax: (916) 654-5362	Fax:

EXHIBIT B
(Standard Agreement)

BUDGET DETAIL AND PAYMENT PROVISIONS

1. **Invoicing and Payment**

- A. The contract amount may not exceed \$300,000 for the Primary Firm, \$250,000 for the Secondary Firm, and \$200,000 for the Tertiary Firm for the term of the agreement, including any extension.
- B. For services satisfactorily rendered, and upon receipt and approval of the invoices, CEFA agrees to compensate the contractor at the following hourly rates:
- Blended hourly rate for professional services = \$/hr.
 - Hourly rate for support services = \$/hr.
- C. The blended hourly rate and the support services hourly rate are the rates the firm will be paid for services for the two-year contract, the one-year option to renew, and any extension of time amendments.
- D. Maximum hours billable for travel to CEFA may not exceed two hours each way, unless prior approval is obtained. Travel, transportation and per diem expenses shall not exceed the rates payable to State employees.
- E. Authorized actual expenses incurred will be limited to \$300.00 for the entire term of the contract (including any term extensions), including but not limited to, postage, mailing, courier, printing/reproduction costs, and conference calls (CEFA will not reimburse the printing of or the copying of electronically received or delivered documents for contractor's in-house use).
- F. Invoices must be provided to CEFA and must include:
- The time period covered by the invoice;
 - A detailed description of each of the services completed for the period; and
 - Actual expenses must be itemized and receipts must be attached to invoice.
- G. Invoices shall include the Agreement Number, CEFA 03-19 and shall be submitted not more frequently than monthly in arrears to:

CEFA
915 Capitol Mall, Suite 435
Sacramento, CA 95814
Attn: Operations Manager

2. **Budget Contingency Clause**

- A. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program; this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.
- B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an agreement amendment to Contractor to reflect the reduced amount.

EXHIBIT B
(Standard Agreement)

3. **Prompt Payment Clause**

Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927.

EXHIBIT C

GENERAL TERMS AND CONDITIONS

The General Terms and Conditions will be included in the agreement by reference to Internet site:
<https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/Standard-Contract-Language>.

EXHIBIT D
(Standard Agreement)

SPECIAL TERMS AND CONDITIONS

1. Excise Tax

The State of California is exempt from federal excise taxes, and no payment will be made for any taxes levied on employees' wages. The State will pay for any applicable State of California or local sales or use taxes on the services rendered or equipment or parts supplied pursuant to this Agreement. California may pay any applicable sales and use tax imposed by another state.

2. Settlement of Disputes

In the event of a dispute, Contractor shall file a "Notice of Dispute" with a Deputy Treasurer of the State Treasurer's Office within ten (10) days of discovery of the problem. Within ten (10) days, the Deputy Treasurer shall meet with the representatives of Contractor and the State identified in Paragraph 4 of Exhibit A for purposes of resolving the dispute. The decision of the Deputy Treasurer shall be final.

3. Evaluation of Contractor

Pursuant to Public Contract Code sections 10367 and 10369 within sixty (60) days after the completion of this Agreement, the State shall complete a written evaluation of Contractor's performance under this Agreement. If this Agreement is a contract for consultant services and if Contractor did not satisfactorily perform the work, a copy of the evaluation will be sent to the Department of General Services (DGS), Office of Legal Services, and to the Contractor within fifteen (15) working days of the completion of the evaluation in accordance with Public Contract Code section 10371.

4. No Agency Liability

The Contractor warrants by execution of this Agreement that no person or selling agency has been employed or retained to solicit or secure this Agreement upon agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the State shall, in addition to other remedies provided by law, have the right to annul this Agreement without liability, paying only for the value of the work actually performed, or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.

5. Potential Subcontractors

Nothing contained in this Agreement or otherwise, shall create any contractual relationship between the State and any subcontractors, and no subcontract shall relieve the Contractor of his responsibilities and obligations hereunder. The Contractor agrees to be as fully responsible to the State for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Contractor. The Contractor's obligation to pay its subcontractors is an independent obligation from the obligation of the State to make payments to the Contractor. As a result, the State shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor.

EXHIBIT D
(Standard Agreement)

6. Force Majeure

Neither party to this Agreement shall be liable for damages resulting from delayed or defective performance when such delays arise out of causes beyond the control and without the fault or negligence of the offending party. Such causes may include, but are not restricted to, acts of God or of the public enemy, acts of the State in its sovereign capacity, fires, floods, power failure, disabling strikes, epidemics, quarantine restrictions, and freight embargoes.

7. Waivers

No delay on the part of any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any waiver on the part of any party of any right, power or privilege hereunder, nor any single or partial exercise of any right, power or privilege hereunder, preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder.

8. Incorporation of Amendments to Applicable Laws

Any references to sections of federal or state statutes or regulations shall be deemed to include a reference to any amendments thereof and any successor provisions thereto.

9. Confidentiality

All financial, statistical, personal, technical and other data and information relating to the operations of the State which are designated confidential by the State and become available to Contractor shall be protected by Contractor from unauthorized use and disclosure.

10. Titles/Section Headings

Titles and headings are for convenience of reference only, and shall have no effect on the construction or legal effect of this Agreement.

11. Choice of Law

Notwithstanding Paragraph 14 of Exhibit C (General Terms and Conditions), this Agreement shall be administered, construed, and enforced according to the laws of the State of California (without regard to any conflict of laws provisions) to the extent such laws have not been preempted by applicable federal law. Any suit brought hereunder, including any action to compel arbitration or to enforce any award or judgment rendered thereby, shall be brought in state court sitting in Sacramento, California, the parties hereby waiving any claim or defense that such forum is not convenient or proper. Each party agrees that any such court shall have in personam jurisdiction over it and consents to service of process in any manner authorized by California law.

12. Notices

The parties agree that to avoid unreasonable delay in the progress of the services performed hereunder, Contractor and the State have designated in Paragraph 4 of Exhibit A specific staff representatives for the purpose of communication between the parties. Any notice or other written communication required or which may be given hereunder shall be deemed given when delivered personally, or by

EXHIBIT D
(Standard Agreement)

mail three (3) days after the date of mailing, unless by express mail then upon the date of confirmed receipt, to the representatives named in Paragraph 4 of Exhibit A.

Either party hereto may, from time to time by notice in writing served upon the other as aforesaid, designate a different mailing address or a different or additional person to which all such notices or demands thereafter are to be addressed.

13. Permits and Licenses

Contractor shall carry out its duties and responsibilities herein in accordance with, be limited in the exercise of its rights by, and observe and comply with, all federal, state, city and county laws, rules or regulations affecting services under this Agreement. Contractor shall procure and keep in full force and effect during the term of this Agreement all permits and licenses necessary to accomplish the work contemplated in this Agreement.

14. Books and Records

Contractor shall keep accurate books and records connected with the performance of this Agreement for a period of at least three (3) years. Contractor shall ensure that books and records of subcontractors, suppliers, and other providers shall also be accurately maintained. Such books and records shall be kept in a secure location and shall be available for inspection and copying by the State and its representatives at any time.

15. Key Personnel

- a. A resume for each member of Contractor's staff who will exercise a significant administrative, policy, or consulting role under this Agreement is attached to this Agreement as Attachment 1 to Exhibit A. These members of Contractor's staff shall be hereafter referred to (both individually and collectively) as "Key Personnel."
- b. Contractor shall not substitute, replace or reassign Key Personnel without the prior approval of the State.
- c. This Agreement may be terminated immediately, in the sole discretion of the State and upon written notice from the State to Contractor, because of any change in or departure of any of the Key Personnel.

16. Changes in Control, Organization or Key Personnel

Contractor shall promptly, and in any case within five (5) days, notify the State in writing: (i) if any of Contractor's representations and warranties, as set forth in this Agreement, cease to be true at any time during the term of this Agreement; (ii) of any change in Contractor's staff who exercises a significant administrative, policy, or consulting role under this Agreement, including without limitation any Key Personnel; (iii) of any change in the majority ownership, control, or business structure of Contractor; or (iv) of any other material change in Contractor's business, partnership or corporate organization. All written notices from Contractor under this provision shall contain sufficient information to permit the State to evaluate the changes within Contractor's staff or organization under the same criteria as was used by the State in its award of this Agreement to Contractor.

**EXHIBIT D
(Standard Agreement)**

17. Insurance Requirements

Contractor warrants that it carries adequate liability, worker's compensation and other necessary insurance and shall maintain such insurance at levels acceptable to the State in full force and effect during the term of this Agreement. Contractor agrees to furnish satisfactory evidence of this insurance coverage to the State upon request.

18. Subcontractors

- a. Contractor shall perform the work contemplated by this Agreement with resources available within its own organization except for subcontracted work identified in this Agreement or other attachment incorporated hereto. No other portion of the work pertinent to this Agreement shall be subcontracted without written authorization by the State. The subcontractor must be mutually agreed upon in advance by both parties.
- b. Contractor shall require that any subcontractor agree to be bound by all provisions of this Agreement, as applicable.

19. Notice of Proceedings

Contractor shall promptly notify the State in writing of any investigation, examination or other proceeding involving Contractor, including any Key Personnel, commenced by any regulatory agency, which proceeding is not conducted in the ordinary course of Contractor's business.

20. Cumulative Remedies

The rights and remedies provided herein are cumulative and are not exclusive of any rights or remedies that any party may otherwise have at law or in equity.

21. Binding Effect

This Agreement, any instrument or agreement executed pursuant to this Agreement, and the rights, covenants, conditions and obligations of Contractor and the State contained therein, shall be binding upon the parties and their successors, assigns and legal representatives.

22. Publicity

No publicity release or announcement concerning this Agreement or the transactions contemplated herein shall be issued by Contractor without advance written approval by the State.

23. Services or Procurement Resulting from Agreement

Neither Contractor, nor any of its subsidiaries, officers or directors, may submit a bid or be awarded a contract for the provision of services, procurement of goods or supplies, or any other related action which is required, suggested, or otherwise deemed to be an outgrowth of the advice or recommendations that Contractor provides under this Agreement.

EXHIBIT D
(Standard Agreement)

24. Agreement Does Not Violate Law

Contractor represents and warrants that neither the execution of this Agreement nor the acts contemplated hereby nor compliance by Contractor with any provisions hereof will:

- a. Violate any provision of the charter documents of Contractor;
- b. Violate any statute or law or ordinance or any judgment, decree, order, regulation or rule of any court or governmental authority applicable to Contractor; or
- c. Violate, or be in conflict with, or constitute a default under, or permit the termination of, or require the consent of any person under, any agreement to which Contractor may be bound, the violation of which in the aggregate would have a material adverse effect on the properties, business, prospects, earnings, assets, liabilities or condition (financial or otherwise) of Contractor.

25. Power and Authority

Contractor represents and warrants that it has the power and authority to enter into this Agreement and to carry out its obligations hereunder. The execution of this Agreement has been duly authorized by Contractor and no other proceeding on the part of Contractor is necessary to authorize this Agreement. Contractor has completed, obtained and performed all registrations, filings, approvals, authorizations, consents or examinations required by any government or governmental authority for its acts contemplated by this Agreement.

26. Signature Authorization

The person signing this Agreement warrants that he/she is an agent of Contractor and is duly authorized to enter into this Agreement on behalf of Contractor.

27. Entire Agreement; Order of Precedence

- a. This Agreement, including documents that have been incorporated in this Agreement by reference, contains all representations and the entire understanding between the parties hereto with respect to the subject matter hereof. Any prior correspondence, memoranda or agreements are replaced in total by this Agreement.
- b. In the event there are any inconsistencies or ambiguities among the terms of this Agreement and incorporated documents, the following order of precedence shall be used: (i) applicable laws; (ii) the terms and conditions of this Agreement, including exhibits and attachments; (iii) the Request for Proposal (RFP) if any; (iv) Contractor's response to the RFP if any; and (v) any other provisions, terms, or materials incorporated herein.

28. Termination at Option of the State

In addition to the provisions of Paragraph 7 of Exhibit C (General Terms and Conditions), this Agreement may be terminated in whole or in part at any time upon sixty (60) days' written notice by the State, for any reason. Upon receipt of a termination notice, Contractor shall promptly discontinue all services affected unless the notice specifies otherwise. In the event the State terminates all or a portion of this Agreement for any reason, it is understood that the State will provide payment to

EXHIBIT D
(Standard Agreement)

Contractor for satisfactory services rendered prior to the termination, but not in excess of the maximum amount of this Agreement.

29. Termination for Insolvency

Contractor shall notify the State immediately in writing in the event that Contractor files any federal bankruptcy action or state receivership action, any federal bankruptcy or state receivership action is commenced against Contractor, Contractor is adjudged bankrupt, or a receiver is appointed and qualifies. In the event of any of the foregoing events, or if the State determines, based on reliable information, that there is a substantial probability that Contractor will be financially unable to continue performance under this Agreement, the State may terminate this Agreement and all further rights and obligations immediately.

30. Completion

In the event of termination for default, the State reserves the right to take over and complete the work by contract or other means. In such case, Contractor will be liable to the State for any additional cost incurred by the State to complete the work whether reimbursed or not.

31. Effect of Termination

All duties and obligations of the State and Contractor shall cease upon termination of this Agreement, except that:

- a. Each party shall remain liable for any rights, obligations, or liabilities arising from activities carried on by it under this Agreement prior to the effective date of termination; and
- b. Contractor shall provide for the return of all records of the State to the State or its designee and shall cooperate fully to effect an orderly transfer of services.

32. Termination for Expatriation

Contractor shall notify the State immediately in writing in the event that Contractor or its parent files any notice with the Securities and Exchange Commission that Contractor intends to reincorporate offshore. In the event of such notice, the State may terminate this Agreement and all further rights and obligations immediately by giving five (5) days' notice in writing in the manner specified herein.

33. Compliance With Political Reform Act

Contractor acknowledges that the State is subject to the provisions of the Political Reform Act (Government Code section 81000 et seq. and all regulations adopted thereunder, including, but not limited to, California Code of Regulations, title 2, section 18700 et. seq.) and Contractor shall comply promptly with any requirement thereunder. If required by law, Contractor shall require its personnel, including without limitation, its Key Personnel all later substitutions therefore, to file Statements of Economic Interests in compliance with the Conflict of Interest Code for the Office of the State Treasurer and the various boards, authorities, commissions, and committees chaired by the State Treasurer (California Code of Regulations, title 2, section 1897). All such reports shall be filed simultaneously with the State.

EXHIBIT D
(Standard Agreement)

34. Darfur Contracting Act

Effective January 1, 2009, all Invitations for Bids (IFB) or Requests for Proposals (RFP) for goods or services must address the requirements of the Darfur Contracting Act of 2008 (Act). (Public Contract Code section 10475 et seq.) The Act was passed by the California Legislature and signed into law by the Governor to preclude State agencies generally from contracting with “scrutinized” companies that do business in the African nation of Sudan of which the Darfur region is a part, for the reasons described in Public Contract Code section 10475.

A scrutinized company is a company doing business in Sudan as defined in Public Contract Code section 10476. Scrutinized companies are ineligible to, and cannot, bid on or submit a proposal for a contract with a State agency for goods or services. (Public Contract Code section 10477(a).)

Therefore, Public Contract Code section 10478(a) requires a company that currently has (or within the previous three years has had) business activities or other operations outside of the United States to certify that it is not a “scrutinized” company when it submits a bid or proposal to a State agency. A scrutinized company may still, however, submit a bid or proposal for a contract with a State agency for goods or services if the company first obtains permission from DGS according to the criteria set forth in Public Contract Code section 10477(b).

35. Labor Neutrality Policy

CEFA recognizes the value of labor organizing and encourages the entities with which it contracts to demonstrate that they also value this principle by encouraging management neutrality in labor organizing activities.

To remain “neutral” means not to take any action or make any statement that will directly or indirectly state or imply any support for or opposition to the selection by the Contractor’s employees of a collective bargaining agent, or preference or opposition to any particular union as a bargaining agent. Nothing in this section obligates or prohibits the Contractor from entering into private neutrality, labor peace or other lawful agreements with a labor organization seeking to represent or who currently represents the Contractor’s employees.

EXHIBIT E
(Standard Agreement)

ADDITIONAL PROVISIONS

1. CONFLICT OF INTEREST; NO PROFIT

- A. Contractor certifies that its employees and the officers of its governing body shall avoid any actual or potential conflicts of interest, and that no officer or employee who exercises any functions or responsibilities in connection with this Agreement shall have any personal financial interest or benefit which either directly or indirectly arises from this Agreement.
- B. Contractor shall establish safeguards to prohibit its employees or its officers from using their positions for a purpose which could result in private gain or which gives the appearance of being motivated for private gain for themselves or others, particularly those with whom they have family, business, or other ties.

CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY (CEFA)

PROGRAM DESCRIPTION

Established in 1972 pursuant to statute, the California Educational Facilities Authority (the “Authority”) is a public instrumentality of the State of California and is authorized and empowered by the provisions of the California Educational Facilities Authority Act (the “Act”) to provide private institutions of higher education within the state an additional means by which to expand, enlarge, and establish dormitory, academic, and related facilities, to finance such facilities, and to refinance existing facilities through a tax-exempt revenue bond program. In 1995, the Act was amended to expand its purpose to include providing private and public institutions of higher education within the state an additional means to assist students in financing their costs of attendance, through its Student Loan Program.

Bond financings are usually brought to the Authority by an investment banking (underwriting) firm that serves as senior manager of the financing. Staff works together with the financing team to prepare the application for presentation to Authority board members. The Authority board meets monthly if there are any bond financing applications or action items for the agenda. The Authority consists of five members, including the State Treasurer, who serves as Chair, the State Controller, the Director of Finance, and two members appointed by the Governor.

Since its establishment in 1972, CEFA has issued over \$12.5 billion in bonds and currently has approximately \$4 billion in outstanding bonds. The Authority’s student loan portfolio has issued approximately \$265.4 million in bonds to both public and private institutions of higher education. More information can be found on the Authority’s website at <https://www.treasurer.ca.gov/cefa/>.