



**Request for Statements of Qualifications and Proposals for  
Financial Advisory Services  
Proposal Deadline: June 23, 2020, 4:00pm**

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# REQUEST FOR STATEMENTS OF QUALIFICATIONS AND PROPOSALS FOR FINANCIAL ADVISORY SERVICES

The Sacramento City Unified School District (“SCUSD” or “District”) is seeking Statements of Qualifications and Proposals (“SOQ/P”) from qualified Financial Advisory firms who are qualified and registered municipal advisors, in accordance with the Securities Exchange Act of 1934 and experienced in providing California school districts with financial advisory services and advice related to the issuance of General Obligation Bonds, Certificates of Participation, Bond Anticipation Notes, Tax and Revenue Anticipation Notes, refunding of long-term district debt, managing district indebtedness, and other issues related to financial advisory services or advice.

It is the intent of the District to select a firm that can meet or exceed the requirements set forth in this Request for Statements of Qualifications and Proposals (“RFQ/P”) and provide comprehensive financial services of the highest quality, as an independent registered municipal advisor, at a competitive fee.

Qualified firms are invited to submit a PDF version of proposals via email by 4:00 p.m. on June 23, 2020 to: [Jessica-sulli@scusd.edu](mailto:Jessica-sulli@scusd.edu).

This RFQ/P does not commit the Sacramento City Unified School District to award a contract or pay any costs incurred in the preparation of an SOQ/P. The District reserves the right to accept all or part of any SOQ/P, to cancel this solicitation in part or in its entirety, to accept the SOQ/P(s) that it considers to be in the best interest of the District, or to reject all SOQ/Ps.

## I. OVERVIEW OF THE SACRAMENTO CITY UNIFIED SCHOOL DISTRICT

The Sacramento City Unified School District is an urban district with an enrollment exceeding 40,000 students in 77 pre-K through Adult schools. The District covers 75 square miles. Neighborhoods served range from leafy affluent areas around the Capitol to federal housing projects. 72% of SCUSD students qualify for a free or reduced-price lunch; at 26 schools, 90-100% of students meet this federal poverty threshold. The District is governed by an elected board of seven members who serve four-year terms, and is staffed by over 3,000 teaching, support, and administrative employees.

## II. SCOPE OF SERVICES REQUIRED AND TIMELINE

The District is seeking proposals from Financial Advisory firms who are qualified and registered municipal advisors, in accordance with the Securities Exchange Act of 1934 and experienced in providing California school districts with financial advisory services and advice related to the issuance of General Obligation Bonds, Certificates of Participation, Bond Anticipation Notes, Tax and Revenue Anticipation Notes, refunding of long-term district debt, managing district indebtedness, and other issues related to financial advisory services and advice. The District successfully passed a general obligation bond measure in 2020, and will be continuing to issue bonds from that authorization over the coming years. Services that the District will likely be seeking over the contract period include the following:

- a. Provide the District with expert financial advice and assistance on financing techniques and options on matters pertaining to the issuance and sale of securities including General Obligation Bonds, Bond Anticipation Notes, Certificates of Participation and other municipal financing options available to California school districts, including Tax and Revenue Anticipation Notes.
- b. Provide the District with available financing options by conducting studies and analyses to determine the most appropriate and cost-effective financing methods, terms, security provisions and repayment structures.

- c. Provide bond financing schedules and sizing analyses for the District.
- d. Work cooperatively with and coordinate the work of recognized bond counsel and/or underwriter(s) to be selected by the District, in connection with the issuance of bonds or other debt.
- e. Assist Disclosure Counsel in the preparation of Preliminary and Final Official Statements to provide the market with timely and accurate information about the District and its bond issues.
- f. Provide the District with expert advice concerning the method of sale, type of bonds issued (current interest and/or capital appreciation) and the appropriate interest rates for its financing.
- g. Assist District officials in preparing materials for presentation to national credit rating services regarding the District's financial condition and debt structures.
- h. Advise the District of State and Federal legislation related to municipal financing matters and the impact proposed legislation will have on the District.
- i. Have representatives present at Board of Education meetings and other District meetings, when requested or notified, on matters concerning financing techniques and bond or other debt issues.
- j. Prepare other analyses that may be utilized by the District in its financings.
- k. Perform such other functions normally contemplated to be within the scope of a fully qualified financial advisor.
- l. Monitor the transaction process. Assist in both pre- and post-closing duties. Maintain debt service records on all outstanding District debt.

### **III. GENERAL INSTRUCTIONS, Q&A, ADDENDA, FORMS; LIMITATIONS**

Your proposal should be reviewed for accuracy before submission to the District. The District will not be responsible for errors or omission. The District reserves the right to waive any irregularities, or informalities in the SOQ/Ps.

All proposals must include a signature of an authorized officer of the Financial Advisory firm submitting the statement. The name and title of the person shall be included following the signature. Please return all required forms, with signature.

**Questions/Addenda** - In order to control information disseminated regarding this RFQ/P, respondents may not make personal contact with members of the Board of Education or District Administration. Any such contact shall be grounds for the disqualification of the firm submitting a SOQ/P. Questions may be submitted by email only, no later than 3:00 p.m. on June 17, 2020, to [Jessica-sulli@scusd.edu](mailto:Jessica-sulli@scusd.edu).

Responses to individual queries will be provided as soon as possible. If applicable, an Addendum will be posted by June 18, 2020 at the following link: [www.scusd.edu/rfp](http://www.scusd.edu/rfp).

This RFQ/P is neither a formal request for bids, nor an offer by the District to contract with any party responding to this RFQ/P. The District reserves the right to add, invite, or include additional respondents for consideration after distribution of this RFQ/P if it is found to be in the best interest of the District. The award of the contract pursuant to this RFQ/P, if at all, is at the sole discretion of the District.

The District makes no representation that participation in the RFQ/P process will lead to an award of contract or any consideration whatsoever. The District shall in no event be responsible for the cost of preparing any SOQ/P in response to this RFQ/P.

SOQ/Ps and any other supporting materials submitted to the District in response to this RFQ/P will not be returned and will become the property of the District unless portions of the materials are designated as proprietary at the time of submittal, and are specifically requested to be returned. Vague designations and/or blanket statements regarding entire pages or documents are insufficient and will not bind the District to protect the designated matter from disclosure. Pursuant to *Michaelis, Montanari, & Johnson v. Superior Court* (2006) 38 Cal.4th 1065, SOQ/Ps shall be held confidential by the District and shall not be subject to disclosure under the California Public Records Act until after either: (1) the District and the successful Respondent have completed negotiations and entered into an Agreement, or (2) the District has rejected all Proposals. Furthermore, the District will have no liability to the Respondent or other party as a result of any public disclosure of any SOQ/P.

#### **IV. CONTENTS AND FORMAT OF PROPOSALS**

To be considered, proposals must be clear, concise, complete, well organized and demonstrate both respondent's qualifications and ability to follow instructions. The quality of answers, not length of responses or visual exhibits is what is important.

Due to current office closures, respondents shall submit one (1) signed, PDF version of their proposal, in 12-point font, on 8 ½" x 11" pages, not to exceed fifteen (15) pages. An appendix with resumes of the firm's staff members and any sub-consultants will be permitted, but not required, and will not be counted as part of the 15-page limit.

**Your SOQ/P should follow the order and format specified below, with tabs for each section corresponding to the lettered sections shown below.**

##### **A. Submittal Letter**

Include a one-page cover letter, with contact information, signed by an officer of the firm.

##### **B. Description of Firm**

Briefly provide a description of your firm including the names of your firm's professionals, their qualifications and number of years of experience in municipal finance in general, and CA K-12 school district finance in particular.

##### **C. References**

Please include a list of K-12 school districts and contact information including the name, phone number and email addresses of the individual at each district listed in which your firm acted as financial advisor during the past five years. Include the type of financing (e.g., general obligation bond, bond anticipation

note, refunding bond, certificate of participation, etc.) for which your firm provided financial advisory services to the school district.

**D. Organizational Structure**

Describe your firm's organizational structure. Supply the name or names of the principal contacts who will be providing services to the District, along with brief resumes.

**E. Capabilities, Qualifications, and Benefits of the Firm**

List your firm's resources in terms of technology, programs, and personnel, and the location of these services. Please confirm that your firm is a registered municipal advisor in accordance with the Securities Exchange Act of 1934. Please describe what distinguishes your firm from other financial advisory firms and how said services will benefit the District financially.

**F. Fees/Cost Proposal.**

Please provide your firm's proposed fees for the issuance of General Obligation Bonds, Bond Anticipation Notes, Certificates of Participation, Tax and Revenue Anticipation Notes, and Refundings. Further, identify consultant fees, if *any*, for services the District might require for municipal financing not directly related to the issuance of a bond/note/COP. If there are to be charges for reimbursable expenses, please list all charges to be considered reimbursable and provide a not-to-exceed amount for said expenses.

As the District may issue GO Bonds, refund COPS and/or refund other debt on the same day, include what your maximum fee will be for combined transactions.

**G. Recent Transactions**

Please select four (4) to six (6) recent (since 2016) short term and long term, fixed rate and/or adjustable rate competitive sale or negotiated transactions in which your firm was involved. List the following information regarding each transaction: name of the professional consultant within your firm handling the issue, sale date, issue size, maturity amounts, scale and optional call features, underwriting spread, credit rating and enhancement (if any), financial advisory fee charged for each listed transaction and any other relevant information.

**H. Agreement**

Selected firm(s) must be willing and able to execute the District's standard agreement in substantially the form attached to this RFQ/P as Exhibit A. Firms responding to this RFQ/P must acknowledge that they have reviewed these provisions of the agreement and must agree to the indemnity and insurance provisions contained in the District's standard agreement and confirm in writing that, if given the opportunity to contract with the District, the firm either (a) has no substantive objections to the use of the District's standard agreement, or (b) has outlined which terms are not acceptable and how proposer proposes they be amended. Proposer's amended terms will be part of District's consideration in choosing a firm.

## **I. Legal Issues**

Please respond to each of the following questions:

- Is there any pending or, to your knowledge, threatened, legal action or investigation alleging violations of the law in connection with an offering of municipal securities in a California transaction against your firm or any employee of the firm? Please describe each such pending action.
- Have there been any settlements or judgments involving such actions or investigations (described in the previous question) within the last ten (10) years?
  - Please describe each such settlement or judgment, including the nature of the action or investigation and the amount of recovery.
- Are there pending legal or disciplinary matters involving such actions or investigations against the firm by any State or Federal regulatory agency and, if yes, describe. Include information about any criminal indictments or convictions against the firm or its attorneys where the charges involved municipal securities in the United States. Also include information about any material pending legal action, settlement, or judgment involving a claim of fraud, whether civil or criminal.
- Does the Respondent have any past or pending litigation or claims against or concerning the District? If so, please cite the pending action and any outcome.
- Does the Respondent have any contractual relationship that could be construed as a potential conflict of interest? If so, please explain.

## **J. Other**

Each firm is encouraged to provide any additional information or description of resources that are pertinent to the services requested by the District in this RFQ/P.

## **K. District Required Forms**

Please include the following District Required Forms, provided in Appendix 1, with your proposal (not included in page count):

- *Offer to Enter Into Contract*
- *Terms and Conditions*
- *Qualification Certification*
- *NonCollusion Declaration*

## **V. PROPOSAL SUBMISSION AND DEADLINE**

Proposals must be received by the District no later than **4:00 p.m. on June 23, 2020**. Once submitted, responses become the property of the District. No corrected or resubmitted proposals will be accepted after the deadline.

Electronically submit **one (1) PDF version** of your Statement of Qualifications/Proposal plus the District-required forms from Appendix 1, to: [Jessica-sulli@scusd.edu](mailto:Jessica-sulli@scusd.edu).

This RFQ/P does not commit the District to award a contract or pay any costs incurred in the preparation of proposals. The District reserves the right to accept all or part of any proposal, to cancel this solicitation in part or in its entirety, to accept the proposal(s) that it considers to be in the best interest of the District, or to reject all proposals. The District retains the sole discretion to determine issues of compliance and to determine whether a respondent firm is responsive, responsible, and qualified.

## **VI. EVALUATION OF PROPOSALS, INTERVIEWS, SELECTION OF FIRM**

Proposals will be evaluated based on the following criteria (not listed in the order of importance):

- A.** Demonstrated understanding and responsiveness of the Request for Qualifications – *10 points*
- B.** Qualifications and experience of firm. Competence and experience of assigned staff in structuring and completing California school district financings. – *20 points*
- C.** Past experience in the successful issuance of bonds, certificates of participation, tax and revenue anticipation notes, refunding bonds, etc. – *20 points*
- D.** Cost Proposal/Fees – *45 points*
- E.** Knowledge of the District and experience in working with other K-12 school districts in California – *5 points*

### **FINALIST INTERVIEWS**

The District may choose to interview any, all, or none of the respondents as may be in the best interest of the District. If interviews are held, selected firms will be notified as to place, time, date and purpose of the interview.

### **SELECTION OF FIRM**

**The District will make a selection and recommendation to the Board of Education following evaluation of proposals and finalist interviews. Finalists will attain a final score based on their written SOQ/P (100 points per Sec. VI above) and their interview (50 points).** The candidate attaining the highest total score, following the interviews, will be recommended to the Board of Education for selection and contract award.

The District reserves the right to accept all or part of any SOQ/P, to cancel this solicitation in part or in its entirety, to waive any informality in SOQ/P submissions, or to reject all SOQ/Ps.

The District reserves the right to select the firm that, in the District's judgment, will best meet the District's needs, at a competitive cost. The Board of Education further reserves the right to make the contract award to be in the best interest of the District. The Board's decision to accept or reject the award recommendation of District Administration shall be final.

Thank you for your interest in working with SCUSD. The District welcomes your proposals!

**APPENDIX 1**  
**DISTRICT-REQUIRED FORMS**

*Please complete, sign and return all forms with your SOQ/P response:*

- *Offer to Enter Into Contract*
- *Terms and Conditions*
- *Qualification Certification*
- *NonCollusion Declaration*

**OFFER TO ENTER INTO CONTRACT**

The undersigned hereby proposes to enter into an agreement with the Sacramento City Unified School District and to furnish services as described in this Request for Statement of Qualifications and Proposal.

**Name and Address of Financial Advisory Firm:**

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City and State: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Fax Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

**Signature of Authorized Officer or Employee of Financial Advisory Firm:**

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## TERMS AND CONDITIONS

1. **INSTRUCTIONS AND USE OF FORMS.** In order to preserve uniformity and to facilitate the award of contracts, Respondents shall complete and return the enclosed District-required forms with their SOQ/P responses.
2. **ACCEPTANCE OR REJECTION OF RESPONSES.** The District reserves the right to reject any and all Responses that are incomplete, contain errors, arrive after the due date/time or are submitted by unqualified vendors. The District reserves the right not to award a contract if the District, in its sole discretion, deems the responses received pursuant to this RFQ/P lacking in any respect or insufficient to meet the District's requirements and needs.
3. **PROPOSAL PROTESTS.** The following instructions must be followed by a Respondent who wishes to challenge the District's selection and award of any contract pursuant to this RFQ/P:
  - (a) Any protest must be submitted in writing to Sacramento City Unified School District, Contracts Office, 5735 47<sup>th</sup> Avenue, Sacramento, CA 95824, with a PDF copy to [Jessica-sulli@scusd.edu](mailto:Jessica-sulli@scusd.edu) before 3:00 p.m. on the fifth (5th) business day following the District's notification of its intention to award a contract pursuant to this RFQ/P.
  - (b) Only vendors who submitted a proposal in response to this RFQ/P may file a protest.
  - (c) Protests must contain the following specific information:
    - Protestor's name, address, tele. no. and email address;
    - Date on which protestor's Response was submitted to the District;
    - Protestor's specific, detailed basis for the protest, which must be supported by facts and/or documentation. Protests based on hearsay, feelings or opinions not supported by facts, will be deemed invalid.
  - (d) The protestor shall send a copy of the initial protest document and any attached documentation to all other parties that may be affected financially by the outcome.
  - (e) The District will review and evaluate the protest for validity, including, if required, review by outside counsel. The District and/or counsel will provide a response within ten (10) days of review of the protest letter.
  - (f) If upon review, the proposal protest is found to be frivolous or lacking validity, the protest will be rejected and the protesting party may be deemed ineligible to participate in future District RFPs or contracts.
4. **ASSIGNMENT PROHIBITED.** No contract awarded as a result of this RFQ/P and a Proposer's SOQ/P shall be assigned without the express, prior written approval of the District. Any attempted assignment of an awarded contract in violation of this provision may be voided at the option of the Board of Education.
5. **NO CONTACT WITH BOARD OF EDUCATION.** Respondents may not contact any member of the District's Board of Education ("Board") regarding this RFQ/P, unless specifically invited to an interview conducted by the Board.

6. **NON-DISCRIMINATION.** The District does not discriminate in the selection, acceptance, or treatment of any contractor based upon race, color, national origin, religion, sex, sexual orientation, handicap, age, veteran's status, medical condition as defined in Section 12926 of the California Government Code, ancestry, marital status, or citizenship, within the limits imposed by law. The District likewise prohibits discrimination by contractors and subcontractors, and may require the successful firm awarded a contract pursuant to this RFQ/P to give written notice of their obligations to labor organizations with which they have a collective bargaining or other agreement, in compliance with Government Code 12990.

**ACCEPTANCE OF TERMS AND CONDITIONS**

The undersigned hereby acknowledges receipt and acceptance of the above Terms and Conditions.

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Qualification Certification**

I, the undersigned, certify and declare, with specific reference to the California False Claims Act, Government Code sections 12650, *et seq.*, that I have reviewed all of the information presented in my firms submittal of a Statement of Qualifications and Proposal (“SOQ/P”) to the Sacramento City Unified School District RFQ/P issued June 9, 2020 for financial advisory services, and know the contents of such SOQ/P. The matters stated in the SOQ/P are true of my own knowledge and belief, except as to those matters stated on information and belief, and, as to those matters, I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct.

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**NONCOLLUSION DECLARATION TO BE EXECUTED AND RETURNED WITH PROPOSAL**  
(Public Contract Code Section 7106)

The undersigned declares:

I am the \_\_\_\_\_ of \_\_\_\_\_, the party making the foregoing statement of qualifications and proposal (SOQ/P).

The SOQ/P is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation. The SOQ/P is genuine and not collusive or sham. The respondent has not directly or indirectly induced or solicited any other respondent to put in a false or sham SOQ/P. The respondent has not directly or indirectly colluded, conspired, connived, or agreed with any respondent or anyone else to put in a sham SOQ/P, or to refrain from proposing. The respondent has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the proposal price of the respondent or any other respondent, or to fix any overhead, profit, or cost element of the proposal price, or of that of any other respondent. All statements contained in the SOQ/P are true. The respondent has not, directly or indirectly, submitted his or her proposal price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof, to effectuate a collusive or sham bid, and has not paid, and will not pay, any person or entity for such purpose.

Any person executing this declaration on behalf of a respondent that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the respondent.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on \_\_\_\_\_ [date], at \_\_\_\_\_ [city], California.

Date: \_\_\_\_\_

Name of Respondent: \_\_\_\_\_

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

## EXHIBIT A

### PROFESSIONAL SERVICES AGREEMENT FOR FINANCIAL ADVISOR

This Professional Services Agreement for Financial Advisor (“Agreement”) has been entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2020 by and between the Sacramento City Unified School District (“District”) and \_\_\_\_\_ (“Advisor”).

**WHEREAS**, the District desires independent financial advisory services to be performed in connection with the issuance of bonds and debt obligations (“Financing Services”); and

**WHEREAS**, the Advisor is registered, qualified and licensed to provide Financing Services to the District.

**NOW, THEREFORE**, in consideration of the above recitals and the mutual covenants and conditions hereinafter set forth, it is agreed as follows:

#### **Section 1. Financing Services.**

As directed by the District, Advisor will provide services (“Financing Services”) in connection with the completion of one or more debt financings as more specifically described in **Attachment A** hereto. Financings may include, without limitation, general obligation bonds, certificates of participation or lease financings, bond anticipation notes, tax and revenue anticipation notes, and refunding of debt (“Debt Financing”). Advisor shall act as a fiduciary to the District in the performance of the Financing Services and Additional Services (defined below).

#### **Section 2. Additional Services.**

Financing Services performed for the District by Advisor that are not otherwise specifically identified in **Attachment A** to this Agreement shall be additional services (“Additional Services”) performed for additional compensation at the direction of the District. Additional Services include, but are not limited to, the following:

2.01 Assisting the District in obtaining enabling legislation.

2.02 Financial management services, including development of financial policies and/or administrative regulations, capital improvement plans, economic development planning, credit analysis (other than preparation for rating agency presentations that may be part of the Financing Services).

2.03 Services rendered in connection with any undertaking of the District relating to a continuing disclosure agreement entered into in order to comply with Securities and Exchange Commission Rule 15c2-12 or other similar rules.

2.04 Services rendered to the District in connection with calculations or determination of any arbitrage rebate liability to the United States of America arising from investment activities associated with a debt financing.

### **Section 3. Compensation.**

3.01 For Advisor's performance of Services and Additional Services, the Advisor's compensation will be as provided **Attachment B** hereto, plus Advisor's expenses incurred in rendering such Services and Additional Services. Advisor's expenses may include, but are not limited to travel, telephone/conference calls, postage, courier, database access services, and printing.

3.02 Advisor shall submit monthly invoices for payment for Additional Services provided pursuant to Section 2 of this Agreement unless an alternate date or dates have been specifically agreed to in writing. Unless otherwise specified, payment of Advisor's compensation and expenses is due thirty (30) days after submission of Advisor's invoice for services.

### **Section 4. Personnel.**

Advisor has sufficient qualified and licensed personnel available to perform the Financing Services under this Agreement. District's lead contact person for this Agreement shall be \_\_\_\_\_. Advisor shall make available other qualified personnel of the firm as may be required to complete Advisor's Financing Services or Additional Services. The District has the right to approve or disapprove any proposed changes in Advisor's staff providing Financing Services or Additional Service to the District.

### **Section 5. Term of Agreement.**

5.01 This Agreement shall commence on \_\_\_\_\_, 2020 and shall continue in full force and effect through \_\_\_\_\_, unless terminated sooner by either party in accordance with this Agreement. The term of this Agreement may be extended from time to time as agreed by the District and the Advisor in writing.

5.02 Either Party may terminate this Agreement without cause upon 30 days' written notice to the non-terminating Party. Upon such termination, Advisor shall promptly submit a final invoice for any Financing Services or Additional Services for which compensation hereunder has not been paid. In the event that District terminates this Agreement pursuant to this section, District shall compensate Advisor for any Financing Services or Additional Services satisfactorily completed to the date of termination and for which an invoice is provided. Upon termination, Advisor shall provide the District with all documents produced, maintained or collected by Advisor pursuant to this Agreement, whether or not such documents are final or draft documents.

### **Section 6. Assignment.**

The rights and obligations of the District under this Agreement shall inure to the benefit of and shall be binding upon the successors and assigns of the District. This Agreement may not be assigned by the Advisor without the prior written consent of the District.

### **Section 7. Market Disclosure.**

Advisor does not assume the responsibilities of the District or the responsibilities of the other professionals and vendors representing the District, such as bond underwriters, in the provision of Financing Services and the preparation of the financing documents, including initial and secondary market disclosure. Information obtained by Advisor for inclusion in any disclosure documents shall be provided from credible sources which Advisor in its expertise believes are accurate.

**Section 8. Confidentiality.**

The Advisor agrees that all financial, statistical, personal, technical and other data and information designated by the District as confidential shall be protected by the Advisor from unauthorized use or disclosure.

**Section 9. Indemnification.**

The Advisor shall indemnify and hold harmless the District from and against any and all losses, claims, damages, expenses, including legal fees for defense, or liabilities, collectively, damages, to which District may be subjected by reason of Advisor's acts, errors or omissions arising out the performance of the Financing Services and the Additional Services; provided, however, that Advisor shall not indemnify the District from or against damages arising from conditions beyond the control of Advisor or arising from the intentional or willful misconduct of the District.

**Section 10. Insurance.**

10.01 Advisor shall maintain workers' compensation and employer's liability insurance during the term of this Agreement.

10.02 Advisor, at its own expense, shall obtain and maintain insurance at all times during the prosecution of this contract. Such insurance must be written with a Best Guide "A"-rated or higher insurance carrier admitted to write insurance in the state where the work is located.

10.03 Certificates of insurance naming the District as an additional insured shall be submitted to the District evidencing the required coverages, limits and locations of operations to which the insurance applies, and the policies of insurance shall contain a 30 day notice of cancellation or non-renewal.

10.04 Insurance coverages shall not be less than the following:

A. Workers' Compensation

1. State worker's compensation statutory benefits
2. Employer's Liability - policy limits of not less than \$1,000,000.

B. Comprehensive General Liability coverage with policy limits of not less than \$1,000,000 combined single limit for bodily injury and property damage and including coverage for the following:

1. Premises operations
2. Contractual liability
3. Products
4. Completed operation

C. Errors and omissions with policy limits of \$2,000,000.

## **Section 11. Registration; Permits; Licenses.**

Advisor represents and warrants to the District (i) it is a “municipal advisor” (within the meaning of Section 15B of the Securities Exchange Act of 1934), (ii) has registered in accordance with Rules 15Ba1-1 through 15Ba1-8 and 15Bc4-1 of the Securities Exchange Commission (“SEC”), effective July 1, 2014, with the SEC and the Municipal Securities Rulemaking Board (“MSRB”), and (iii) all employee performing Financing Services under this Agreement are properly licensed and qualified to perform all Financing Services and Additional Services required or provided, and shall maintain in full force throughout the Term of this Agreement all registration, licenses, credentials, permits and any other legal qualifications required by law to perform the Financing Services and Additional Services and to fully and faithfully satisfy all of the terms set forth in this Agreement.

## **Section 12. Other Terms.**

12.01 The waiver by either party of any breach of any term, covenant, or condition contained in this Agreement shall not be deemed to be a waiver of such term, covenant, condition, or any subsequent breach of the same or any other term, covenant, or condition contained herein.

12.02 All agreements, terms, provisions, conditions and covenants contained herein are severable and in the event any of them shall be held to be invalid, void, or unenforceable by any court of competent jurisdiction, this Agreement shall be interpreted as if such invalid agreement, term, provision, condition or covenant was not contained herein, and the remaining agreements, terms, provisions, conditions and covenants of this Agreement shall not be affected by such determination and shall remain in full force and effect. This Agreement shall not fail because any part or any clause hereof shall be held invalid, void, or unenforceable.

12.03 Advisor represents and warrants to District that this Agreement has been duly authorized and executed by it and constitutes a valid and binding agreement of Advisor. This Agreement is not valid as against District unless and until it is approved/ratified by the District’s Governing Board. Financing Services and Additional Services shall not be rendered hereunder until Agreement is so approved or ratified.

12.04 The validity, interpretation and construction of this Agreement and of each part hereof shall be governed by the laws of the State of California. Venue for any lawsuit or proceeding concerning this Agreement shall be properly initiated and maintained in Sacramento County, California.

12.05 This Agreement constitutes the entire agreement between the Parties and supersedes all prior discussions, negotiations, and agreements, whether oral or written. This Agreement may be amended or modified only by a written instrument executed by both Parties.

## **Section 13. Conflict of Interest**

Compensation contingent on the completion of a Debt Financing is customary for financial advisors. To the extent that compensation to the Advisor is contingent on the issuance of a Debt Financing, a potential conflict of interest exists as Advisor would have an incentive to recommend that the District complete a Debt Financing that might be unnecessary. Advisor, in its duty as a financial fiduciary to the District, shall refrain from making recommendations to the District that are not in the District’s best interest, and shall provide information to substantiate its recommendations to District.

**Section 14. Independent Contractor**

Advisor, in the performance of this Agreement, shall be and act as an independent contractor with the sole authority for controlling and directing the performance of the details of the Financing Services and Additional Services, District being interested only in the results obtained. Advisor understands and agrees that he/she and all of his/her employees shall not be considered officers, employees, agents, partner, or joint venture of the District, and are not entitled to benefits of any kind or nature normally provided employees of the District and/or to which District's employees are normally entitled, including, but not limited to, State Unemployment Compensation or Worker's Compensation. Advisor shall assume full responsibility for payment of all federal, state and local taxes or contributions, including unemployment insurance, social security and income taxes with respect to Advisor's employees. If Advisor is not a resident of California and is not exempt from withholding, the District shall withhold California income taxes as required by the Revenue & Taxation Code. Advisor shall still be responsible for payment of all state and federal taxes.

**Section 15. Notices**

Any notice required or permitted to be given under this Agreement shall be deemed to have been given, served, and received if given in writing and either personally delivered or deposited in the United States mail, registered or certified mail, postage prepaid, return receipt required, or sent by overnight delivery service, or facsimile transmission, addressed as follows:

DISTRICT

Sacramento City Unified School District  
5735 47<sup>th</sup> Avenue  
Sacramento, CA 95824  
ATTN: \_\_\_\_\_

ADVISOR

[ADVISOR NAME]  
[STREET]  
[CITY], CA [ZIP CODE]  
[FAX]  
ATTN: \_\_\_\_\_

Any notice personally given or sent by facsimile transmission shall be effective upon receipt. Any notice sent by overnight delivery service shall be effective the business day next following delivery thereof to the overnight delivery service. Any notice given by mail shall be effective three (3) days after deposit in the United States mail.

**IN WITNESS** Whereof, the parties have duly executed this Agreement as of the day and year first above set forth.

“DISTRICT”

SACRAMENTO CITY UNIFIED SCHOOL DISTRICT

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Rose Ramos  
Chief Business Officer

“ADVISOR”

[NAME OF COMPANY]

By: \_\_\_\_\_ Date: \_\_\_\_\_  
[NAME]  
[TITLE]

## ATTACHMENT A

### DESCRIPTION OF FINANCING SERVICES

#### *Scope of Services*

##### **A. Performance of Services.**

The Advisor shall perform all the duties and services specifically set forth herein and shall provide such other services as it deems necessary or advisable, or are reasonable and necessary to accomplish the District's objectives in a manner consistent with the standards and practice of professional financial advisors prevailing at the time such services are rendered to the District.

The District may, with the concurrence of Advisor, expand this Agreement to include any Additional Services not specifically identified within the terms of this Agreement. Any Additional Services may be described in an addendum to this **Attachment A** and are subject to fees described in **Attachment B** to this Agreement.

##### **B. Financing Services.**

The Advisor shall assume primary responsibility for assisting the District in coordinating the planning and execution of each Debt Financing during the Term. Insofar as the Advisor is providing Financing Services which are rendered only to the District, the overall coordination of the Debt Financing shall be such as to minimize the costs of the transaction coincident with maximizing the District's financing flexibility and capital market access. The Advisor's Financing Services shall include, but shall not be limited to, the following:

Specifically, Advisor will:

###### 1. Establish Financing Objectives.

Advisor shall review the District's financing needs and in conjunction with the District's staff, outline the objectives of each financing transaction to be undertaken and its proposed form. Advisor shall assess District's bonding capacity, as applicable, assist in development of bond authorization amounts and repayment and sizing scenarios. At District's direction, Advisor shall participate in meetings of the bond finance team as needed prior to the election.

###### 2. Develop the Financing Timetable.

The Advisor shall take the lead role in preparing a schedule and detailed description of the interconnected responsibilities of each team member and update this schedule, with refinements, as necessary, as the work on each Debt Financing progresses.

###### 3. Monitor the Transaction Process.

The Advisor shall have primary responsibility for the successful implementation of a Debt Financing. The

Advisor shall coordinate (and assist, where appropriate) in the preparation of the legal and disclosure documents and shall monitor the progress of all activities leading to the sale of each Debt Financing. The Advisor shall prepare the timetables and work schedules necessary to achieve this end in a timely, efficient and cost-effective manner and will coordinate and monitor the activities of all parties engaged in the Debt Financing transaction.

4. Review the Official Statement.

Advisor shall work with the District's disclosure counsel in preparation of the official statement for each Debt Financing, if applicable, to ensure that the District's official statement is compiled in a manner consistent with industry standards.

5. Procure and Coordinate Additional Service Providers.

The Advisor may act as District's representative in procuring the services of Education, paying agents, fiscal agents, feasibility consultants, redevelopment consultants, or escrow verification agents or other professionals, if the District directs.

6. Provide Assistance on Financing Documentation.

The Advisor shall assist the managing underwriters, bond counsel and/or other legal advisors in the drafting of the respective financing resolutions, notices and other legal documents for a Debt Financing. Advisor shall monitor document preparation for a consistent and accurate presentation of the recommended business terms and financing structure of each debt issue.

7. Computer Sizing and Design Structure of Debt Issue.

The Advisor shall work with the District's staff to design a financing structure for each Debt Financing that is consistent with the District's objectives and debt management policies, industry best practices, and that coordinates each transaction with outstanding issues and that reflects current conditions in the capital markets.

8. Plan and Schedule Rating Agency Presentation and Investor Briefings.

The Advisor shall lead the development of a plan for presenting the issuance of a Debt Financing to rating agencies and the investor community. The Advisor shall schedule rating agency visits, if appropriate, to assure the appropriate and most knowledgeable rating agency personnel are available for the presentation and will develop presentation materials and assist the District officials in preparing for the presentations.

9. Conduct Credit Enhancement Evaluation and Procurement.

Upon the District's direction, the Advisor will initiate discussions with bond insurers, letter of credit providers and vendors of other forms of credit enhancements to determine the availability of and cost benefit of securing financing credit support.

10. Conduct Market Analysis and Evaluate Timing of Market Entry.

The Advisor shall provide regular summaries of current municipal market conditions, trends in the market and how these may favorably or unfavorably affect the District's proposed Debt Financing. The Advisor shall perform a thorough evaluation of market conditions preceding the negotiation of the terms of the sale of debt and will assist the District with the negotiation of final issue structure, interest rates, interest cost, reoffering terms and gross underwriting spread and provide a recommendation on acceptance or rejection of the offer to purchase the debt.

11. Provide Pre-Closing and Closing Activities.

The Advisor shall assist in arranging for the closing of each Debt Financing. The Advisor shall assist bond counsel in assuming responsibility for such arrangements as they are required, including arranging for or monitoring the progress of bond printing, qualification of issues for book-entry status, executing or orchestrating execution of closing certificates, and signing and final delivery of the securities and settlement of the costs of issuance.

**ATTACHMENT B  
ADVISOR COMPENSATION**

**[This attachment to be completed after selection of successful vendor]**

***Fees and Expenses***

**Part 1: Fee for Financing Services**

Financing Services performed pursuant to Section 1 of this Agreement, and as more fully described in the Scope of Services set forth in **Attachment A**, will be billed for at the amounts set forth below.

[To be completed after selection of Financial Advisor]

Payment of fees earned by Advisor pursuant to this Part 1 shall be contingent on, and payable at the closing of the Debt Financing issue(s) undertaken to finance the Project. Only fees for bond issuance services may be paid from bond proceeds.

**Part 2: Other Services**

Unless agreed to otherwise, Additional Services, or services not described in **Attachment A**, shall be performed at the following hourly rates. The table below reflects the rates in effect as of the date of execution of this Agreement.

[To be completed after selection of Financial Advisor]

**Expenses**

Expenses will be billed separately and will cover, among other things, travel, lodging, subsistence, overnight courier, conference call, computer, and fax transmission charges for a maximum of \$\_\_\_\_\_ per transaction. Advances made on behalf of the District for costs of preparing, printing or distributing disclosure materials or related matter whether by postal services or electronic means, may also be billed through to the District upon prior authorization.