



**REQUEST FOR PROPOSALS FOR
INVESTMENT BANKING SERVICES
FOR THE
ENERGY REVOLVING LOAN FUND PROGRAM
OF THE
IOWA FINANCE AUTHORITY
AND
DEPARTMENT OF ADMINISTRATIVE SERVICES**

ARTICLE 1 -- INTRODUCTION

1.1 Purpose

The purpose of this Request for Proposals (“RFP”) is to solicit proposals from Investment Banking Finance Authority (“Authority”) and the Department of Administrative Services (“DAS”). By Iowa statute, the Treasurer of State selects the finance professionals for the Authority. The Treasurer of the State of Iowa (“Treasurer”) and the Authority intend to award a four year contract beginning on or around June 22, 2012 and ending on June 21, 2016, with up to two additional one (1) year extensions.

This RFP is designed to provide firms with the information necessary for the preparation of competitive bid proposals. The RFP process is for the Authority’s benefit and is intended to provide the Authority and the Treasurer with competitive information to assist in the selection process. This RFP is not intended to be comprehensive. Each firm is responsible for determining all factors necessary for submission of a comprehensive bid proposal.

1.2 Background Information

The Authority and DAS jointly administer a revolving loan program with funds received from the State Energy Program (SEP) American Recover and Reinvestment Act from the US Department of Energy. The loans will fund investments in energy efficiency measures for public entities. There is approximately \$12.5 million of these funds. DAS is responsible for all programmatic, eligibility, and compliance decisions for the program. The Authority is responsible for all accounting, disbursements and loan servicing functions. The goal is to leverage the original funds with tax-exempt bonds and/or Qualified Energy Conservation Bonds (QECB’s) to create a viable, long term revolving loan fund for public energy conservation projects.

ARTICLE 2 -- ADMINISTRATIVE INFORMATION

2.1 Issuing Officer

The Issuing Officer, identified below, is the sole point of contact regarding the RFP from the date of issuance until selection of the successful firm or firms.

Lori Beary, Issuing Officer
Iowa Finance Authority
2015 Grand Avenue
Des Moines, Iowa 50312
Lori.beary@iowa.gov

2.2 Restriction on Communication

From the issue date of this RFP until announcement of the successful firms, firms may contact only the Issuing Officer. The Issuing Officer will respond only to questions regarding the procurement process. Questions related to the interpretation of this RFP must be **submitted via e-mail** to the Issuing Officer by 4:30 p.m., central time, May 31, 2012. Verbal questions related to the interpretation of this RFP will not be accepted. Firms may be disqualified if they contact any Authority board member or employee other than the Issuing Officer.

2.3 Downloading the RFP from the Internet

Any amendments will be posted on either the Authority’s website at www.iowafinanceauthority.com or the Treasurer’s website at www.treasurer.state.ia.us. The firm is advised to check the Authority’s website and the Treasurer’s website periodically for amendments to this RFP.

2.4 Procurement Timetable

The following dates are set forth for informational and planning purposes; however, the Treasurer and the Authority reserve the right to change the dates.

The timetable for the RFP is as follows:

<i>Event</i>	<i>Date Due</i>
RFP Issued	May 25, 2012
Questions Due	May 31, 2012
Responses to Questions	June 5, 2012
Proposals, transmittal letter, and attachments due	June 11, 2012
Target date to announce award	June 22, 2012

2.5 Questions and Requests for Clarification

Firms are invited to submit written questions and requests for clarifications regarding the RFP. The questions or requests for clarifications must be **submitted via e-mail** and received by the Issuing Officer before 4:30 p.m., central time, May 31, 2012. Oral questions will not be permitted. If the questions or requests for clarifications pertain to a specific section of the RFP, the page and section number(s) must be referenced. Written responses to questions and requests for clarifications will be sent via e-mail on or before June 5, 2012 and posted online at www.iowafinanceauthority.gov. The written responses will be considered part of the RFP.

2.6 Amendment to the RFP and Bid Proposal and Withdrawal of Bid Proposal

The Treasurer and the Authority reserve the right to amend the RFP at any time. The firm shall acknowledge receipt of any and all amendments in its proposal. If the amendment occurs after the closing date for receipt of bid proposals, the Treasurer and the Authority may, in their sole discretion, allow firms to amend their bid proposals in response to the amendment if necessary.

Firms who submit proposals in advance of the deadline may withdraw, modify, and resubmit proposals at any time prior to the deadline for submitting proposals. The amendment must be in writing, signed by the firm and received by the time set for the receipt of proposals. Firms must notify the Issuing Officer via email if they wish to withdraw their proposals.

2.7 Submission of Bid Proposals

The bid proposal must be a PDF attachment **submitted via email** addressed to the Issuing Officer pursuant to Sections 2.1 and 2.4 and must be received by 4:30 p.m., central time, June 11, 2012. **Any bid proposal received after this deadline will be rejected.** Firms must furnish all information necessary to evaluate the bid proposal. Bid proposals that fail to meet the mandatory requirements of the RFP will be disqualified. Verbal information provided by the firm shall not be considered part of the firm's proposal.

2.8 Bid Proposal Opening

The bid proposals will remain confidential until the Evaluation Committee has reviewed all bid proposals submitted in response to this RFP and the Treasurer has announced a notice of intent to award a contract. See Iowa Code Section 72.3.

2.9 Costs of Preparing the Bid Proposal

The costs of preparation and delivery of the bid proposal are solely the responsibility of the firm submitting such proposal.

2.10 Rejection of Bid Proposals

The Treasurer and the Authority reserve the right to reject any or all bid proposals, in whole and in part, received in response to this RFP. Issuance of this RFP in no way constitutes a commitment by the Treasurer and the Authority to award a contract. This RFP is designed to provide firms with the information necessary to prepare a competitive bid proposal. This RFP process is for the Authority's benefit and is intended to provide the Authority and the Treasurer with competitive information to assist in the selection of a firm to provide services. This RFP is not intended to be comprehensive and each firm is responsible for determining all factors necessary for submission of a comprehensive bid proposal.

2.11 Disqualification

The Treasurer and the Authority may reject proposals outright if any of the conditions of the RFP are not met.

2.12 Nonmaterial and Material Variances

The Treasurer and the Authority reserve the right to waive or permit cure of nonmaterial variances in the bid proposal if, in the judgment of the Treasurer and the Authority, it is in the Authority's best interest to do so. Nonmaterial variances include minor informalities that do not affect responsiveness; that are merely a matter of form or format; that do not change the relative standing or otherwise prejudice other firms; that do not change the meaning or scope of the RFP; or that do not reflect a material change in the services. In the event the Treasurer and the Authority waive or permit cure of nonmaterial variances, such waiver or cure will not modify the RFP requirements or excuse the firm from full compliance with RFP specifications or other contract requirements if the firm is awarded the contract. The determination of materiality is in the sole discretion of the Authority.

2.13 Reference Checks

The Treasurer and the Authority reserve the right to contact any reference to assist in the evaluation of the bid proposal, to verify information contained in the bid proposal and to discuss the firm's qualifications.

2.14 Information from Other Sources

The Treasurer and the Authority reserve the right to obtain and consider information from other sources concerning a firm, such as the firm's capability and performance under other contracts.

2.15 Verification of Bid Proposal Contents

The content of a bid proposal submitted by a firm is subject to verification. Misleading or inaccurate responses shall result in disqualification.

2.16 Bid Proposal Clarification Process

The Treasurer and the Authority reserve the right to contact a firm after the submission of bid proposals for the purpose of clarifying a bid proposal to ensure mutual understanding. The Treasurer and the Authority will not consider information received if the information materially alters the content of the bid proposal.

2.17 Disposition of Bid Proposals

All proposals become the property of the Treasurer and the Authority and shall not be returned to the firm unless all bid proposals are rejected or the RFP is cancelled. Otherwise, at the conclusion of the selection process, the contents of all bid proposals will be in the public domain and be open to inspection by interested parties subject to exceptions provided in Iowa Code Chapter 22 or other applicable law.

2.18 Public Records and Requests for Confidential Treatment

The Treasurer and the Authority may treat all information submitted by a firm as public information following the conclusion of the selection process unless the firm properly requests that information be treated as confidential at the time of submitting the bid proposal. The release of information is governed by Iowa Code chapter 22. Firms are encouraged to familiarize themselves with chapter 22 before submitting a proposal. The Treasurer and the Authority will copy public records as required to comply with the public records laws. Any request for confidential treatment of information must be included in the transmittal letter with the firm's bid proposal. In addition, the firm must enumerate the specific grounds in Iowa Code Chapter 22 or other applicable law which support treatment of the material as confidential and explain why disclosure is not in the best interest of the public. The request for confidential treatment of information must also include the name, address, and telephone number of the person authorized by the firm to respond to any inquiries by the Treasurer and the Authority concerning the confidential status of the materials. Any bid proposal submitted which contains confidential information must be conspicuously marked on the outside as containing confidential information, and each page upon which confidential information appears must be conspicuously marked as containing confidential information. Identification of the entire bid proposal as confidential may be deemed non-responsive and disqualify the firm. If the firm designates any portion of the RFP as confidential, the firm must submit one copy of the bid proposal from which the confidential information has been excised. The confidential material must be excised in such a way as to allow the public to determine the general nature of the material removed and to retain as much of the bid proposal as possible. The Treasurer and the Authority will treat the information marked confidential as confidential information to the extent such information is determined confidential under Iowa Code Chapter 22 or other applicable law by a court of competent jurisdiction. In the event the Treasurer or the Authority receive a request for information marked confidential, written notice shall be given to the firm seven calendar days prior to the release of the information to allow the firm to seek injunctive relief pursuant to Section 22.8 of the Iowa Code. The firm's failure to request confidential treatment of material will be deemed by the Treasurer and the Authority as a waiver of any right to confidentiality, which the firm may have had.

2.19 Copyrights

By submitting a bid proposal, the firm agrees that the Treasurer and the Authority may copy the bid proposal for purposes of facilitating the evaluation of the bid proposal or to respond to requests for public records. The firm consents to such copying by submitting a bid proposal and warrants that such copying will not violate the rights of any third party. The Treasurer and the Authority shall have the right to use ideas or adaptations of ideas that are presented in the bid proposals.

2.20 Release of Claims

By submitting a bid proposal, the firm agrees that it will not bring any claim or cause of action against the Treasurer and the Authority based on any misunderstanding concerning the information provided herein or concerning the Treasurer's or the Authority's failure, negligent or otherwise, to provide the firm with pertinent information as intended by this RFP.

2.21 Presentations

Firms may be required to make a presentation of the bid proposal. The presentation, if necessary, will occur at the Authority's offices. The determination as to need for presentations, the location, order, and schedule of the presentations will be made by the Evaluation Committee.

2.22 Evaluation of Bid Proposals Submitted

Bid proposals that are timely submitted and are not subject to disqualification will be reviewed in accordance with Section 5 of the RFP.

2.23 Choice of Law and Forum

This RFP and the resulting contract are to be governed by the laws of the state of Iowa. Changes in applicable laws and rules may affect the award process or the resulting contract. Firms are responsible for ascertaining pertinent legal requirements and restrictions. Any and all litigation or actions commenced in connection with this RFP shall be brought in the appropriate Iowa forum.

2.24 Restrictions on Gifts and Activities

Iowa Code Chapter 68B restricts gifts which may be given or received by state employees and requires certain individuals to disclose information concerning their activities with state government. Firms are responsible to determine the applicability of this Chapter to their activities and to comply with the requirements. In addition, pursuant to Iowa Code section 722.1, it is a felony offense to bribe or attempt to bribe a public official.

2.25 No Minimum Guaranteed

The Authority anticipates that the selected firm will provide services as requested by the Authority. The Authority will not guarantee any minimum compensation will be paid to the firm or any minimum usage of the firm's services.

ARTICLE 3 -- SERVICE REQUIREMENTS

3.1 Introduction

The Authority is seeking an Investment Banking firm with expertise in leveraging revolving loan funds and pooled bond financing. Experience with Qualified Energy Conservation Bonds (QECCB's) is an advantage. The selected firm will be expected to work closely with the Authority board and staff, bond counsel, the bond trustee, rating agencies, financial institutions and other persons or organizations as may be necessary.

3.2 Scope of Work

The services to be performed by the selected firm or firms will include, but are not limited to, the following:

- Develop and recommend financing structures to meet the Authority's ERLF program goals and needs given current and projected market conditions;
- Prepare cashflow analysis for each issue of bonds.
- Provide cost effective financing for the Authority's ERLF program;
- Provide advice on the terms and structure of bonds, investment agreements, and other matters related to the subject programs;
- Commit capital as required to underwrite the Authority's ERLF bond issues;
- Review and/or assist in the preparation of bond documents and program documents used in connection with the Program (including but not limited to resolutions, tax documents, closing documents, official statements, etc.);

- Manage the process of marketing and selling the bonds, including providing ongoing analysis of market conditions leading up to each sale.

ARTICLE 4 -- FORMAT AND CONTENT OF BID PROPOSALS

4.1 Instructions

These instructions prescribe the format and content of the bid proposal. They are designed to facilitate a uniform review process. Failure to adhere to the proposal format may result in the disqualification of the bid proposal.

4.1.1 The bid proposal shall be an Adobe PDF document using 8.5” x 11” paper size.

4.1.2 The bid proposal shall be **attachment to an e-mail** addressed to the issuing officer listed in Section 2.1. The subject line of the email should read: **“Request for Proposals for Investment Banker for the Energy Revolving Loan Fund Program”**

4.1.3 If the firm designates any information in its proposal as confidential pursuant to section 2.18, the firm must also submit by e-mail one (1) copy of the bid proposal from which confidential information has been excised. The confidential material must be excised in such a way as to allow the public to determine the general nature of the material removed and to retain as much of the bid proposal as possible.

4.2 Technical Proposal

The following documents and responses shall be included in the bid proposal in the order given below:

4.2.1 Transmittal Letter

An individual authorized to legally bind the firm shall sign the transmittal letter. The letter shall include the firm’s mailing address, electronic mail address, and telephone number. Any request for confidential treatment of information shall be included in the transmittal letter in addition to the specific statutory basis supporting the request and an explanation why disclosure of the information is not in the best interest of the public. The transmittal letter shall also contain the name, address and telephone number of the individual authorized to respond to the Authority about the confidential nature of the information.

4.2.2 Background Information

The firm shall provide the following general background information:

4.2.2.1 Name, address, telephone number, and e-mail address of the firm including all d/b/a’s or assumed names or other operating names of the firm.

4.2.2.2 Identify and specify the location(s) and telephone numbers of the major offices and other facilities that relate to the firm’s performance under the terms of this RFP and any local office address and phone number.

4.2.2.3 Statements that demonstrate that the firm understands and agrees with the terms and conditions of the RFP and the proposed contract.

4.2.2.4 Statement through which the firm certifies that the contents of the bid proposal are true and accurate.

4.2.3 Personnel

The firm must provide information for all key personnel who will be involved in providing the services contemplated by this RFP. Include only those who will likely be assigned to this account, and indicate the day-to-day contact person or persons.

Information must include: full name, education, years of experience and employment history particularly as it relates to the scope of services specified herein and expected role in the Authority's transactions.

4.2.4 Overview and Demonstration of Knowledge and Experience

The firm shall prepare an executive summary and overview of the services it is offering, including all of the following information:

4.2.4.1 An overview of the firm's plans for providing the necessary services to the Authority.

4.2.4.2 An explanation as to why the firm should be awarded this engagement.

4.2.4.3 Number of years' experience with providing the types of services sought by the RFP, including the number of professionals specializing in similar programs.

4.2.4.4 Describe the level of technical experience in providing the types of services sought by the RFP. Include in this discussion details about experience with leveraging revolving loan funds, pooled bond issues and QECCB's.

4.2.4.5 List any similar programs for which your firm currently and actively serves as investment banker.

4.2.4.6 List at least three (3) current or previous clients knowledgeable of the firm's performance in providing services similar to the services described in this RFP and a contact person and telephone number for each reference.

4.2.4.7 Describe any investigative, disciplinary or enforcement actions pending against your firm, and information on any such investigations which concluded with enforcement or disciplinary action against your firm since January 2005.

4.2.5 Distribution Capabilities

The firm must provide the following information:

4.2.5.1 Organizational charts showing the number of professionals with experience with leveraging revolving loan funds and Qualified Energy Conservation Bonds.

4.2.5.2 Organizational chart and number of retail sales offices / people for municipal bonds

4.2.5.3 Discuss your firm's distribution capabilities, both institutional and retail.

4.2.6 Acceptance of Terms and Conditions

The firm shall specifically agree that the bid proposal is predicated upon the acceptance of all terms and conditions stated in the RFP. If the firm objects to any term or condition, the firm must specifically refer to the RFP page, and section. Objections or responses that materially alter the RFP may be deemed non-responsive and disqualify the firm.

4.2.7 Certification of Independence and No Conflict of Interest

The firm shall sign and submit with the bid proposal the document included as Attachment No. 1 in which the firm shall certify that it developed the bid proposal independently. The firm shall also certify that no relationship exists or will exist during the contract period between the firm and the Authority or the Treasurer that interferes with fair competition or is a conflict of interest. The Authority and the Treasurer reserve the right to reject a bid proposal or cancel the award if, in their discretion, any relationship exists that could interfere with fair competition or conflict with the interests of the Authority.

4.2.8 Authorization to Release Information

The firm shall sign and submit with the bid proposal the document included as Attachment No. 2 in which the firm authorizes the release of information to the Authority.

4.2.9 Firm Bid Proposal Terms

The firm shall guarantee in writing the availability of the services offered and that all bid proposal terms, including price, will remain firm a minimum of 90 days following the deadline for submitting proposals.

4.3 Cost Proposal

State the amount of the Management Fee (in dollars per thousand) and Underwriter's Expenses (including Underwriter's counsel fees) your firm proposes to be paid for serving as book running Senior Manager for a \$30 million bond issue.

The Authority understands that the Takedown and Risk components of underwriter discount are "market driven" costs and may fluctuate depending upon market conditions. Based upon current market conditions, provide estimates of the Takedown (in dollars per thousand) your firm would recommend for a typical issue of long term, fixed rate bonds.

The selected investment banker will only be compensated upon successful completion of the transaction. Investment banking fees and expenses will only be paid from bond proceeds.

ARTICLE 5 --EVALUATION OF BID PROPOSALS

5.1 Introduction

This section describes the evaluation process that will be used to determine which bid proposal provides the greatest benefits to the Authority. The evaluation process is designed to award the contract not necessarily to the firm of least cost, but rather to the firm or firms with the best combination of attributes to perform the required services.

5.2 Evaluation Steps

The evaluation and award process shall consist of the following:

- a. Review of the bid proposals to assess compliance with mandatory requirements;
- b. Detailed evaluation of proposed services;
- c. Evaluation of cost proposals;

- d. Evaluation Committee recommendation to the Treasurer; and
- e. Award decision by the Treasurer.

5.3 Evaluation Committee

The Treasurer and the Authority intend to conduct a comprehensive, fair and impartial evaluation of bid proposals received in response to this RFP. An Evaluation Committee will review and evaluate the proposals. The Evaluation Committee will make a recommendation to the Treasurer. This recommendation may include, but is not limited to, the name of one or more firms recommended for selection or a recommendation that no firm be selected. The Treasurer will select the firm. The Treasurer is not bound by the Evaluation Committee's recommendation.

5.4 Evaluation Criteria

The Evaluation Committee will evaluate all proposals and make an award recommendation to the Treasurer using the following criteria, which are listed in no particular order.

5.4.1 Experience and Qualifications (35%)

The firm's experience in the issuance of bonds for purposes similar to those outlined in this RFP and the experience of assigned staff.

5.4.2 Expected Service and Ability to Meet Needs of the Authority (35%)

Demonstrated knowledge of the Authority's objectives; the manner in which the firm's proposal has addressed the required items included in this RFP, including the detail and clarity of the responses

5.4.3 Fees (30%)

The firm's fee proposal will be evaluated in relation to other fee proposals received. The winning proposal may not be the proposal with the lowest cost.

ARTICLE 6 -- CONTRACT TERMS AND CONDITIONS

6.1 Contract Terms and Conditions

The Treasurer will include the contract terms and conditions in the award letter sent to the winning firm or firms. The resulting contract will consist of the following: the terms and conditions of this RFP, the offer contained in the firm's proposal, and other terms necessary for completing the services outlined in this RFP. The Authority and Treasurer may negotiate compensation of the selected firm and may renegotiate such compensation if conditions warrant.

6.2 Contract Length

The term of the contract will be four years and will commence on June 22, 2012 and end on June 21, 2016. The Authority and the Treasurer shall have the option to renew the contract upon the same terms and conditions for two additional one-year renewal terms.

Attachment #1

Date

Lori Beary, Issuing Officer
Iowa Finance Authority
2015 Grand Avenue
Des Moines, Iowa 50312

Re: Request for Proposal for Investment Banking Services

CERTIFICATION OF INDEPENDENCE AND NO CONFLICT OF INTEREST

Dear Ms. Beary:

By submitting a proposal in response to the Request for Proposals for Investment Banking Services for the Iowa Finance Authority (RFP), the undersigned certifies the following:

1. The proposal has been developed independently, without consultation, communication or agreement with any employee or consultant to the Authority who has worked on the development of this RFP, or with any person serving as a member of the evaluation committee.
2. The proposal has been developed independently, without consultation, communication or agreement with any other firm or parties for the purpose of restricting competition.
3. Unless otherwise required by law, the information found in the proposal has not been knowingly disclosed and will not be knowingly disclosed prior to the award of the contract, directly or indirectly, to any other firm.
4. No attempt has been made or will be made by (Name of Firm) to induce any other firm to submit or not to submit a proposal for the purpose restricting competition.
5. No relationship exists or will exist during the contract period between (Name of Firm) and the Authority that interferes with fair competition or is a conflict of interest.

Sincerely,

Name and Title

Attachment #2

Date

Lori Beary, Issuing Officer
Iowa Finance Authority
2015 Grand Avenue
Des Moines, Iowa 50312

Re: Request for Proposal for Investment Banking Services

AUTHORIZATION TO RELEASE INFORMATION

Dear Ms. Beary:

[name of firm] hereby authorizes the Iowa Finance Authority ("Authority") to obtain information regarding its performance on other contracts, agreements or other business arrangements, its business reputation, and any other matter pertinent to evaluation and the selection of a successful firm in response to Request for Proposal for Investment Banking Services. The firm acknowledges that it may not agree with the information and opinions given by such person or entity in response to a reference request. The firm acknowledges that the information and opinions given by such person or entity may hurt its chances to receive contract awards from the Authority or may otherwise hurt its reputation or operations. The firm is willing to take that risk. The firm hereby releases, acquits and forever discharges the State of Iowa, the Authority, their officers, directors, employees and agents from any and all liability whatsoever, including all claims, demands and causes of action of every nature and kind affecting the undersigned that it may have or ever claim to have relating to information, data, opinions, and references obtained by the Authority in the evaluation and selection of a successful firm in response to the Request for Proposal. The firm authorizes representatives of the Authority to contact any and all of the persons, entities, and references which are, directly or indirectly, listed, submitted, or referenced in the undersigned's proposal submitted in response to the Request for Proposal. The firm further authorizes any and all persons, entities to provide information, data, and opinions with regard to the undersigned's performance under any contract, agreement, or other business arrangement, the undersigned's ability to perform, the undersigned's business reputation, and any other matter pertinent to the evaluation of the undersigned. The undersigned hereby releases, acquits and forever discharges any such person or entity and their officers, directors, employees and agents from any and all liability whatsoever, including all claims, demands and causes of action of every nature and kind affecting the undersigned that it may have or ever claim to have relating to information, data, opinions, and references supplied to the Authority in the evaluation and selection of a successful firm in response to the Request for Proposal. A photocopy or facsimile of this signed Authorization is as valid as an original.

Sincerely,

Printed Name of Firm

Name and Title of Authorized Representative

Date