



July 2, 2013

Bond Counsel Request for Proposals

Introduction

The Rhode Island Student Loan Authority ("RISLA or the Authority") is a public corporation of the State of Rhode Island whose purpose is to financially assist qualified students to obtain a post secondary education. The Authority has fulfilled this mission through the issuance of taxable and tax exempt bonds. The Authority plans to issue additional taxable and/ or tax exempt bonds as described below and is soliciting proposals from qualified bond counsel firms to help assist this effort

Volume of Bond Issues

The Authority anticipates that over the next two years there will be two or more new money bond issues. The Authority is also reviewing its refinancing options on other bonds issued by the Authority. The timing and size of the bond issues is directly related to educational financing demand, market conditions and/or the availability of tax exempt bond CAP.

The bond issues may be a mix of, VRDNs, floating rate notes, fixed rate bonds or other financing structures.

Term of Engagement

Bond Counsel will serve at the pleasure of the Authority and be subject to all applicable limitations of state law and policy.

Deadline for Submission of Proposal

Please submit six copies of your response to this RFP no later than July 25, 2013 at 4:00 p.m. to 560 Jefferson Boulevard, Warwick, Rhode Island 02886-1371, Attention: Deputy Director. Also please email a pdf copy of your proposal to info@risla.com by the deadline noted in the prior sentence.

Selection Process

Review of the proposals will be undertaken by a committee comprised of the Executive Director, Deputy Director and the Authority's General Counsel. This committee will review all proposals, select finalists for oral interviews, if deemed necessary, and recommend to RISLA's Board of Directors a firm to serve as Bond Counsel.

Selection will be made based on the lowest qualified bid price and experience with tax exempt bond issues in general and student loan programs in particular and such other factors as the Authority deems pertinent relating to the firm's ability to carry out its duties as the Authority's bond counsel.

A bidders conference call will be conducted on July 16, 2013 at 2:00 PM Eastern Time. The dial in number is 800-704-9804 and the participant code is 355339#. Bidders will have the opportunity to ask questions regarding the



RFP at this time. Any other questions with regards to this RFP must be directed to Noel Simpson, Deputy Director of RISLA.

A. Duties

Bond Counsel duties shall include but not be limited to:

- 1) Preparation of Indenture and related documents and agreements.
- 2) Tax opinion and review of investment agreement documents.
- 3) Perfected security interest opinion.
- 4) Review of offering statement.
- 5) Preparation of closing documents.
- 6) Preparation and filing of all necessary documents.
- 7) Review and advise on changes in the Higher Education Act.
- 8) Attend to TEFRA hearing requirements.
- 9) Attend to disclosure requirements.
- 10) Review and advise on issues related to federal and non federal guarantors or insurers.
- 11) Review and advise on issues related to private and state based supplemental student loans.
- 12) Analysis and recommendations on legal issues involving refundings.
- 13) Review and advise on tax issues relating to RISLA's organizational structure and programs.
- 14) Provide advice and counsel on post closing operational issues

B. Minimum Experience of Proposers

Counsel involved in the Authority's bond issues must have at least five years experience with tax exempt bond issues within the past seven years and, two years experience specifically with student loan bonds within the last five years. Experience must be either as bond counsel, co-counsel or underwriter's counsel.

1) Staffing:

Indicate which Partners and Associates will work directly with the Authority. Provide appropriate background information and identify what their responsibilities would be in serving the Authority. To be considered, qualified bond counsel must be listed in the Bond Buyers Municipal Marketplace.

- 2) List your student loan experience as Bond Counsel and/or Underwriter's Counsel in Exhibit A and B respectively since January 1, 2011.
- 3) Rhode Island bond issues - Describe in Exhibit C any Rhode Island bond issues your firm has been



involved with as bond counsel or underwriter's counsel since January 1, 2011.

- 4) Other Experience desired, but not required. List experience in working with institutions of Higher Education.
- 5) Please provide at least one copy of a recent bond indenture or offering statement prepared by the individuals who will be involved in working with the Authority.
- 6) What specific actions would your firm advise that would help the Authority reduce its overall financing costs.
- 7) Please provide a sample form of bond counsel opinion involving a student loan client and identify what if any qualifications are normally included in your opinions as bond counsel for student loan issuers.

C. References

Provide three references from your student loan or tax exempt clients.

D. Fees

The Authority requires that all bond counsel fees and expenses be fixed and capped for each bond issue. Complications, unexpected issues, etc. should be anticipated and will not be grounds for exceeding the respective caps.

	<u>Not to Exceed</u>
1) Fees per bond issue (if there is a difference in fees for fixed, variable, or refunding bonds please list separately)	_____
Expenses (please list typical expenses)	_____
Total	_____

- 2) Hourly rates for services not directly associated with a bond issue The Director of Administration for the State of Rhode Island issued a memo dated February 23, 2011 regarding the reduction of outside counsel fees. A copy of that memo is attached to this RFP. If you are discounting fees from your standard rates, please show the discount.

E. Other

- 1) List any books, articles or other publications that members of your firm have written that would be of interest to the Authority.
- 2) Discuss any topics not covered in this Request for Proposals which you would like to bring to the attention of the Authority.
- 3) The highest standards of conduct must apply in decisions relative to the issuance of the Authority's bonds, especially in regards to the review and selection of Bond Counsel who receive substantial fees for services related to the bond issuance. The public has a right to know that decisions relative to the issuance of bonds or to the review and selection of Bond Counsel are not based upon political



considerations. Accordingly, the Authority insists upon full compliance with Public Law 93-249, Reporting of Political Contributions by State Vendors.

- 4) Include a letter from your Chief Executive Officer or Firm Managing Partner, as required by Rhode Island State policy, certifying that (i) no members of your firm made inquiries with respect to this Request for Proposal with any member of the Board of Directors of the Authority, or any employee of the Authority (other than the Executive Director or Finance Manager), or any elected official in the State of Rhode Island from the date of this Request for Proposals through the date of your proposal and (ii) that all information in your proposal is true and correct to the best of his/her knowledge and (iii) that the firm listing of campaign contributions above is complete, and is in full compliance with Public Law 93-249, Reporting of Political Contributions by State Vendors. Also include in such letter that the proposed fee structure does not exceed the rate of compensation charged to other preferred public or private clients.

F. Rhode Island Ethics & Disclosure Requirements

Discuss how your firm deals with professional ethics in connection with public finance engagements. How do you handle actual or potential ethical problems that arise in the marketing and execution of your public finance business? What process do you maintain so as to provide a consistently high standard of professional ethics?

G. No Conflict Verification

Please discuss what your firm has done to rule out the possibility that employment by the Authority will not conflict with any representations of any other client and state affirmatively that there are no potential conflicts.



EXHIBIT A

Student Loan Bond Experience
January 1, 2011 to Present

Experience as Bond Counsel or Co Counsel

<u>Date</u>	<u>Name of Issuer</u>	<u>Dollar Amount</u>	<u>Type of Issue</u>
-------------	-----------------------	--------------------------	----------------------



EXHIBIT B

Student Loan Bond Experience
January 1, 2011 to Present

Experience as Underwriter's Counsel

<u>Date</u>	<u>Name of Issuer</u>	<u>Dollar Amount</u>	<u>Type of Issue</u>
-------------	-----------------------	--------------------------	----------------------



EXHIBIT C

State of Rhode Island Bond Issues
(excluding student loan bond issues)
January 1, 2011 to Present

A listing of bond issues in which your firm has served as bond counsel or underwriter counsel since January 1, 2001.

<u>Date</u>	<u>Name of Issuer</u>	<u>Dollar Amount</u>	<u>Type of Issue</u>
-------------	-----------------------	--------------------------	----------------------



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DEPARTMENT OF ADMINISTRATION

Richard A. Licht, Director
One Capitol Hill
Providence, RI 02908-5890

Office: (401) 222-2280
Fax: (401) 222-6436

TO: All Outside Counsel for the State of Rhode Island

FROM: Richard A. Licht, Director
Department of Administration

DATE: February 23, 2011

SUBJECT: Reduction in Outside Counsel Fees

The State of Rhode Island is facing a fiscal crisis. This year the state projects a \$295 million budget deficit. Governor Chafee and his entire budget team are working hard to present a comprehensive balanced budget that addresses the state's immediate shortfall as well as the structural deficits that our state has confronted for a number of years. Addressing these deficits will require shared sacrifice from all sectors.

As part of our continuing efforts to balance the budget and reduce state spending, Governor Chafee has directed me to notify all outside counsel who have contracts with the state to reduce their legal fees by 15% effective March 1, 2011. In the event that you or your firm has already negotiated a transactional fee arrangement with the state, please contact me to discuss how this reduction will apply.

I recognize that some outside counsel already provide their legal services at a reduced rate. However, the State is a good client, the work tends to be steady, it is usually very interesting and the bills are, or should be, paid on time [if you or your firm is not being paid in a timely fashion, please let me know]. In my own private practice, a number of my clients in the post-financial collapse of 2008 asked for a 15% or greater reduction in their bills. I know that I and my firm readily complied.

If you have any questions, please contact me at One Capitol Hill, 4th floor, Providence, RI 02908 or via e-mail at Richard.Licht@doa.ri.gov. If you would like to discuss this matter, please do not hesitate to contact me at 222-2280.

RAL/cr/co

cc: Executive Branch Department Directors
Quasi-public Agencies