

TEXAS HIGHER EDUCATION COORDINATING BOARD
REQUEST FOR PROPOSALS
Financial Advisory Services for Student Loan Program

RFP No. 781-8-19618

ADDENDUM

The Texas Higher Education Coordinating Board has issued an Addendum concerning RFP No. 781-8-19618:

Changes are listed below.

1. Section A 2.3 FROM: The contract term shall be for the period beginning September 1, 2018, and extending through August 31, 2019. The contract term may not be extended except by amendment signed by the parties. The term of the Contract may not exceed two (2) years.

Changed to: The contract term shall be for the period beginning September 1, 2018, and extending through August 31, 2020. The contract term may not be extended except by amendment signed by the parties. The term of the Contract may not exceed two (2) years.

2. Section A 2.5 FROM: The financial advisor shall be responsible for all duties and services necessary to facilitate the issuance of bonds and other debt obligations by the Board. The financial advisor shall be responsible for all required calculations including a calculation of arbitrage yield, arbitrage liability and yield restriction liability requirements not less than annually for each issue of outstanding obligations listed on Attachment F – Mandatory Price Sheet. Bonds issued subsequent to this RFP may require computations and related services during the term of any contract issued. Such duties and services shall include, but are not limited to:

Changed to: The financial advisor shall be responsible for all duties and services necessary to facilitate the issuance of bonds and other debt obligations by the Board. Such duties and services shall include, but are not limited to:

3. Section A 2.5 (21) FROM: Assist the THECB in preparing any schedules, reports, or records necessary to perform or support a calculation of arbitrage and yield restriction liabilities.

Perform calculation of arbitrage and yield restriction liabilities for each bond series as necessary annually.

4. Section A 2.5 (25) FROM: Provide advice and recommendation as the THECB may request concerning unique or extraordinary compliance issues that may arise from time to time.

Changed to: Provide advice and recommendations as the THECB may request concerning unique or extraordinary compliance issues that may arise from time to time.

5. Section A 5.2 **TAB 4: FROM: Compensation/Fee Structure**
For services as described in the Statement of Work: Payment methodology: Firm fixed price. **Please note: The proposed compensation shall include all anticipated expenses. The THECB will not reimburse any out-of-pocket expenses not contemplated at the time of contract execution.**

Changed to: For services as described in the Statement of Work: Please provide a base fee schedule expressed as a rate per \$1,000 par amount of bonds issued in a single bond offering, (multiple series sold in one offering document constitute a Single offering), taking into consideration the tasks and duties identified in Description of Service Requirements.

For cash flow modeling of the student loan portfolios, indicate the product used to develop the model and related fees, if they are not included in the base fee above. Provide an hourly rate structure for all staff assigned to work with the Board for any additional work or special projects (as requested) not related to the normal issuance of bonds.

It is understood that all bond-related expenses incurred on the Board's behalf must be pre-approved by the Board prior to incurring the expenses.

The following expenses will be reimbursed by the Board separately from the payment of either the per bond or hourly fee:

- 1) Travel expenses to attend all bond pricings with prior approval (routine travel within the state necessary to service the account and/or attend Board meetings will not be approved)**
- 2) All costs related to any bond election**
- 3) Any fee of outside consultants such as feasibility reports**

- 4) **Miscellaneous outside costs such as overnight delivery charges**
- 5) **Any other items of expense pre-approved by the Board and incurred on its behalf**

Please note: The proposed compensation shall include all anticipated expenses. The THECB will not reimburse any out-of-pocket expenses not contemplated at the time of contract execution.

6. Section A 5.2 TAB 6: FROM: The letter must specifically identify that the Proposal is in reference to THECB's Comprehensive Assessment of Alternative Student Loan Portfolio Operational Activities RFP. The letter must state, *"The Proposal enclosed is binding and valid at the discretion of THECB."* Additionally, the Transmittal Letter shall indicate that the Proposal is good for 90 days.

Changed to: The letter must specifically identify that the Proposal is in reference to THECB's Financial Advisory RFP. The letter must state, *"The Proposal enclosed is binding and valid at the discretion of THECB."* Additionally, the Transmittal Letter shall indicate that the Proposal is good for 90 days.