

Pennsbury School District RFP#2021-050
Request for Proposals for Underwriters for Negotiated Bond Sales
June 15, 2020

The Pennsbury School District (“The District”) invites qualified firms to submit proposals to serve as underwriters for negotiated bond sales for a three year period beginning July 17, 2020.

SCHEDULE

The tentative schedule for the selection process is as follows:

- Issue Request for Proposals: June 15, 2020
- Submit proposals to the District by close of business: June 26, 2020
- Interviews (if necessary): TBD
- District’s approval of underwriters for negotiated bond sales: July 16, 2020

The District’s process to select underwriters for negotiated bond sales is running concurrent to the selection process for municipal advisor and underwriter. The District believes that refunding opportunities will be available in calendar years 2020 and 2022. We likewise plan on launching a series of bond issues over a ten (10) year period of time to support a multiyear capital plan to maintain warm, safe, and dry Pennsbury schools.

SERVICES

State and local governments select an underwriter team, which may include senior and co-managers, for the purpose of selling bonds through a negotiated sale. The primary role of the underwriter in a negotiated sale is to market the issuer's bonds to investors. Assuming that the issuer and underwriter reach agreement on the pricing of the bonds at the time of sale, the underwriters are likely to provide ideas and suggestions with respect to structure, timing, and marketing of the bonds being sold.

The roles of the underwriter and the municipal advisor are separate, adversarial roles and cannot be provided by the same party. Whereas, a municipal advisor represents only the issuer and the Dodd-Frank Act establishes that municipal advisors have a fiduciary responsibility to the issuer. Municipal Securities Rulemaking Board (MSRB) Rule G-23 prohibits the same broker-dealer from serving as both a municipal advisor and underwriter on the same transaction, and the Securities and Exchange Commission (SEC) Municipal Advisor Rule has implications for the manner in which an underwriter may interact with an issuer.

The issuer’s goal in a negotiated bond sale is to obtain the lowest possible borrowing cost for the bonds. To maximize the potential of this occurring, Pennsbury School District’s goal in the underwriter selection process is to select the underwriter(s) that has the best potential for obtaining the lowest borrowing cost. Those underwriters are typically the ones that have demonstrated both experience underwriting the type of bonds being proposed and the strongest marketing/distribution capabilities.¹

The successful candidate(s) will have the necessary expertise to provide outstanding service that can be relied on and be able to assist Pennsbury School District in completing transactions in a timely manner.

¹<https://www.gfoa.org/selecting-and-managing-underwriters-negotiated-bond-sales>

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FORMAT

Your response should include the following in twenty (20) pages or less, excluding the proposed contract form:

1. Letter of transmittal, including confirmation that you understand the scope of work
2. Profile of respondent
3. Qualifications and experience
4. Detailed scope of work
5. Pricing proposal and options, if available
6. Three references, preferably from K-12 education
7. Evidence of professional liability insurance
8. Proposed contract
9. W-9

PROCESS

The District reserves the right to reject any and all proposals for any reason as it deems fit. The District reserves the right to negotiate further with one or more proposers. Respondent shall be expected to furnish the District with additional information as may reasonably be required. The District will not be liable for any costs incurred in the preparation of proposals or attendance at an on-site visit.

Kindly email your proposal in the format outlined in this Request for Proposal by June 26, 2020, at 12:00 pm noon, to:

Christopher M. Berdnik
Chief Financial Officer
Pennsbury School District
cberdnik@pennsburysd.org

All questions concerning this proposal or project should be submitted in writing to Mr. Berdnik at cberdnik@pennsburysd.org by June 19, 2020 at 12:00 pm noon. An addendum will be issued should one be required. Do not contact anyone else at the District regarding questions on this RFP except for the person listed above.