

ARKANSAS STUDENT LOAN AUTHORITY

REQUEST FOR PROPOSALS FROM STUDENT LOAN FINANCIAL AND STRATEGIC ADVISORS

SPECIAL NOTE: YOUR IMMEDIATE ATTENTION IS CALLED TO SECTION B. YOU NEED TO SEND TO US AN E-MAIL ADDRESS FOR TRANSMISSION OF NOTICES OF INQUIRIES.

April 17, 2018

**Arkansas Student Loan Authority
3801 Woodland Heights Road, Suite 200
Little Rock, AR 72212
(501) 682-2952**

A Division of:



SECTION I: INSTRUCTIONS TO PROPOSERS/ GENERAL INFORMATION

PURPOSE. The Arkansas Student Loan Authority (ASLA), a division of the Arkansas Development Finance Authority (ADFA), is requesting proposals from Student Loan Financial and Strategic Advisors (responders) experienced in independent advisory and analytical services in connection with alternative, state-based private student loan (“PSL”) programs to serve the unmet higher education financing needs of Arkansas students and families. From the list of responders to this Request for Proposal (RFP), ASLA expects to select a company to serve for a period of approximately two (2) years beginning June 1, 2018 and ending June 30, 2020, with two optional extension periods of two (2) years each, at the discretion of the ADFA Board, subject to successful fee negotiations.

A. SUBMISSION OF PROPOSALS. Written proposals responding to the questions and requests for information in the manner specified in this Request For Proposal (“RFP”) should be submitted to the following:

rfp@adfa.arkansas.gov

To be considered, one (1) copy of the proposal should be delivered to ASLA not later than April 30, 2018, by 4:30 p.m, via email. Late proposals will not be accepted. ASLA reserves the right to reject any or all proposals.

B. ADDITIONAL INFORMATION. It is the responsibility of the proposer to inquire about and clarify any aspect of the RFP. Questions should be directed to Tony Williams (twilliams@asla.info), Director at 501-682-1241 or Mark Conine (mconine@asla.info), Chief Financial Officer at 501-682-1259. Substantive questions and answers will be documented and sent by electronic mail to all the proposers who provide us with an e-mail address. **IN ORDER TO BE ON THE DISTRIBUTION LIST FOR EMAIL TRANSMISSION OF ALL RESPONSES TO INQUIRIES, YOU MUST IMMEDIATELY ADVISE MARK CONINE OF ASLA, THE E-MAIL ADDRESS TO WHICH YOU WANT ALL SUCH TRANSMISSIONS SENT.**

C. PROPERTY OF ASLA/ADFA. Any information or materials submitted as a response to this RFP shall become the property of ASLA and will not be returned. All submitted materials will be available for public review.

D. RESPONSE TO REQUEST FOR PROPOSAL. Organizations wishing to respond to this RFP can interact and contact Tony Williams or Mark Conine. **NO CONTACT WITH ADFA BOARD MEMBERS IS ALLOWED AND ANY SUCH CONTACT WILL BE GROUNDS FOR IMMEDIATE REJECTION OF AN ORGANIZATION’S PROPOSAL.**

E. PROPOSAL TIMETABLE.

April 17, 2018	Request for Proposal Issued
April 30, 2018	Proposals Due @ 4:30 p.m. CST
TBD	Oral Presentations (if necessary)
May 17, 2018	Board Action
TBD	Submission to Legislative Committee for contract review

F. SELECTION PROCESS. The ADFA Staff Professional Selection Committee will review the submitted proposals. Proposals will be evaluated based on (1) responses to specifics outlined in the Proposal Format section of this RFP and (2) the Selection Criteria. Proposals which omit any of these items may be rejected as non-responsive. From this review, a select group of organizations may be chosen for oral presentations. All proposing organizations will be advised of the organizations selected for oral interviews. After conducting oral interviews, if necessary, the Board Professional Selection Committee, in consultation with the Review Committee, will make its decision on a recommendation for selection which will be reported to the Board of Directors of the Authority at its regular meeting. The final selection will be made by a vote of Board members.

ASLA may, at any time prior to the selection of an organization or organizations, reject any and all proposals and cancel this RFP, without liability therefore, upon finding that it would be in ASLA's interest to cancel the solicitation. Further, regardless of the number and quality of proposals submitted, ASLA shall under no circumstances be responsible for any proposer costs and expenses incurred in submitting a response to this RFP. Each proposer who submits a response does so solely at the proposer's cost, risk and expense. ASLA accepts no responsibility for the return of successful or unsuccessful proposals. This RFP in no way obligates ASLA to select an organization(s).

G. SELECTION CRITERIA. The ADFA Staff Professional Selection Committee, composed of selected members of ASLA and ADFA, will review the proposals. The committee generally will use the following criteria to rank all acceptable proposals and to develop recommendations to be presented to the ADFA Board Professional Selection Committee; however, the Committee reserves the right to evaluate proposals based upon factors beyond the listed criteria.

Criteria

1. Experience in loan product development and design for private student loan program (in-school and refinance)
2. Experience in designing successful loan product specifications and terms
3. Experience in designing successful credit risk guidelines
4. Knowledge and experience in drafting private student loan policies and procedures
5. Ability to produce portfolio profitability and loss analysis reports
6. Knowledge and ability to provide ongoing analytics on performance of portfolio and managing risk
7. Experience with different securitization and financing options for private student loans
8. Experience developing plan of finance/securitization for other private student loan issuers
9. Experience serving as advisor for private student loan financing transaction(s)
10. Experience developing Rating Agency strategy and communicating with Rating Agency
11. Experience providing arbitrage rebate calculations, if needed
12. Experience and ability to advise senior management & board

SECTION II: PROPOSAL FORMAT

A. PROPOSAL. The proposal should be labeled “Proposal to serve as Student Loan Financial and Strategic Advisor”. The proposal must contain sufficient information to enable the ADFA Staff Professional Selection Committee to evaluate the proposal. It should be prepared in a clear and precise manner and should address all appropriate subsections.

1. **Team and Personnel.** Identify other professionals from your firm who will be assigned to work on this project and their roles and responsibilities.
2. **Potential Conflicts.** List any relationship which might lead to a potential conflict in performing any services for ASLA.
3. **Fee to Design and Implement Loan Program(s) and Product Development.** Please provide in your fee proposal the basic fee structure (break out any categories you feel need to be segregated), stating assumptions on which your organization’s fee would be predicated, and any factors or contingencies that would change the actual fee in your fee proposal.
4. **Fee to maintain detailed Financial, Risk, and Performance Metrics of loan portfolio.** Please provide in your fee proposal the basic fee structure (break out any categories you feel need to be segregated), stating assumptions on which your organization’s fee would be predicated, and any factors or contingencies that would change the actual fee in your fee proposal.
5. **Fee to assess available options and develop Plan of Finance for student loan financing transaction.** Please provide in your fee proposal the basic fee structure (break out any categories you feel need to be segregated), stating assumptions on which your organization’s fee would be predicated, and any factors or contingencies that would change the actual fee in your fee proposal.
6. **Fee to serve as Advisor for any student loan financing transaction.** Please provide in your fee proposal the basic fee structure (break out any categories you feel need to be segregated), stating assumptions on which your organization’s fee would be predicated, and any factors or contingencies that would change the actual fee in your fee proposal.
7. **Equal Opportunity Statement.** Please submit your Equal Opportunity Policy to ASLA in accordance with Arkansas Act 2157 of 2005. This act requires any firm wishing to respond to an RFP or submit a proposal or statement of qualifications to provide ASLA with your Equal Opportunity Policy.
8. **Acceptance.** Submission of proposals, in response to this Request for Proposal, constitutes acceptance of all conditions, requirements and limitations described in this document.

Interested parties should request additional information from the Arkansas Student Loan Authority by contacting Mark Conine at (501) 682-2952 or mconine@asla.info.

Arkansas Student Loan Authority
By: Tony Williams, Executive Director