

## KPTIA RFQ Questions & Answers (4/30/2012)

### 1. How does the pre-qualification RFQ apply to co-managers?

**ANSWER:** (1) KRS 45A.850 (4) The office may select national co-managing underwriters and Kentucky co-managing underwriters who shall provide national and local marketing expertise for bond issuances. The executive director shall recommend to the secretary of the Finance and Administration Cabinet the number of national and Kentucky co-managing underwriters, if any, to be utilized on each bond issuance. The executive director shall consider the following issues when making the recommendations:

- (a) Principal amount of bonds being issued;
- (b) Structure of the bond issue; and
- (c) Composition of expected buyers of the bonds.

Kentucky co-managing underwriters shall be selected pursuant to a request for proposals. National co-managing underwriters shall be selected pursuant to an administrative regulation promulgated by the office.

#### **200 KAR 21:040. Selection of national co-managing underwriters.**

RELATES TO: KRS 45A.850(4)

STATUTORY AUTHORITY: KRS 45A.850(4), 45A.879

NECESSITY, FUNCTION, AND CONFORMITY: KRS 45A.850(4) provides that national co-managing underwriters for bond issues of state bond issuing agencies shall be selected pursuant to an administrative regulation promulgated by the Office of Financial Management and Economic Analysis. This administrative regulation establishes the procedure for selecting national co-managing underwriters for bond issues of state bond issuing agencies.

Section 1. Definition. For purposes of this administrative regulation, the term "national co-managing underwriter" shall mean a financial institution whose headquarters are located outside the Commonwealth of Kentucky, which has offices in multiple states, and which assists in the structuring, underwriting and marketing of bonds issued by governmental agencies.

Section 2. Selection of National Co-managing Underwriters. (1) National co-managing underwriters for bond issuances of state bond issuing agencies, as defined in KRS 45A.840(3), shall be selected pursuant to the request for proposal process established by KRS 45A.853 and 45A.857 for the same bond issuing agency or bond project for which the request for proposals was issued for underwriters.

(2) After an underwriter has been selected for a bond issuing agency or bond project, a national co-managing underwriter may be selected based on the rankings of the selection committee. The national co-managing underwriter, if any, shall be the highest ranked firm, other than the underwriter selected, which has a municipal bonds sales office located in the Commonwealth.

(3) If the Executive Director of the Office of Financial Management and Economic Analysis recommends, pursuant to KRS 45A.850(4), that more than one (1) national co-managing underwriter should be utilized on a bond issuance, any additional national co-managing underwriters shall be selected in the order of the ranking as determined by the selection committee for the respective bond issuing agency or bond project. (21 KY.R. 1990; eff. 3-22-95.)

Co-managing underwriters selected pursuant to this subsection shall provide their services to a bond-issuing agency as needed over the appropriate period of time stated in this section.

### 2. Who is the KPTIA financial advisor?

**ANSWER:** David Miller, Managing Director  
Public Financial Management, Inc.  
Orlando, FL

3. On the first page of the RFQ, it states that the RFQ is separate and apart from the pre-qualification process for senior managing underwriter services previously issued by the Office of Financial Management in 2011 for various state agencies. **Do we still have an opportunity to pre-qualify in order to submit a response to the RFQ?**

**ANSWER:** Yes, for any KPTIA RFP during the period.

4. **Will you be choosing co-managers as well as the senior managing underwriter with this RFP?**

**ANSWER:** Please see Question 1