



**Request for Proposals**

**FOR ARBITRAGE REBATE SERVICES**

**AND/OR**

**VERIFICATION AGENT SERVICES**

**DATE PUBLISHED: May 22, 2025**

**State of Connecticut  
Office of the Treasurer**

**Deadline: June 30, 2025, 5:00 p.m. EST**

**The RFP and other information associated with this procurement are available in electronic format from the Official Contact or from the Internet at the following location: <https://portal.ct.gov/ott/doing-business/requests-for-information-proposals-bids>**

**STATE OF CONNECTICUT  
OFFICE OF THE TREASURER  
REQUEST FOR PROPOSALS  
FOR  
ARBITRAGE REBATE SERVICES AND/OR VERIFICATION AGENT SERVICES**

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## **Section I - Introduction and Purpose of the Request for Proposals (“RFP”)**

The Treasurer of the State of Connecticut (the “State”) requests proposals to provide arbitrage rebate (“Arbitrage Rebate”) services (as described in Part A) and/or verification agent (“Verification Agent”) services (as described in Part B) to the State for its financing programs (“Programs”). As more fully described in Section II herein, respondents (“Respondents”) that would like to provide Arbitrage Rebate Services and/or Verification Agent Services may submit proposals in order to be considered for selection by the State through this RFP process.

The State may elect to contract for some or all of the available services and may choose different firms to provide services for different programs (each firm being a “Provider”). Firms may submit responses for one or both services, and for each service, for one or more Programs. Separate fee proposals for a service should be submitted for each Program (such fee proposal can state that the fee for a service is the same for all of the Programs).

The selected respondent(s) will be expected to execute a personal services agreement (“PSA”) with the State Treasurer, the form of which is contained in Exhibit 1. Submission of your proposal will acknowledge acceptance of these requirements. It is expected the initial contract term will be three years. Please read the entire solicitation package and submit an offer in accordance with the instructions. All forms contained in the solicitation package must be completed in full and submitted which will constitute the offer. This RFP and your response, and all subsequent documents provided during this RFP process, will become part of the PSA terms.

### **Section I, Part A – Arbitrage Rebate Services**

The State issues tax-exempt bonds under four major bonding programs and other related programs to finance a variety of projects, grants and other qualified public purposes. These bond issues are subject to the Section 148(f) tax arbitrage rebate requirements (“Rebate Requirements”) of the Internal Revenue Code of 1986, as amended (the “Code”).

The Programs include:

1. General Obligation (“GO”)
2. University of Connecticut, General Obligation (UCONN 2000) (“UConn”). Note: Issues of Student Fee Revenue Bonds are not included in this RFP, although UCONN could request to have rebate reports performed related to that program under the PSA or PSAs that result from this RFP
3. Clean Water/Drinking Water Fund – State Revolving Fund (“SRF”)
4. Special Tax Obligation (Transportation Infrastructure Program) (“STO”)

Portions of the proceeds of each issue are held and invested by third party trustees as well as by the State. Investments may include co-mingled investments.

Information about each of the Programs is available at: [www.buyctbonds.gov](http://www.buyctbonds.gov). Official Statements are available in the Financial Data section.

## **Section I, Part B – Verification Agent Service**

From time to time, the State anticipates undertaking refunding issues, escrow restructuring, synthetic refundings, various swap or other derivative transactions, and/or cash defeasances. The State may desire to have a transaction verified on the final day of pricing. The Verification Agent may be asked to: (1) verify the mathematical accuracy of escrow structure calculations (requirements, cashflow, sufficiency, attainability of SLGS rates, etc.); (2) calculate the yields on the refunding bonds and escrow securities; (3) provide the State with a letter expressing the firm's opinion as to the mathematical accuracy and sufficiency of the specific escrow cash flows and related transactions; (4) verify calculations relating to any transferred proceeds; (5) verify savings; and (6) verify other mathematical calculations or similar factual matters relating to the status of bonds as not being "arbitrage bonds" as may be applicable.

Fee proposals should include a schedule of fees for each service, or a single fee for all services (short-term defeasance where requirements, cashflow, and sufficiency are required, vs advanced refunding where yield calculations, savings, and other schedules may be required).

## **Section II – Scope of Services**

### **Part A – Arbitrage Rebate Services**

The scope of services to be provided by the Arbitrage Rebate Provider will include, but not be limited to, the following for each bond issue ("Issue"):

1. Consult with the State regarding the nature of the bonding program, the Issue, and collect all necessary documentation and investment data.
2. Review documentation for special elections and eligibility for spending exceptions. Determine if, and to what extent, the Issue is subject to the Rebate Requirements, and whether such Issue qualifies for exception(s).
3. Calculate the "yield on the issue" (20 U.S.C. Section 148(f)(2)(A)(ii)).
4. Review and confirm (if requested) prior arbitrage rebate reports for the Issue, if any.
5. Identify, and separately account for, all "Gross Proceeds" of the Issue, including those requiring allocation analyses due to "Transferred Proceeds" and/or "Commingled Funds" circumstances (each as defined by the Code).
6. Review and analyze the investments, funds, and accounts in which the proceeds are held. Determine, as needed, the fair market price or present value of investments.
7. Calculate the Issue's excess investment earnings (cumulative rebate liability), taking into account any other deemed proceeds that are or have become subject to the rebate requirements and all credit and debits required or permitted by the tax regulations.
8. Deliver a comprehensive report, acceptable to the Internal Revenue Service ("IRS"), detailing the tax arbitrage rebate calculations, the rebate liability and any yield restriction issues as well as an opinion letter regarding the calculations for the Issue. The letter shall provide, among

other things, that such calculations were performed in compliance with federal tax law. Provide an executive summary identifying the methodology employed, major assumptions, conclusions, and any recommendations for changes in the State's recordkeeping and investment policy.

9. Prepare and provide for signing and dating a completed Form 8038-T ready for filing with the IRS, and any other required forms.
10. Assist the State as necessary in the event of an IRS or other inquiry.
11. Consult with State's staff and the State's bond and tax counsel as necessary to provide tax advice regarding rebate-related matters, record keeping and compliance, strategies to maximize investment earnings (net of rebate) while complying with tax regulations and changes in tax laws and their effects on outstanding issues and future issuances.
12. When requested, develop models for calculating projected future rebate liability for investment and budgeting purposes. In lieu of an annual calculation, the State may request a liability estimate for the end of a June 30 fiscal year. Also, develop and maintain other models as requested for specific programs or issues.
13. Maintain a database of all issues for the assigned bonding program and advise the State of any upcoming important dates, including, without limitation, spending exceptions, yield restrictions, required calculation dates, required payment dates, and current status of all issues in the program.

#### **Part B – Verification Agent Service**

The Verification Agent Service Provider will be required to provide the services listed below in connection with each refunding bond or cash defeasance requested by the State. These services will include, but not be limited to, the following:

1. Preparation of reports (defeasance requirements, investment cashflow, escrow sufficiency, bond yield, escrow yield, savings, etc.) and verification of the mathematical accuracy of escrow reports relating to the purchase of securities placed in the escrows to support debt service, including the verification of existing escrows.
2. Review source documents (numbers run, official statements, trade confirmations, available SLGS rates, SLG subscription forms, prior verification reports, etc.) and confirm that the assumptions used in the calculations conform to such source documents.
3. Coordinate as necessary with the financing team, including the Underwriters, Financial Advisor(s) Bond Counsel (s), and Tax Counsel to ensure that necessary information concerning the Refunding Bonds, the refunded (or defeased) bonds and escrow investments (the "Refunding Bond Information") is accurately and completely transmitted and included in the verification report.
4. Within 4 hours (8 hours if transferred proceeds are involved) of receiving Refunding Bond or defeasance information provide an email confirmation, and within 7 calendar days (but no later than 2 days prior to closing) provide an opinion letter and report, of the mathematical accuracy of:

- a. Sources and Uses of Funds;
  - b. Debt Service to maturity of the Refunded and Refunding Bonds, including June 30 fiscal year totals;
  - c. Debt Service Requirements of the Refunding Bonds for Bond Yield calculation purposes;
  - d. Proof of Bond Yield on the Refunding Bonds;
  - e. Redemption price on the Refunded Bonds;
  - f. Defeasance Requirements of the Refunded Bonds;
  - g. Schedule of Escrow Investments, including required reinvestments, if any;
  - h. The interest rates on the SLGS subscription is equal to, or less than, the maximum rate available for SLGS on the SLGS subscription date;
  - i. Cashflow of the Escrow Investments, including reinvestments, if any;
  - j. Proof of Yield on the Escrow Investments;
  - k. The Escrow Yield is equal to or lower than the Bond Yield;
  - l. Escrow Fund Cash Flow Sufficiency;
  - m. Savings report on a June 30 fiscal year basis, and on an alternative date basis, if requested. Cash flow and Net Present Value basis.
  - n. Transferred Proceeds Calculations
  - o. Dollar price of refunding bonds sold on a yield basis (to maturity or call)
  - p. Accreted value calculations for deep discount term bonds
  - q. Other schedules needed in support of transaction
5. The Provider's Opinion Letter and reports shall be addressed to and may be relied upon by the State, Financial Advisor(s), Bond Counsel(s), Tax Counsel, Underwriters and Trustee.
  6. In addition, prior to the pricing of the Refunding Bonds, or the escrow restructuring, or the cash defeasance and based on information submitted by the State, the verification agent will conduct a "dry-run" verification (pre-verification) of the pricing calculations by the State, underwriter, or financial advisor in order to ensure the accuracy of the proposed structure of the Refunding Bonds and/or escrow. The Refunding Bonds may be issued along with one or more other issues for yield purposes and the calculations may involve different escrows funded from various sources of funds and may give effect to prior restricted escrow investments.

### **Section III – Contract Term**

The State intends to enter into a PSA for a three-year term, beginning January 1, 2026 and through and including December 31, 2028. Prior to December 31, 2028, subject to required approvals, the State may exercise the option for one (1) three-year extension of the contract through and including December 31, 2031.



## Section IV – Submission Deadline

A PDF of responses must be received by 5:00 PM (EST) on June 30, 2025 (“Due Date”), emailed with the words “Arbitrage Rebate and Verification Agent Services RFP” to [ct-debt-rfp@ct.gov](mailto:ct-debt-rfp@ct.gov), or on a USB drive delivered to State of Connecticut, Office of the Treasurer, 165 Capitol Avenue, Suite 2000, Hartford, CT 06106, Attn: Jeremy Hite. Note: The State is not responsible for the delay in the transmission/receipt of email or deliveries. Respondents are highly encouraged to plan accordingly for possible delays (i.e. send e-mail well ahead of the 5:00 pm cutoff time). At its sole discretion, the State may extend the deadline(s) due to problems with the State’s electronic infrastructure, or access to the building. *See Section VI for instructions on the required format and content for response.*

## Section V – Evaluation Criteria

Each Respondent’s written responses will be evaluated on the basis of the following General Factors, in addition to the specific program requirements set forth in Section II Part A and/or Part B; additional written information, if any, requested by the State; references; and oral interviews, if any. (These are not listed in order of importance.)

### General Factors:

1. Team organization and approach, including the ability of the firm to adequately staff and complete time-sensitive transactions and to interact effectively with the Office of the Treasurer.
2. Connecticut presence, although not required, as evidenced by the number of offices the respondent maintains in Connecticut and the number of Connecticut residents employed by the firm.
3. Equal employment opportunity record as evidenced by the composition of respondent’s personnel and the respondent’s affirmative action and equal employment opportunity policies and practices.
4. Corporate Citizenship policies, including the charitable contribution of money and time; local procurement of goods and services; development of and/or participation in internship programs or scholarships; and policies with regard to the use of women-owned, minority-owned and small business enterprises.
5. Overall compliance with State and federal laws and policies as evidenced in the completion of the Legal and Policy Attachments and the required submissions.
6. Fees and compensation will be an important factor in the evaluation process. The State, however, is not required to select the lowest cost response. The State reserves the right to negotiate the final contract terms, including pricing, with any respondent.

## **Part A – Arbitrage Rebate Services**

1. Experience of the firm in providing Arbitrage Rebate services to large and complex state or municipal bond issuers including the firm's understanding and level of competence in developing innovative or alternative solutions to managing arbitrage rebate exposure.
2. Quantitative abilities of the firm.
3. Qualifications of the assigned personnel including the experience and availability of the primary contact and the breadth and depth of the other professionals available to provide Arbitrage Rebate services to the State.

## **Part B – Verification Agent Service**

1. Demonstrated record of the firm's experience with other large and complex refunding issues and/or comprehensive debt restructurings.
2. Methodology for delivery of services, quantitative capabilities and depth of technical expertise.
3. Qualifications of assigned personnel, team organization and approach including the ability of the firm to adequately staff and complete time-sensitive transactions and to interact effectively with the State, underwriters, financial advisors, trustees and other professionals involved in the State's financings.

## **Section VI – Instructions for Submission**

The State reserves the right to issue multiple awards or no award, or to cancel or alter the RFP at any time. In addition, the State reserves the right to extend the proposed RFP period, if needed. Proposals containing the lowest cost will not necessarily be awarded, as the State recognizes that factors other than costs are important to the ultimate selection of the Provider or Providers. Proposals provided in response to this RFP must comply with the submittal requirements set forth in later sections, including all forms and certifications, and will be evaluated in accordance with the criteria and procedures described herein. Any PSA(s) awarded hereunder shall be subject to the approval of the Office of the Attorney General in accordance with applicable state laws and regulations.

1. **Official Agency Contact.** All communications with the State related to this RFP must be directed to the Official Agency Contact. The Official Agency Contact for the purposes of this RFP is Jeremy Hite, who may be reached via email at [ct-debt-rfp@ct.gov](mailto:ct-debt-rfp@ct.gov). Include the words "Arbitrage Rebate and Verification Agent Services RFP" in the subject line.
2. **Registering with State Contracting Portal.** The Connecticut Department of Administrative Services ("DAS") has implemented a requirement that all organizations seeking to do business with the State must register their business on CTSource. The portal for registering a business is accessible at <https://portal.ct.gov/DAS/CTSource>. Organizations will have the ability to view, verify and update their information by logging in to their CTSource account prior to submitting responses to an RFP.

The guide to using CTSource appears at <https://portal.ct.gov/-/media/DAS/CTSource/Documents/CTsourceSupplier-Registration-Portal-User-Guide-Final.pdf>. If you experience difficulty establishing your organization's account, please call DAS at 860-713- 5095 or send an email to [das.ctsource@ct.gov](mailto:das.ctsource@ct.gov).

3. **Respondent's Representatives.** Respondents must designate an authorized representative and one alternate. Provide the name, title, address, telephone and e-mail address for each representative as requested in this Section VI – 16b below.
4. **Communications Notice.** All communications with the State or any person representing the State concerning this RFP are strictly prohibited, except as permitted by this RFP. Any violation of this prohibition by Respondents or their representatives may result in disqualification or other sanctions, or both.
5. **RFP Timeline (Schedule of Events).** The following timeline, up to and including the Deadline for Submitting Proposals, shall be changed only by an amendment to this RFP. Dates after the Deadline for Submitting Proposals are target dates only.

May 22, 2025	RFP Released
June 11, 2025	Deadline for Submitting Questions
June 30, 2025	Deadline for Submitting Proposals
July 2025 – August 2025	Meetings/Interviews with Respondents (at the option of the State)
Aug 2025 – Sept 2025	Recommendation of Provider(s) (“Contractor(s)”)
Sept 2025 – Dec 2025	Contract Negotiations
January 1, 2026	Proposed Start of Contract

6. **Inquiry Procedures.** Respondents may submit questions about the RFP via email to [ct-debt-rfp@ct.gov](mailto:ct-debt-rfp@ct.gov) (include the words “Arbitrage Rebate and Verification Agent Services RFP Questions” in the subject line) on or before 5:00 PM EST on June 11, 2025. Questions must be in writing and submitted by e-mail with the words “Arbitrage Rebate and Verification Agent Services RFP” in the subject line. Questions will not be accepted over the telephone. Anonymous questions will not be answered. The State reserves the right to provide a combined answer to similar questions. The State will post official answers to the questions no later than 5:00PM EST on June 18, 2025 on the following website <https://portal.ct.gov/ott>.
7. **Confidential Information.** Respondents are advised that the Office of the Treasurer is a constitutional Office of the State of Connecticut and its records, including responses to this RFP, are public records.

All responses to this RFP shall become the property of the State and will be kept confidential until such time as a recommendation for award of a contract has been announced. Thereafter, submissions are subject to public inspection and disclosure under the State of Connecticut Freedom of Information Act, Connecticut General Statutes Sections 1-200 et seq., as may be amended from time to time (“FOIA”). If a Respondent in good faith believes that any portion of its submission is exempt from public disclosure, then, in order to maintain confidentiality, (i) the Respondent should include an explanation containing the precise statutory basis for such exemption from disclosure under FOIA and (ii) such portion should be clearly marked “Confidential.” The State will use reasonable means to ensure that such confidential information is safeguarded but will not be held liable for any inadvertent or intentional disclosure of such information, materials or data. Submissions marked as “Confidential” in their entirety will not be honored as such and the State will not deny public disclosure of all or any part of such submissions so marked. Only information marked “Confidential” that is accompanied with a precise statutory basis for such exemption under FOIA shall be safeguarded.

By submitting information with portions marked as “Confidential,” the Respondent (i) represents that it has a good faith reasonable belief that such information is exempt from disclosure under FOIA pursuant to the precise statutory basis for such exemption, and (ii) agrees to reimburse the State for, and to indemnify, defend and hold harmless the State, its officers, fiduciaries, employees and agents from and against, any and all claims, damages, losses, liabilities, suits, judgments, fines, penalties, costs and expenses including, without limitation, attorneys’ fees, expenses and court costs of any nature whatsoever arising from or relating to the State’s non-disclosure of any such designated portions of a proposal if disclosure is deemed required by law or court order.

8. **Minimum Submission Requirements.** At a minimum, proposals must (1) be submitted before the deadline, (2) follow the required format, (3) be complete, and (4) include the required Attachments. Proposals that fail to meet these minimum submission requirements may be disqualified and not reviewed further. Note the “Style Requirements” below.
9. **References.** Identify three recent clients that we may contact as references. Provide the following information for each reference: name, title, company address, and phone number as well as a brief summary of the services provided and the type of bond issue(s).
10. **Legal and Policy Attachments.** Complete all Legal and Policy Attachments in accordance

with the directions provided. Failure to complete the Legal and Policy Attachments will result in the Proposal not being reviewed.

11. **Contract Compliance Requirements.** The State is an Equal Opportunity and Affirmative Action employer and does not discriminate in its hiring, employment, or business practices. The State is committed to complying with the Americans with Disabilities Act of 1990 (ADA) and does not discriminate on the basis of disability, in admission to, access to, or operation of its programs, services, or activities.

The State is required to consider the following factors in considering the Respondent's qualifications: (1) success in implementing an affirmative action plan; (2) promise to develop and implement a successful affirmative action plan; (3) submission of bidder employment information indicating that the composition of the Respondent's workforce is at or near parity in the relevant labor market area; or (4) promise to set aside a portion of the contract for legitimate minority business enterprises.

12. **Consultants.** Any respondent that has entered into any consulting agreements whereby the duties of the consultant include communications concerning business of the Treasurer, whether or not in direct contact with the Treasurer, any other agency or public official or State employee was expected or made, must disclose such consulting agreements in the **Affidavit of Third Party Fees and Disclosure of Consulting Agreements, Attachment 3** of the [Legal and Policy Attachments](#) (Exhibit 2). The selected vendor will be required to provide an updated disclosure at the time the contract is executed. See the **Directions** accompanying the **Legal and Policy Attachments** for instructions.

13. **Style Requirements.** Proposals must conform to the following requirements: (1) be formatted to fit on 8 1/2 x 11 inch paper using a font size of not less than 12 points, (2) have margins of not less than 1" on the top, bottom, and sides of all pages, (3) be within the page limits specified; (4) display the Respondent's name on the header of each page, and (5) display page numbers at the bottom of each page.

Proposals may not exceed the page limits specified. Page limits are given for each Part; however, there is no page limit requirement for the cover. Brief and concise answers are encouraged. Page limits are intended to set limits, not targets.

14. **Packaging and Labeling Requirements.** All proposals must be submitted by e-mail or USB Drive. All proposals must be addressed to the Official Agency Contact. The proposal must be signed by the Respondent. Unsigned proposals will be rejected.
15. **Meetings with Respondents.** At its discretion, the State may hold meetings (in person or via Teams) with Respondents to gain a better understanding of the proposals. The meetings may involve interviews, presentations, or site visits. If the State decides meetings are warranted, the Official Agency Contact will telephone Respondents to make an appointment. Any such meetings are tentatively scheduled for July/August 2025.
16. **Required Format for Responses.** All proposals must follow the required format (below) and address all requirements listed in the prescribed order, using the prescribed numbering system. Failure to follow the required format may result in the disqualification of a proposal.

**I. Cover Letter (Page limit: 2)**

The proposal should include a cover letter not to exceed two (2) pages that includes the following information:

a. Contact Information

1. Name of Respondent (firm name)
2. Mailing Address of Respondent's headquarters
3. Website of Respondent

b. Respondent's Representatives

The Respondent must designate an authorized representative and one alternate who may speak and act on behalf of the Respondent in all dealings with the State, if necessary. Provide the following information for each individual:

1. Name and title
2. Office location address
3. Mailing address
4. Telephone Number
5. E-mail address

- c. A statement that the Respondent has the capability to provide the requested services.
- d. A Statement that the Respondent has thoroughly reviewed the RFP and acknowledges and accepts all terms and conditions included in the RFP.
- e. Include a statement that the Respondent has read and accepts the State's standard contract and conditions (PSA) in their entirety and without amendment.

The cover letter must be signed by a person authorized to bind the firm to all commitments made in its proposal. Electronic signatures are acceptable.

## **II. Respondent Information (Page Limit: 4, excluding financial statement which has no limit)**

All Respondents must provide written responses to the following:

1. Please describe your team organization and approach, including the ability of the firm to adequately staff and complete time-sensitive transactions and to interact effectively with the State Office of the Treasurer.
2. Please describe your Connecticut presence, if any, as evidenced by the number of offices the respondent maintains in Connecticut and the number of Connecticut residents employed by the firm.
3. Please describe your equal employment opportunity record as evidenced by the composition of Respondent's personnel and the Respondent's affirmative action and equal employment opportunity policies and practices.
4. Corporate Citizenship policies, including the charitable contribution of money and time; local procurement of goods and services; development of and/or participation in internship programs or scholarships; and policies with regard to the use of women-owned, minority-owned and small business enterprises.

In an appendix, include your most recent audited financial statement.

## **III. Experience**

Respondents may respond to Part A for Arbitrage Rebate services or Part B for Verification Agent services or both depending on their interest and qualifications in these areas.

**Part A – Arbitrage Rebate Services: NOTE: Response to Sections 1 and 2 is mandatory. For Sections 3 through 6, each firm should respond to one or more sections, depending on their interests and qualifications in these areas. (Page limit: 15)**

### **Section 1 – General Information:**

1. Describe your firm's experience in providing arbitrage rebate compliance services in general, and specifically with regards to transactions issued by State-level entities. Highlight experience allocation of co-mingled funds between separate issues, and with complex tax-exempt structures such as State Revolving Fund issues, refundings, etc. in particular. Include at least two examples of work performed at the specific branch office which will have primary responsibility for this engagement. These examples should reflect current applicable laws, rules, and regulations.
2. Provide a brief explanation of circumstances requiring methodological discretion and your recommended approach to addressing such circumstances. Specific examples of how such discretionary measures can impact analyses performed on complex debt

issuances are preferred. Examples might include allocation of commingled funds, identifying and advising on optional elections available to the State, and utilizing market vs. present value for identifying fund balances.

3. Designate the individual(s) who will be working on day-to-day activities with State staff. Provide a brief description of their experience, office location, and accessibility.
4. Provide the names and contact person(s) for at least three issuers each for which your firm has provided arbitrage rebate compliance services for at least five (5) bond issues.
5. Describe in detail the information and assistance you will require from State staff. Include your needs for bond issuance and investment information, and any special reporting formats that may be required.
6. Describe the tax expertise available within or to your firm, particularly with regard to the provisions of Section 148(f) of the Internal Revenue Code and Regulations promulgated there under. Describe the assurance you can provide the State that work performed is consistent with federal tax and other applicable laws.
7. If applicable, describe a situation where Bond/Tax Counsel expressed an interpretation different from your firm's general position. Describe how the issue was addressed.
8. Describe your firm's experience with partial refundings in a program secured by a reserve fund and the issues which are raised in such a circumstance.
9. Describe your firm's process for adapting to changes in the tax law and the impact on your clients.
10. Describe your firm's approach to providing the State with arbitrage rebate liability and payment amounts projected out five years.
11. Describe your firm's experience with calculating arbitrage rebate with regard to investment in complex Guaranteed Investment Contracts.
12. Has a rebate report prepared by your firm been audited by the IRS that resulted in an adjustment (other than interest/penalties due to a late payment by the issuer)?
13. Has the IRS provided a notification that your reports cannot be relied upon?
14. Provide information regarding your firm's professional liability insurance including the level of deductible and the coverage levels per occurrence and overall limits.

## **Section 2 – Fee Proposal for Arbitrage Rebate Services**

1. Based on the attached Expected Computations by Program (Schedule 1) during the next



three years (plus an additional three years if extended by the State), state your firm's charges per issue (single issue as defined by the IRS) and using the attached Supplemental Fee Quotation (Schedule 2), summarize your fees by fiscal (or calendar per the Schedule) year and program.

You may specify a different fee schedule for each of the different Programs.

Please be specific as to the frequency of your proposed calculations. For example, our STO, State Revolving Fund, and UConn programs historically have calculations for each series completed every fiscal year. Calculations for our GO program are completed every five years and at our discretion in between computation dates.

It is the intention of the State that all issues of one program will be assigned to one Provider. However, special situations may dictate an assignment of a specific Issue to a different Provider.

2. Please specify if your fees would differ assuming:
  - a) Annual rebate report beginning in Year 2 until all proceeds are spent.
  - b) Rebate report in Year 2, Year 4, and every 4 years thereafter until all proceeds are spent (rebate payment every 4 years to avoid potential late payment penalties).
3. You may, but are not required to, specify a fee schedule for UCONN Student Fee Revenue Bonds. UCONN is not involved with this RFP. Should UCONN desire to piggyback on the State's contract, the fee schedule would apply.
4. Specifically state additional fees charged for the following:
  - a) Yield restriction analyses
  - b) Commingled funds analyses
  - c) Transferred proceeds analyses
  - d) Multiple participants in a pooled financing
  - e) Variable rate issues
5. Provide estimates of other expenses exclusive of fee schedules. Identify follow-up consultation and services available after completion of the arbitrage calculation, and the costs thereof. Indicate the length of time you would honor such schedule and how your fee schedule would apply to future bond issues.
6. How would you propose to handle and bill for amending your calculations if new regulations require amending previous calculations?
7. How would you propose to bill for program modeling and consultation?

### **Section 3 – General Obligation**

1. Summarize in tabular format your arbitrage rebate experience with large general obligation issuers over the past two years. Include unique issues related to GO Bonds.
2. Discuss your experience with arbitrage rebate calculations for variable rate issues and

commercial paper issues and what special requirements or issues the State should be aware of.

3. Discuss your experience and methodology for allocating arbitrage rebate liability among various separately accounted for purposes that were funded by one bond issue.

#### **Section 4 – University of Connecticut (UCONN 2000)**

1. Summarize in tabular format your arbitrage rebate experience with large public issuers in higher education. Include unique issues related to governmental higher education issuers.

#### **Section 5 – Special Tax Obligation (Transportation Infrastructure)**

Note: STO has a common DSRF for bonds issued through 2023. DSRF investments include co-mingled investments and separately segregated investments. Bonds issued in 2024 and thereafter do not have a DSRF.

1. Summarize in tabular format your arbitrage rebate experience with special tax obligation issuers similar to STO over the past two years. Include unique issues related to STO type financings.
2. Discuss any experience your firm has had creating mathematical models to analyze separate reserve funds invested in one common parity reserve fund that includes co-mingled and separately accounted for investments, and providing aggregate tax arbitrage rebate analysis including investment allocations.
3. Discuss your experience with transferred proceeds calculations and issues which arise when all of the bonds for an issue have been refunded or paid but reserve fund proceeds remain and are required for the overall reserve fund requirement.

#### **Section 6 – Clean Water/Drinking Water Fund – State Revolving Fund**

1. Summarize in tabular format your arbitrage rebate experience with Clean Water/Drinking Water Fund issuers similar to the STF over the past two years.
2. Discuss any experience your firm has had with State Revolving Funds and what tax issues are unique to these Funds with regard to managing arbitrage rebate liability.

#### **Part B – Verification Agent Services – All firms interested in providing verification agent services must respond to Part B – Sections 1 and 2. (Page limit: 10)**

##### **Section 1 – General Information**

1. A description of the firm's experience with other large refunding issues or large-scale debt restructuring programs.
2. A description of the methodology used to verify each issue, including details as to the software used, how each issue is verified, internal checks and quality control and the end product(s) delivered to the State.

3. Brief qualifications and background of the personnel that would work on the State's issues, including the team's knowledge and understanding of all applicable tax law and IRS regulations. Also, please include a statement of commitment as to the availability of each team member through the term of this engagement.
4. A list of the three most recent refundings and/or escrow restructurings above \$75,000,000 in which any of the personnel listed above was involved. Provide a reference name and telephone number. If available please list issues other than those done with the State of Connecticut and City of Hartford.
5. Provide information regarding your firm's professional liability insurance including the level of deductible and the coverage levels per occurrence and overall limits.
6. Has a verification report by your firm had an escrow insufficiency, or a bond or escrow yield that was later determined to be incorrect?
7. If it is desirable to have a verification report signed by a Certified Public Accountant, does your firm have that ability?

## **Section 2: Fee Proposal for Verification Agent Services**

Please include your proposed fee for (a) flat fee per refunding issue; (b) flat fee per cash defeasance or simple refunding issue (defeasance requirements, escrow investment cashflow, escrow sufficiency, escrow yield), (c) flat fee for escrow restructuring and (d) any other fee structure you would propose. Describe what services or calculations, if any, would be outside of the scope of services and fee proposal.

If there is a fee difference depending upon the Program, please state the differences.

## **IV. Compliance (Page limit: No page limit)**

**Legal and Policy Attachments.** Complete the following Legal and Policy Attachments in accordance with the directions provided in each form: **Attachments 1A, 1B, 2, 3, 4A, 5 and 6.** Failure to complete these required Legal and Policy Attachments will result in the Proposal being disqualified. The Legal and Policy Attachments may be located here: <https://portal.ct.gov/OTT/Doing-Business/Compliance-Reporting>.

## **Section VII - RFP Conditions**

1. All proposals submitted in response to this RFP will become the sole property of the Office of the Treasurer.
2. The Treasurer is required, as a part of the procurement process, to certify that each Respondent awarded a contract through this RFP was not selected as a result of collusion, the giving or promise of a gift, compensation, fraud, or inappropriate influence from any person.

3. Any product developed under a contract awarded as a result of the RFP, whether acceptable or unacceptable, will become the sole property of the Office of the Treasurer.
4. Timing and sequence of events resulting from this RFP will ultimately be determined by the Office of the Treasurer.
5. The Respondent agrees that the proposal will remain valid for a period of 180 days after the deadline for submission and may be extended beyond that time by mutual agreement.
6. By submitting its proposal, the Respondent warrants that all information provided in response to this RFP is accurate and complete as of the date of submission. The Respondent has an ongoing obligation during the pendency of this RFP to inform the Office of the Treasurer if any information previously provided is no longer true or complete, and to provide updated information. Failure to do so is grounds for disqualification.
7. The Office of the Treasurer may amend or cancel this RFP at any time, if the State deems it to be necessary, appropriate, or otherwise in the best interests of the State. Failure to acknowledge receipt of amendments, in accordance with the instructions contained in the amendments, may result in the Respondent's proposal not being considered.
8. Any costs and expenses incurred by the Respondents in preparing or submitting proposals, including travel expenses incurred to attend the Respondents' meetings or interviews are the sole responsibility of the Respondent.
9. No additions or changes to the original proposal will be allowed after submission. While changes are not permitted, clarification of proposals may be required by the Office of the Treasurer at the Respondent's sole cost and expense.
10. The Respondent represents and warrants that the proposal is not made in connection with any other respondent and is in all respects fair and without collusion or fraud. The Respondent further represents and warrants that the Respondent did not participate in any part of the RFP development process, had no knowledge of the specific contents of the RFP prior to its issuance, and that no agent, representative or employee of Office of the Treasurer participated directly in the Respondent's proposal preparation.
11. All responses to the RFP must conform to instruction. Failure to comply with any requirements of this RFP may be considered appropriate cause for rejection of the response.
12. The Respondent must accept the Office of the Treasurer's standard contract language and conditions or provide acceptable revisions. *See* Standard Personal Services Agreement, attached hereto as **Exhibit 1**.
13. The Treasurer reserves the right to award in part or to reject any and all proposals in whole or in part for misrepresentation, or if a Respondent is in default of any prior State contract, or if the proposal limits or modifies any of the terms and conditions and/or specifications of the RFP. The Office of the Treasurer also reserves the right to waive technical defects, irregularities, and omissions if, in its judgment, the best interest of the State will be served.
14. The Treasurer reserves the right to correct inaccurate awards resulting from its clerical errors. This may include, in extreme circumstances, revoking the awarding of a contract already made to a respondent and subsequently awarding the contract to another respondent. Such action on the part of the Office of the Treasurer shall not constitute a breach of contract on the part of the State since the contract with the initial respondent is deemed to be void *ab initio* and of no effect as if no contract ever existed between the Office of the Treasurer and the Respondent.
15. Prior to its engagement by the Office of the Treasurer, the successful Respondent(s) shall furnish the Office of the Treasurer with a current and valid Letter of Good Standing issued by the State of Connecticut Department of Revenue Services, pursuant to Connecticut General

Statutes 12-2. The failure of the successful respondent to timely provide a Letter of Good Standing prior to engagement may result in the removal and replacement of the successful respondent.

**Office of the Treasurer**  
**REQUEST FOR PROPOSALS – SCHEDULE 1: Expected Computations By Program**

Expected Computations by Program  
1/1/2026 - 12/31/2031

SCHEDULE 1

Program	Issue Date	Issue Name	Next Computation Dates	Original Issue Amount	Outstanding as of 4/22/2025	Final Maturity
<b>CLEAN WATER</b>			<b>EVERY FISCAL YEAR</b>			
Clean Water Fund	7/27/2006	CWF State Revolving Fund General Revenue 2006 A	6/30/XX	150,000,000.00	-	7/1/2027
Clean Water Fund	6/25/2009	Clean Water Fund 2009 Series A	6/30/XX	199,440,000.00	-	6/1/2027
Clean Water Fund	3/24/2011	Clean Water Fund General Revenue 2011 Series A	6/30/XX	182,935,000.00	-	1/1/2028
Clean Water Fund	2/21/2013	Clean Water SRF General Revenue Bonds 2013 A	6/30/XX	124,935,000.00	-	3/1/2031
Clean Water Fund	2/21/2013	Clean Water SRF General Revenue Refunding 2013 B	6/30/XX	37,235,000.00	-	7/1/2027
Clean Water Fund	3/6/2013	Clean Water SRF General Revenue Bonds 2013 A	6/30/XX	250,000,000.00	188,205,000.00	3/1/2035
Clean Water Fund	6/15/2017	SRF GRB 2017 Series A	6/30/XX	250,000,000.00	218,765,000.00	3/1/2037
Clean Water Fund	6/15/2017	SRF GRB 2017 Series B	6/30/XX	105,125,000.00	41,225,000.00	6/1/2027
Clean Water Fund	7/9/2019	SRF GR Bonds 2019 Series A	6/30/XX	250,000,000.00	197,345,000.00	2/1/2039
<b>GENERAL OBLIGATION</b>			<b>EVERY 5 YEARS OR AS REQUESTED</b>			
General Obligation	3/25/2013	General Obligation 2013 Series A	3/25/2030	400,000,000.00	200,000,000.00	3/15/2035
General Obligation	3/28/2013	General Obligation 2013 Series B	3/1/2030	500,000,000.00	385,000,000.00	6/15/2035
General Obligation	8/19/2013	General Obligation 2013 Series E	8/1/2030	250,000,000.00	137,500,000.00	8/1/2035
General Obligation	12/1/2013	General Obligation Bonds 2013 Series F	12/1/2030	585,000,000.00	325,000,000.00	11/15/2035
General Obligation	12/1/2013	General Obligation Bonds 2013 Series G	12/1/2030	65,000,000.00	32,500,000.00	11/15/2035
General Obligation	3/30/2016	General Obligation Bonds 2016 Series A	3/1/2026	550,000,000.00	265,970,000.00	3/15/2036
General Obligation	6/14/2016	General Obligation Bonds 2016 Series B Refunding	6/1/2026	501,440,000.00	180,920,000.00	5/15/2027
General Obligation	6/14/2016	General Obligation Bonds 2016 Series C Variable	6/1/2026	300,000,000.00	229,475,000.00	5/15/2034
General Obligation	8/17/2016	General Obligation 2016 Series D	8/1/2026	250,000,000.00	150,000,000.00	8/15/2036
General Obligation	10/26/2016	General Obligation 2016 Series E	10/1/2026	585,000,000.00	325,000,000.00	10/15/2036
General Obligation	10/26/2016	General Obligation Tax Exempt 2016 Series F	10/1/2026	65,000,000.00	65,000,000.00	10/15/2031
General Obligation	4/19/2017	General Obligation Bonds 2017 Series A	4/15/2029	550,000,000.00	294,735,000.00	4/15/2037
General Obligation	4/19/2017	General Obligation Refunding Bonds 2017 Series B	4/1/2027	197,025,000.00	40,370,000.00	4/15/2028
General Obligation	6/28/2017	General Obligation Bonds 2017 Series C SIFMA	6/2/2030	300,000,000.00	231,055,000.00	6/1/2037
General Obligation	4/11/2018	G.O. Bonds 2018A	4/1/2028	250,000,000.00	184,190,000.00	4/15/2038
General Obligation	6/20/2018	General Obligation Bonds (2018 Series C)	6/1/2028	400,000,000.00	258,310,000.00	6/15/2038
General Obligation	6/20/2018	General Obligation Refunding Bonds (2018 Series D)	6/15/2028	92,105,000.00	43,100,000.00	4/15/2027
General Obligation	9/13/2018	G.O. Bonds 2018 Series E (2017 BANS)	6/30/2028	400,000,000.00	260,000,000.00	9/15/2037
General Obligation	9/13/2018	G.O. Bonds 2018 Series F (Refunding)	9/1/2028	239,100,000.00	91,855,000.00	9/15/2028
General Obligation	4/11/2019	G.O. Bonds Series AA	4/11/2029	750,000,000.00	525,000,000.00	4/15/2039
General Obligation	8/7/2019	General Obligation 2019 Series B Refunding	2/15/2029	239,855,000.00	94,470,000.00	2/15/2029
General Obligation	1/7/2020	General Obligation 2020 Series A	1/1/2030	700,000,000.00	525,000,000.00	1/15/2040
General Obligation	1/7/2020	General Obligation 2020 Series B Refunding	1/1/2030	194,640,000.00	8,255,000.00	1/15/2026
General Obligation	6/25/2020	General Obligation 2020 Series C	6/1/2030	400,000,000.00	320,000,000.00	6/1/2040
General Obligation	1/6/2021	General Obligation 2021 Series A	1/1/2026	800,000,000.00	640,000,000.00	1/15/2041
General Obligation	6/4/2021	General Obligation 2021 Series B Social Bonds	6/1/2026	300,000,000.00	255,000,000.00	6/1/2041
General Obligation	11/1/2021	General Obligation 2021 Series D (forward RF)	8/3/2026	221,255,000.00	138,835,000.00	7/15/2031
General Obligation	1/6/2022	General Obligation 2022 Series A	1/1/2027	500,000,000.00	376,000,000.00	1/15/2035
General Obligation	1/6/2022	General Obligation 2022 Series B Social Bonds	1/1/2027	300,000,000.00	300,000,000.00	1/15/2042
General Obligation	6/22/2022	General Obligation 2022 Series C	6/22/2027	150,000,000.00	135,000,000.00	6/15/2042
General Obligation	6/22/2022	General Obligation 2022 Series D Refunding	6/1/2027	568,870,000.00	281,960,000.00	9/15/2032
General Obligation	12/14/2022	General Obligation 2022 Series E	11/15/2027	400,000,000.00	335,000,000.00	11/15/2035
General Obligation	12/14/2022	General Obligation 2022 Series F (Social Bonds)	11/15/2027	250,000,000.00	250,000,000.00	11/15/2042
General Obligation	12/14/2022	General Obligation 2022 Series G (RF)	11/15/2027	262,365,000.00	200,130,000.00	11/15/2032
General Obligation	6/22/2023	General Obligation 2023 Series A	5/15/2028	100,000,000.00	95,000,000.00	5/15/2043
General Obligation	6/22/2023	General Obligation 2023 Series B (RF)	8/1/2028	265,855,000.00	124,360,000.00	8/1/2033
General Obligation	1/11/2024	General Obligation 2024 Series A	1/15/2029	400,000,000.00	367,500,000.00	1/15/2037
General Obligation	1/11/2024	General Obligation 2024 Series B (Social)	1/15/2029	250,000,000.00	250,000,000.00	1/15/2044
General Obligation	1/11/2024	General Obligation 2024 Series C (RF)	3/1/2029	176,190,000.00	159,190,000.00	3/1/2034
General Obligation	6/18/2024	General Obligation 2024 Series D	6/18/2029	200,000,000.00	200,000,000.00	5/1/2044
General Obligation	8/8/2024	General Obligation 2024 Series E (RF)	8/1/2027	214,190,000.00	214,190,000.00	9/1/2034
General Obligation	10/23/2024	General Obligation Series 2024H Refunding	10/23/2029	136,705,000.00	136,705,000.00	11/15/2034
General Obligation	10/23/2024	General Obligation Bonds Series 2024FG (Social)	10/23/2029	800,000,000.00	800,000,000.00	11/15/2044
<b>SPECIAL TAX OBLIGATION - TRANSPORTATION</b>			<b>EVERY FISCAL YEAR</b>			
Transportation	10/15/2015	STO Series A Bonds & Series B Refunding Bonds	6/30/XX	839,770,000.00	517,400,000.00	8/1/2035
Transportation	9/28/2016	STO 2016 Transportation Infrastructure Series A & Ref. Series B	6/30/XX	868,265,000.00	610,760,000.00	9/1/2036
Transportation	2/8/2018	STO 2018 Series A	6/30/XX	800,000,000.00	599,755,000.00	1/1/2038
Transportation	10/25/2018	STO 2018 Series B & Series C Refunding	6/30/XX	850,105,000.00	631,735,000.00	10/1/2038
Transportation	3/29/2020	STO 2020 Series A	6/30/XX	850,000,000.00	757,635,000.00	5/1/2040
Transportation	3/12/2021	STO 2021 Series A & Series B Refunding	6/30/XX	886,695,000.00	801,440,000.00	5/1/2041
Transportation	10/19/2021	STO 2021 Series C Forward Refunding	6/30/XX	144,190,000.00	88,385,000.00	1/1/2032
Transportation	12/1/2021	STO 2021 Series D	6/30/XX	500,000,000.00	451,800,000.00	11/1/2041
Transportation	11/7/2022	STO 2022 Series A	6/30/XX	1,143,490,000.00	1,019,200,000.00	7/1/2043
Transportation	11/1/2023	STO 2023 Series A	6/30/XX	1,224,005,000.00	1,170,540,000.00	7/1/2044
Transportation	12/19/2024	STO 2024A NM	6/30/XX	1,000,000,000.00	1,000,000,000.00	7/1/2045
Transportation	12/19/2024	STO 2024B RF	6/30/XX	375,270,000.00	375,270,000.00	7/1/2031
<b>UNIVERSITY OF CONNECTICUT - GO BONDS</b>			<b>EVERY FISCAL YEAR</b>			
UConn 2000	4/21/2016	UConn 2016 Series A	6/30/XX	261,510,000.00	143,825,000.00	3/15/2036
UConn 2000	4/21/2016	UConn 2016 Series A Refunding	6/30/XX	80,425,000.00	7,485,000.00	3/15/2027
UConn 2000	1/19/2017	UConn 2017 Series A	6/30/XX	311,200,000.00	186,720,000.00	1/15/2037
UConn 2000	3/2/2018	UConn GO 2018A	6/30/XX	276,075,000.00	179,445,000.00	4/15/2038
UConn 2000	3/8/2019	UConn 2019 Series A	6/30/XX	174,785,000.00	122,345,000.00	11/1/2038
UConn 2000	3/8/2019	UConn 2019 Series A Refunding	6/30/XX	64,680,000.00	25,945,000.00	11/1/2028
UConn 2000	12/17/2020	UConn 2020 Series A	6/30/XX	160,230,000.00	128,170,000.00	2/15/2031
UConn 2000	12/17/2020	UConn 2020 Series A Refunding	6/30/XX	119,085,000.00	65,410,000.00	2/15/2041

Expected Computations by Program  
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SCHEDULE 1

UConn 2000	4/13/2022 UCONN GO 2022A	6/30/XX	227,185,000.00	204,465,000.00	5/1/2042
UConn 2000	11/21/2023 UCONN 2023 Series A	6/30/XX	224,540,000.00	213,310,000.00	8/15/2043
UConn 2000	11/21/2023 UCONN 2023 Series A (RF)	6/30/XX	133,505,000.00	120,135,000.00	8/15/2033

Note: Within a Program, Issues with the same Issue Date are likely to be sold on the same date and be considered a "single issue". Forward Issues are likely to be sold on the same date as an issue that closed earlier that year, and be considered a "single issue". There are exceptions. We will discuss the specifics with the selected Provider(s).



**Office of the Treasurer**  
**REQUEST FOR PROPOSALS – SCHEDULE 2: Arbitrage Rebate Service Supplemental**  
**Fee Quotation**

<b>Calendar Year</b>	<b>General Obligation</b>	<b>UConn 2000</b>	<b>Transportation</b>	<b>CWF/DWF</b>
2026				
2027				
2028				
2029				
2030				
2031				
Total				
Firm Name:				
Date:				

## **EXHIBIT 1 to RFP**