

**UNITED INDEPENDENT SCHOOL DISTRICT
INVESTMENT ADVISOR SERVICES
RFP 2010-007
BEST & FINAL**

| VENDORS | CYPRESS ASSET MANAGEMENT | ESTRADA-HINOJOSA INVESTMENT BANKERS | FIRST SOUTHWEST (opt 1) | FIRST SOUTHWEST (opt 2) | PATTERSON & ASSOCIATES INVESTMENT PROFESSIONALS | PFM ASSET MANAGEMENT |
|--|--|--|--|---|--|--|
| COST OF SERVICES | | | | | | |
| Basis Points | 5 | - | - | a fixed fee of \$4,500 per QTR (\$18,000 annually) plus a transaction fee billed at a rate of 5 Basis Points, or 1/20th of 1% on the invested amt | - | |
| Annual Cap on Fees | not greater than \$35,000.00 | - | - | | - | |
| Annual Fee | - | \$40,000.00 | \$50,000.00 | | \$40,000.00 | \$30,000.00 |
| Expenses not Covered by the Proposal Fees | all investment mgmt & advisory services are covered by the above fee - no additional fees will be incurred | transactional expenses - if arbitrage rebate calculation services are required for bond series issued prior to initiation of contract - reimbursement will NOT be requested for reasonable & actual out-of-pocket expenses such as travel & related costs & any transaction fees paid by them | no additional fees will be associated with the services listed above - additional fees are associated with non-mgmt services, such as arbitrage rebate & continuing disclosure | | no additional fees associated - the fee proposed is all inclusive | no additional fees that are not covered by the fees outlined in the proposal - no additional costs would be required to implement their investment recommendations |
| Arbitrage Services | not included in proposal but they will calculate arbitrage for client accounts & would sub-contract the actual duties to a certified Arbitrage Service Provider | they would assist in contracting BNY Mellon to provide arbitrage rebate calculation services pertaining to bonds issued during the term on the contract - the normal calculation fees associated will be covered within the investment advisor fee | not included | | not included - company will facilitate a contact & even provide a flow through service for arbitrage calculations from one of two companies they have previously worked with but they won't do it themselves | the proposed fee is inclusive of arbitrage services on any new bond issues but any pre-existing bond issues will be subject to a negotiated discount fee |
| Notes | fees are based on the average month-end market value of the portfolios calculated by the Custodian Bank - fees are billed in arrears at the end of each qtr - if the qtrly fee calculation, when accumulated with the previous qtrs' fees exceeds \$35,000, then the quarterly fee shall be adjusted to result in an accumulated annual fee equal to \$35,000 - this fee would cover all costs related to investment mgmt & the advising of the District's portfolio - the fees are negotiable and are all inclusive - the District will not be billed for any travel or any other expense related to the mgmt of the investment acct. | fee shall be billed at \$10,000 at the end of each investment qtr which will include the investment advisor fee as well as costs & expenses, where applicable - should the selected tax-exempt bonds proceeds investment strategy incorporate a flexible repurchase agreement or other structured investment, fees will be determined by an applicable IRS guidelines & industry standards - all services & fees are flexible & open to negotiation - additional services provided: financial disclosure & assistance with Bank Depository RFP | cost set at a fixed fee of \$12,500 per QTR (\$50,000 annually) | at the option of the District, the transaction fee may be subtracted from the purchase yield or billed on a qtrly bases - if the District chooses to invest bond proceeds into a flexible repurchase agreement, a fully disclosed transaction fee she be paid by the winning bidder, not the District - if the District elects to invest bond proceeds as proposed the District will not pay additional fees beyond \$4,500 per qtr | fee includes all mgmt & consulting services - the fee is all inclusive of the mgmt, review, training, reporting & oversight services outlined in the proposal - fee is to be payable on a qtrly basis | fee to be paid in qtrly increments - fee includes the following services: investment program review, strategy development & implementation, reporting, & district resource |

TWO (2) VENDORS SUBMITTED A NO BID