

THE SCHOOL DISTRICT OF PHILADELPHIA
REQUEST FOR QUALIFICATIONS
FOR CONSULTING SERVICES

RESPONSES DUE NO LATER THAN
TUESDAY, JANUARY 31, 2012 5:00 PM EST

Through this Request for Qualifications (“RFQ”), the School District of Philadelphia (“District”) invites the firms selected to receive the RFQ to submit the Statements of Qualifications described below and Fee Proposals for the managerial and financial consulting services described below.

BACKGROUND

The District is a separate and independent home rule school district of the first class whose boundaries are coterminous with those of the City of Philadelphia (“City”). It is the largest school district in the Commonwealth of Pennsylvania (“Commonwealth”) with a Fiscal Year 2012 enrollment of approximately 193,670 students, including approximately 46,325 charter school students and approximately 4500 students attending alternative educational programs. The District has the eighth largest enrollment in the nation and employs approximately 19,025 professional and nonprofessional employees.

The District is governed by a five member School Reform Commission (“Commission”) created to govern the District upon a declaration of financial distress issued in 2001.

The District has been experiencing significant financial stress as it has struggled to achieve budget balance as a result of the need to reduce expenditures by over \$600 million.

For more information on the School District, see the District’s website at [insert link here] and see Appendix A to the District’s most recent Official Statement [insert link to O.S. here].

SCOPE OF SERVICES

The District is requesting Statements of Qualifications from respondents for professional managerial and financial consulting services, including services necessary to:

1. Close Budget Gap in FY 2012 and Develop Balanced Budget for FY2013

(a) at the direction of the Commission and Chief Recovery Officer, implement existing budget gap closing initiatives for the District’s fiscal year ending June 30, 2012 (“FY12”) and identify and implement new gap closing initiatives based on cost reductions, efficiencies and non-tax/funding based measures in FY12;

(b) at the direction of the Commission and the Chief Recovery Officer, identify and assist in the implementation of initiatives to achieve a balanced operating budget for the fiscal year ending June 30, 2013 (“FY13”);

2. Restructure District Operations Consistent With Anticipated Revenues

(a) advise on and provide a detailed plan for an efficient and cost-effective administrative, operational and organizational structure for the District, designed to enable and support school-level management and accountability;

(b) implement SRC approved plan to return the District to structural balance in which recurring expenses do not exceed recurring and reasonably predictable local, Commonwealth and other revenue with all necessary design changes to policies, information systems, processes and procedures, and other methods for successful operations ;

(c) implement Commission-initiated controls and mandates with respect to hiring, training, contracting, creation of obligations, expenditures, and payments;

(d) on an as needed and if requested basis, subject to appropriate direction, provide temporary senior “c-level” and other personnel to achieve the financial and operational objectives of the Commission;

(e) assist in the completion of a five year financial plan for the District which will provide for budget balance and an efficient and effective operating structure; and

3. Evaluate Asset Monetization Options

(a) evaluate District assets with a view to extracting value from asset sales or other monetization techniques and recommendations as to revenue enhancements;

4. Address such other matters as requested by the Commission or the Chief Recovery Officer from time to time, including, without limitation, the provision of an initial survey or mapping of certain matters and thereafter, specific reports (periodic and otherwise) to the Commission and those persons designated by the Commission.

RESPONSES TO RFQ

Responses to this RFQ are due by 5p.m. Eastern time on Tuesday, January 31, 2012. Responses should be submitted by e-mail in pdf form to:

**Joan N. Stern
Blank Rome LLP**

e-mail: stern@blankrome.com, with a copy to madavis@philasd.org

Responses should be no longer than ten 8-1/2 x 11 inch pages when printed (exclusive of appendices). Ms. Stern is the single point of contact for the RFQ and questions are to be directed to her in writing. The questions asked and the responses will be sent to all respondents.

Your response should contain the following:

1. The qualifications of your firm to perform the services outlined including examples of similar engagements with demonstrable results.
2. Your firm's experience with large United States public school districts (Pre K-12) with multiple collective bargaining units.
3. Whether your firm has a dedicated public school or public sector division or practice.
4. Your plan for staffing the engagement with descriptions of the qualifications and experience of your team. For each person, indicate the role of that person and whether their participation would be day to day or "as needed". Identify the person who would have primary responsibility for day to day delivery of service and management of the engagement. If your plan is to use subcontractors or sub-consultants, identify the firms and individuals you would use, their roles and credentials. Resumes of your proposed team may be included as an appendix.
5. A timeline for your delivery of the services described in paragraphs 1 (a) and 1 (b) under "Scope of Services" assuming work commences on February 15, 2012.
6. Describe your commitment to W/M/OBE participation and inclusion and to diversity and inclusion within your firm. Describe your experience in working with diverse stakeholders. The Respondent must complete and submit the Diversity Questionnaire attached as an Exhibit.
7. Identify any legal, regulatory or administrative investigations, proceedings, orders or adjudications to which your firm or its personnel or subcontractors are subject which could adversely affect your performance of the engagement.
8. Describe any conflicts or potential conflicts you might have in undertaking this engagement with the District and your plan for monitoring and eliminating conflicts should your firm be engaged.
9. Provide three public sector references with contact information for each.
10. The name, address, telephone number and e-mail address of the contact person for your firm's response.
11. The signature page (Exhibit) must be completed and returned, signed by a person authorized to obligate your firm; failure to meet this requirement will result in immediate disqualification.

12. The School District's Anti-Discrimination Policy is attached as an Exhibit. The School District is an Equal Opportunity Employer and demands no less of the companies with which it does business. The School District will not do business with companies or persons who unlawfully discriminate on the basis of race, color, national origin, sex, creed, disability, or any other impermissible ground in their hiring, promotion, subcontracting or procurement practices. By submitting any proposal to contract or entering into any contract with the School District, the Respondent represents and certifies that the Respondent is an Equal Opportunity Employer; and conducts business affairs without improper regard to race, color, national origin, sex, creed, or disability, and has not been debarred, suspended, or declared ineligible to contract by any public or private agency or entity because of the Respondent's discriminatory practices.

FEE PROPOSAL

Your fee proposal should include the pricing structure that gives the District the most cost-effective service delivery including minimizing the cost of consultant "learning curves" (individually and in the aggregate). You may propose alternative and performance-based fee arrangements.

EVALUATION OF RESPONSES

The Commission has appointed a review team to review the proposals submitted.

At the sole and absolute discretion of the District, finalists for consideration of award of the contract may be required to make an oral presentation to the review team. Oral presentations will be limited to a 45-minute presentation by the respondent, followed by a maximum 45-minute question and answer period. All costs associated with the oral presentation shall be the responsibility of the respondent.

If oral presentations are scheduled, they will be held between February 3 and February 9, 2012. In your response, indicate on which of these dates you and your team would be available.

The District reserves the right in its sole and absolute discretion to:

1. Cancel or terminate this RFQ for any reason;
2. Reject any or all Respondents Select any Respondent or more than one Respondent and negotiate with such firm(s), in the sole and absolute discretion of the District, regardless of the fees proposed;
3. Request additional information for any Respondent;
4. Waive any technical or minor irregularities in any response.

The District is not obligated to provide a debriefing for unsuccessful respondents.

All costs incurred by any party in responding to this RFQ shall be solely the responsibility of the respondent and the District shall not be liable for any costs incurred by any parties.

If awarded, the work will be awarded to the Respondent submitting the most cost-effective, responsive proposals determined in the sole discretion of the District.

No assurance is given that any response will not become a public document. Respondents may indicate in their responses portions which they wish to assert are proprietary and therefore confidential, but the District shall have no liability if such information is determined to be public.

ANTI-DISCRIMINATION POLICY
of the
SCHOOL DISTRICT OF PHILADELPHIA

ADOPTED NOVEMBER 14, 2007

SECTION 1. THE POLICY

It is the policy of the School District of Philadelphia (the "District") acting through and by the School Reform Commission (the "SRC") to ensure equal opportunity in all contracts let by the District (the "Contracts"). In light of this policy, the District has adopted this Anti-discrimination Policy (the "Policy") which is applicable to all Contracts, including but not limited to, Contracts for the design, development, construction, operation and maintenance of school buildings and other buildings and structures owned, leased or used by the District or its contractors, assignees, lessees and licensees (the "Facilities"); Contracts for professional services and Contracts for the purchase of goods, services, supplies and equipment for the District and the Facilities. The objective of the Policy is the promotion of prime contract and subcontract opportunities for minority and woman-owned business enterprises ("M/W/BEs") that are approved by the District or that are certified by the Minority Business Enterprise Council of the City of Philadelphia, Southeastern Pennsylvania Transportation Authority or any other certifying agency designated by the District in its discretion.

The fundamental requirement of the Policy is that all contractors, vendors and consultants that contract with the District (the "Contractors") satisfy the District that they will: (i) not discriminate against any person in regard to race, color, religion, age, national origin, sex, ancestry, handicap or disability; and (ii) provide a full and fair opportunity for the participation of M/W/BEs in Contracts. Contractors must demonstrate that the participation of M/W/BEs is "meaningful and substantial" in all phases of a Contract under criteria adopted by the District. "Meaningful and substantial" shall be interpreted by the District as meaning the range of participation that reflects the availability of bona fide M/W/BEs in the Philadelphia Metropolitan Statistical Area. Participation shall be measured in terms of the actual dollars received by M/W/BEs.

As used in this Policy, the word "Contractors" includes any person, firm, partnership, non-profit corporation, for-profit corporation, limited liability company or other legal entity that contracts with the District.

For purposes of this Policy, the term "minority person" refers to the following: African American or Black (persons having origins in any of the Black racial groups of Africa); Hispanic American (persons of Mexican, Puerto Rican, Cuban, Dominican, Central or South American, or other Spanish or Portuguese culture or origin regardless of race); Asian American (persons having origins from Japan, China, Taiwan, Korea, Burma (Myanmar), Vietnam, Laos, Cambodia (Kampuchea), Thailand, Malaysia, Indonesia, the Philippines, Brunei, Samoa, Guam, the U.S. Trust Territories of the Pacific Islands (Republic of Palau), the Commonwealth of the Northern Marianas Islands, Macao, Fiji, Tonga, Kiribati, Juvalu, Nauru, Federated States of Micronesia, Hong Kong, India, Pakistan, Bangladesh, Bhutan, the Maldives Islands, Nepal or Sri Lanka); and Native

Americans (which includes persons who are American Indians, Eskimos, Aleuts, or Native Hawaiians).

SECTION 2. PROCEDURES FOR IMPLEMENTATION

1. Articulation of the Policy, Staffing and Reporting

The Office of General Counsel and Office of Small Business Development ("SBD") will develop language to be included in bid solicitations and requests for proposals that clearly sets forth the objective of the Policy (the "Solicitation Language"). District employees shall include the Solicitation Language in all bids, public solicitations, requests for proposals and all communications to potential Contractors, including those who wish to provide professional services to the District. The Policy shall be articulated to the public in general, and to each Contractor, assignee, lessee or licensee doing or seeking to do business with the District. The District may employ additional staff or contract with other public or private entities to assist in the implementation of the Policy. SBD shall provide the SRC with annual reports on the level of M/W/BE participation in all contracting activities.

2. Promotion of M/W/BEs

The District recognizes the importance of having meaningful and substantial M/W/BE participation in all Contracts. To that end, the District will take steps to ensure that M/W/BEs are afforded a fair and equal opportunity to participate. Those steps may include but are not limited to: (i) making public contracting opportunities; (ii) advertising in newspapers and periodicals published by community-based organizations and M/W/BEs; and (iii) designing bid packages in such a way as to promote rather than discourage M/W/BE participation.

3. Contracting Requirements

a. *Bids, Requests for Proposals and Public Solicitations*

Prior to the dissemination of any bid, request for proposals or public solicitation (the "Solicitation"), the applicable contracting department of the District shall submit proposed ranges of M/W/BE participation in the area to be bid (the "Participation Range") to SBD for approval. The Participation Range, as approved by SBD, shall be included in each Solicitation and, if applicable, the Solicitation shall include the names and addresses of bona fide M/W/BEs that are available for contracting or joint-venture opportunities. Each bidder or respondent shall be required to submit: (i) a plan with its bid or proposal that meets the Participation Range set forth in the Solicitation and lists the names, addresses, dollar amounts and scope of work to be performed by M/W/BEs (the "Participation Plan"); or (ii) a brief narrative explaining its reasons for not submitting a Plan that meets the Participation Range set forth in the Solicitation. Submission of the Participation Plan is an element of responsiveness. Failure to submit a completed Participation Plan or a narrative explaining the reasons that the Participation Ranges could not be met may result in the rejection of a bid or

proposal. If the Participation Range in a bid or proposal meets or exceeds the level determined by the District to be meaningful and substantial, there shall be a presumption of compliance with the Policy. If, however, the proposed Participation Range falls below the level determined by the District to be meaningful and substantial, the bidder or respondent must prove to the satisfaction of the District that it did not discriminate in the solicitation of potential subcontractors and/or joint venture partners.

b. *Contracts for Professional Services*

Contracts for professional services that are not the subject of a Solicitation must also include approved Participation Plans. If a proposed Contract for professional services is subject to the approval of the Limited Contracts Authority Committee of the District (the "LCA"), the applicable contracting department shall submit a proposed Participation Plan for the written approval of SBD prior to the submission of the Contract to the LCA. In instances where a proposed Contract for professional services must be approved by a Resolution adopted by the SRC, SBD's approval of the Participation Plan shall be incorporated into the on-line resolution process prior to the submission of the Resolution to the SRC.

4. Sanctions

The Participation Plan shall be a part of each Contract between the District and a Contractor and shall be enforceable as any other contractual term or condition. Sanctions for breach of a Participation Plan may include suspension, cancellation of the Contract and/or disbarment from future contracting opportunities with the District.

EXHIBIT

DIVERSITY QUESTIONNAIRE

The information in this Diversity Questionnaire is designed to elicit information about the company in order to determine whether its work environment demonstrates a strong commitment to diversity. Provide the following information for all employees in your United States offices:

Total number of employees:

Number of minority employees:

Number of women employees:

Total number of partners or shareholders (equity and non-equity):

Number of minority partners or shareholders:

Number of women partners or shareholders:

Total number of officers:

Number of minority officers:

Number of women officers:

Total number of employees of major ethnic/racial groups: African-American/Black, Asian-American and Hispanic/Latino and other minority employees, including Native-American

You may disclose any other relevant data, such as the number of LGBT, disabled and ethnic subsets.

EXHIBIT - SIGNATURE PAGE

DATE: _____

REQUEST FOR QUOTATIONS (RFQ) - CONSULTING SERVICES

PROPOSAL DUE DATE: January 31, 2012

TIME OF PROPOSAL OPENING: 5:00 pm, EST

OFFER: The undersigned hereby offers to sell to The School District of Philadelphia the services indicated in our Proposal (of which this signature page forms a part), at the price(s) quoted, in complete conformity with all specifications, terms and conditions set forth in the RFQ. All Proposals shall remain valid for a period of 180 days from the Proposal Due Date.

Only a person duly authorized to bind the Proposer may sign this document. My signature on this document confirms that the Proposer accepts all School District terms and conditions, and that any and all other terms and conditions submitted by the vendor are null and void, even if such other terms and conditions purport to provide to the contrary. My signature also certifies that the Proposer has not made any alterations or substitutions to any of the RFQ documents.

COMPANY
NAME: _____

ADDRESS: _____

(CITY) (STATE) (ZIP)

TELEPHONE: _____ FAX: _____

EMAIL: _____

AUTHORIZED
SIGNATURE: _____
NAME TITLE