

UNDERSTANDING & MANAGING DEBT WORKSHOP

November 9, 2015

HOW SCHOOLS LEGAL SERVICE CAN SUPPORT YOUR EFFORTS

Schools Legal Service is a partner with the KCSOS Debt Committee and we have prepared a number of reference materials for your use. Today our primary message relates to recommendations on how best to use SLS materials to your advantage.

I. SELECTION PROCESS

SLS recommends using a competitive process when selecting a consultant who will participate in any portion of your district's debt issuance. A competitive process will allow districts to identify what is important to them and what experience a consultant should already possess, and may call for references from other California school districts. A small group of top qualifiers can be called in to make presentations to the board or selection committee, and the district may choose the consultant it considers the best fit for the needs of the district. While it's a significant criteria, price is not the determining factor in the selection unless the district wants it to be the primary factor.

II. STANDARDIZED FORM CONTRACTS

As part of the selection process, we suggest districts use the SLS sample agreements to identify the terms that will be acceptable. SLS does not insist on use of the agreements in every instance, and we routinely review contracts submitted by consultants for use in lieu of the SLS standard. Use of the standardized contract during the selection process shows the prospective consultants what the ultimate contract is going to look like and its use can be made mandatory, but that can also be changed. This may reduce the pool of potential candidates but the outside contracts we have reviewed are quite similar to the SLS standard, at least as to meaning if not actual language. If a consultant insists on using their own contract form, there may be an issue with that contract and it should be reviewed by legal counsel. Most issues relating to the contract can be resolved through negotiations. All decisions are made by the district, with legal input as to the potential consequences of choice options so that deliberate, knowledgeable decisions can be made after due consideration of the issues.

III. FOLLOW-UP CONTACTS DURING THE WORK

Even when consultants are hired and work is underway, SLS remains available for consultation as to any questions or issues that arise in the consultant-district relationship.

Call us for any desired support at any step along the way.