



REQUEST FOR QUALIFICATIONS

RFQ No. 720-2118 RFQ for TECHNICAL GASB ACCOUNTING FIRM

RFQ Submittal Deadline: June 21, 2021 at 2:30 PM CST

The University of Texas System
Office of the Controller

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REQUEST FOR QUALIFICATIONS

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SECTION 1

INTRODUCTION

1.1 Description of The University of Texas System

The University of Texas System has served Texas for more than 135 years, improving the lives of Texans—and people all over the world—through education, health care and research at [14 academic and health institutions](#) across the state. With an enrollment of more than 240,000 students, the UT System is one of the nation’s largest public university systems of higher education.

UT institutions are powerful drivers of economic and social mobility in Texas, producing more than 60,000 degrees annually, including more than one-third of the state’s bachelor’s degrees and more than half of the state’s medical degrees. In 2019, almost half of all undergraduate degrees were awarded to students who qualified for a Pell grant based on financial need while enrolled at a UT institution. Sixty percent of undergraduates who received need-based financial aid double their parents’ income within five years of earning a UT degree.

More than three-fourths of undergraduate students secure jobs in Texas within a year after graduation, providing a skilled workforce and fueling the state’s economy. In fact, UT students who entered the Texas workforce between 2002 and 2017 had cumulative earnings through 2018 of \$268 billion. And, according to Georgetown University’s Center on Education and the Workforce, a UT degree’s return on investment is among the best in the nation.

The UT System also is one of the largest employers in the state with 21,000 faculty – including Nobel laureates and members of National Academies – and more than 85,000 health care professionals, researchers and staff.

Creating a healthier Texas is a fundamental mission of UT institutions, which award more than 15,000 health-related degrees annually. The UT System is poised to open its seventh medical school in Tyler within the next several years. UT-owned and affiliated hospitals and clinics – supported by thousands of doctors, physician assistants, nurses and other health care providers – accounted for more than 9.2 million outpatient visits and over 1.8 million hospital days in 2019.

In addition to world-class patient care, UT researchers are on the front lines of advancing treatments and therapies for deadly and debilitating diseases. Life-changing and life-saving research and invention of new technologies regularly place UT institutions among the top 10 world’s most innovative universities, according to Reuters and the National Academy of Inventors. Total research spending across the 14 UT institutions exceeds \$3 billion annually, the most in Texas, and the second most nationally among public higher education systems.

1.2 Objective of Request for Qualifications

UT System requests responses from qualified firms (“**Respondents**”) in order to identify and select an exceptional firm to provide technical accounting expertise for reviewing GASB pronouncements, interpreting applicability to UT System, assist in outlining any related accounting changes, and overall implementation of the GASB requirements.

Services would be made available to the UT System for a period of four (4) years after signed contract.

Multiple Awards: UT System reserves the right to qualify multiple Respondents against this RFQ.

SECTION 2

RESPONSE REQUIREMENTS

2.1 Submittal Deadline

UT System will accept Responses submitted in response to this RFQ until 2:30 p.m., Central Standard Time (“CST”) on June 21, 2021 (the “**Submittal Deadline**”).

2.2 University Contact Person

Respondents to this RFQ will direct all questions or concerns regarding this RFP via Bonfire portal.

UT System specifically instructs all interested Respondents to restrict all contact and questions regarding this RFQ to written communications delivered through Bonfire portal. *UT System must receive all questions or concerns no later than 2:30 p.m. CST on June 14, 2021.*

UT System will have a reasonable amount of time to respond to questions or concerns. It is UT System’s intent to respond to all appropriate questions and concerns; however, UT System reserves the right to decline to respond to any question or concern.

2.3 Criteria for Selection

The successful Respondent, if any, selected by UT System through this RFQ will be based on Respondent’s submittal on or before the Submittal Deadline and the information provided in response to **Section 3 Qualification Criteria**.

The evaluation of responses and the selection of qualified Respondents will be based on the information provided in the responses. UT System may consider additional information if UT System determines the information is relevant.

Criteria to be considered by UT System in evaluating responses and selecting qualified Respondents, will be these factors:

- A. Vendor Capabilities to Meet Scope of Work and Additional Services (25%);
- B. Experience (30%);
- C. Operational Plan (20%);
- D. Staffing / Resources / Capacity / Support (25%).

UT System reserves the right to award none, any, or all of the Services described in this RFQ.

2.4 Key Events Schedule

Below is the schedule of events for the RFQ process.

| | |
|---|-----------------------------------|
| Issuance of RFQ | June 1, 2021 |
| Virtual Conference Call (ref. Section 2.6) | June 11, 2021 at 10:00 a.m. CST |
| Deadline for Questions / Concerns | 2:30 p.m. CST on June 14, 2021 |
| Submittal Deadline (ref. Section 2.1 of this RFQ) | 2:30 p.m. CST on June 21, 2021 |

2.5 Historically Underutilized Businesses

- 2.5.1 All agencies of the State of Texas are required to make a good faith effort to assist historically underutilized businesses (**HUBs**) in receiving contract awards. The goal of the HUB program is to promote full and equal business opportunity for all businesses in contracting with state agencies. Pursuant to the HUB program, if under the terms of any agreement or contractual arrangement resulting from this RFQ, Contractor subcontracts any Work, then Contractor must make a good faith effort to utilize HUBs certified by the Statewide Procurement and Statewide Support Services Division of the Texas Comptroller of Public Accounts. Responses that fail to comply with the requirements contained in this **Section 2.5** will constitute a material failure to comply with advertised specifications and will be rejected by University as non-responsive. Additionally, compliance with good faith effort guidelines is a condition precedent to awarding any agreement or contractual arrangement resulting from this RFQ. Respondent acknowledges that, if selected by University, its obligation to make a good faith effort to utilize HUBs when subcontracting any Work will continue throughout the term of all agreements and contractual arrangements resulting from this RFQ. Furthermore, any subcontracting of Work by Contractor is subject to review by University to ensure compliance with the HUB program.
- 2.5.2 University has reviewed this RFQ in accordance with [Title 34, Texas Administrative Code, Section 20.285](#), and has determined that subcontracting opportunities (HUB and/or Non-HUB) are probable under this RFQ. The HUB participation goal for this RFP is **26%**.
- 2.5.3 A HUB Subcontracting Plan (“**HSP**”) is required as part of, *but submitted separately from*, Respondent’s Response. The HSP will be developed and administered in accordance with University’s Policy on Utilization of Historically Underutilized Businesses and incorporated for all purposes.

*Each Respondent, **whether self-performing or planning to subcontract**, must complete and return the HSP in accordance with the terms and conditions of this RFQ. Respondents that fail to do so will be considered non-responsive to this RFQ in accordance with [§2161.252, Government Code](#).*

Questions regarding the HSP may be directed to:

Contact: Kyle Hayes
HUB Coordinator
Phone: 512-322-3745
Email: khayes@utsystem.edu

Respondent will not be permitted to change its HSP after the deadline submittal date unless: (1) Respondent completes a new HSP, setting forth all modifications requested by Respondent, (2) Respondent provides the modified HSP to University, (3) University HUB Program Office approves the modified HSP in writing, and (4) all agreements resulting from this RFQ are amended in writing to conform to the modified HSP.

Instructions on completing an HSP

Respondent must visit <https://www.utsystem.edu/offices/historically-underutilized-business/hub-forms> to download the most appropriate HUB Subcontracting Plan (HSP) / Exhibit H form for use with this Request for Qualifications. Respondent will find, on the HUB Forms webpage, a link to “Guide to Selecting the Appropriate HSP Option”. **Click on this**

link and read the Guide first before selecting an HSP Option. Respondent shall select, from the four (4) Options available, the Option that is most applicable to Respondent's subcontracting intentions. These forms are in **fillable** PDF format and must be downloaded and opened with *Adobe Acrobat / Reader* to utilize the fillable function. If Respondent has any questions regarding which Option to use, Respondent shall submit the question via Bonfire portal.

Respondent must complete the HSP, then print, sign and scan *all pages* of the HSP Option selected, with additional support documentation*, **and submit via Bonfire portal.** NOTE: signatures must be "wet" signatures. Digital signatures are not acceptable.

Any response submitted in response to this RFQ that does not have a corresponding HSP meeting the above requirements may be rejected by University and returned to Respondent as non-responsive due to material failure to comply with advertised specifications.

Each Respondent's HSP will be evaluated for completeness and compliance prior to opening the proposal to confirm Respondent compliance with HSP rules and standards. Respondent's failure to submit one (1) completed and signed HUB Subcontracting Plan **to the Bonfire portal** may result in University's rejection of the response as non-responsive due to material failure to comply with advertised specifications.

***If Respondent's submitted HSP refers to specific page(s) / Sections(s) of Respondent's response that explain how Respondent will perform entire contract with its own equipment, supplies, materials and/or employees, Respondent must submit copies of those pages with the HSP sent to the Bonfire Portal. In addition, all solicitation emails to potential subcontractors must be included as backup documentation to the Respondent's HSP to demonstrate Good Faith Effort.** Failure to do so will slow the evaluation process and may result in DISQUALIFICATION.

2.6 Virtual Conference Call

University will hold a virtual conference call at **10 a.m.**, Central Time on Friday, June 11th, 2021. The virtual conference call will allow all Respondents an opportunity to ask University's representatives relevant questions and clarify provisions of this RFQ.

Potential respondents must RSVP via Bonfire to receive the virtual conference call details via a message within the bonfire portal.

2.7 Submission

Responses must be received by UT System on or before the Submittal Deadline (ref. **Section 2.1** of this RFQ) through Bonfire Portal ONLY.

2.8 General Instructions

- A. Respondents should carefully read the information contained herein.
- A. Submittals and any other information submitted by Respondents in response to this RFQ shall become the property of UT System.
- B. Failure to comply with the requirements contained in this RFQ may result in rejection of the response.
- C. Responses to **Section 3** of this RFQ cannot exceed fifteen pages (15 pages).

2.9 Notice

All Respondents will be notified of determination of qualification / non-qualification by the UT System point of contact via e-mail.

SECTION 3

QUALIFICATION CRITERIA

Narratives provided in response to criteria listed below must address specific items noted with each criterion. Respondent can also include additional information Respondent believes UT System should know when determining qualifications. Respondent's response to **Section 3** cannot exceed the maximum number of pages (ref. **Section 2.8 D**).

Evaluation Questions for Respondent Response

3.1 Overview of Services Requested

Working with The University of Texas System ("UTS") and designated contacts ("Key Contacts"),

1. Respondent must be a Certified Public Accountant (CPA) firm with a strong knowledge of
 - 1) Governmental Accounting Standards Board (GASB) pronouncements and other related authoritative accounting guidance applicable to State governments and
 - 2) the higher education sector.
2. Respondent will work directly with Key Contacts, including the UTS Director of Investment Accounting and specific UTS Controller's Office staff.
3. In addition to working directly with Key Contacts, Respondent will also assist the following UTS institutions, as needed: UT Arlington, UT Austin, UT Dallas, UT El Paso, UT Rio Grande Valley, UT Permian Basin, UT San Antonio, UT Tyler, UT Southwestern Medical Center, UT Medical Branch, Galveston, UT Health Science Center-Houston, UT Health Science Center-San Antonio, UT M. D. Anderson Cancer Center, and UT Health Science Center-Tyler.
4. Respondent will perform the following services for UTS:
 - 1) Review GASB and other related guidance for upcoming accounting changes and lead effort at UTS to plan for these changes
 - Note: Some GASB implementation projects must be started several years prior to implementation date, especially when prior year restatement is required.
 - 2) Review list of upcoming accounting changes with UTS and prioritize projects
 - 3) Lead GASB implementation projects at UTS which include, but is not limited to, the following:
 - a. Research guidance
 - b. Create project plan(s)
 - c. Ensure project plans and timelines are in line with guidance from the State Comptroller
 - d. Coordinate surveys and meetings with UTS
 - e. Meet with Key Contacts and others
 - f. Set project milestones and deadlines and track/enforce those milestones/deadlines
 - g. Work with Key Contacts to update UTS' accounting infrastructure to accommodate GASB changes (general ledger, financial reporting and consolidation software, financial reports, etc.)
 - h. Document accounting process before and after implementation

- i. Lead prior year financial statement restatement effort, when applicable
 - j. Update financial statement presentation and Annual Financial Report (AFR) footnote disclosures to comply with GASB changes
 - k. Ensure UTS is abreast of GASB's technical plan and current upcoming projects and lead effort to assess the effects and plan for those changes
- 4) Provide weekly or bi-weekly status updates to Key Contacts
 - 5) Respond to UTS questions on appropriate accounting guidance, as questions arise
 - 6) Update UTS accounting policies, as needed
 - 7) Work with UTS external auditors during the annual financial audit
 - 8) Assist with other financial reporting tasks, as needed

New and upcoming GASB changes that Respondent will assist with include, but are not limited to

- GASB Statement No. 87, *Leases*, effective fiscal year 2022
- GASB Statement No. 91, *Conduit Debt Obligations*, effective fiscal year 2023
- GASB Statement No. 92, *Omnibus 2020*, effective fiscal year 2021
- GASB Statement No. 93, *Replacement of Interbank Offered Rates*, effective fiscal year 2021
- GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, effective fiscal year 2023
- GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*, effective fiscal year 2023
- GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans* (other than the portion of this statement implemented in 2020), effective fiscal year 2021 or 2022.

3.2 Narratives provided in response to criteria listed below must address specific items noted with each criterion. Respondent can also include additional information Respondent believes UTS should know when determining qualifications. Respondent's response to **Section 3.2** cannot exceed the maximum number of pages (ref. **Section 2.7 D**).

Evaluation Questions for Respondent Response

| | |
|---|---|
| <p>Respondent Capabilities to Meet Scope of Work and Additional Services (25%)</p> | <p>1. Provide Respondent's company business profile including years in business, structure of organization, client base, company growth over the last three (3) years, number of employees and other relevant information.</p> |
| <p>Experience (30%)</p> | <p>2. References: Provide a listing of Respondent's current and past projects / customers similar in size and scope to the services described in the RFQ. If applicable, list examples of services rendered in the state of Texas.</p> <p>Provide the following for each project/customer:</p> <ul style="list-style-type: none"> • Customer name and address • Contact name with email address and phone number • Time period in which work was performed |

| | |
|---|---|
| | <ul style="list-style-type: none"> • Description of work performed <p>3. Detail Respondent's experience with the following:</p> <ul style="list-style-type: none"> • Reading, interpreting, and applying Governmental Accounting Standards Board pronouncements • Texas State Comptroller's guidance and requirements • Higher Education accounting and reporting requirements • Project planning • Financial reporting preparation and working with external auditors • Drafting, reviewing, and updating accounting policies • PeopleSoft |
| Operational Plan (20%) | <p>4. Describe Respondent's strategy and approach to provide the Services Requested, described in this RFQ.</p> |
| Staffing / Resources / Capacity / Support (25%) | <p>5. Provide information on key staff who will be involved in working on UTS account including roles, responsibilities, and resumes.</p> <p>6. Describe availability throughout the process to work and communicate with Key Contacts.</p> <p>7. Describe how Respondent will ensure continuity of knowledge transfer for staff assigned to this project, to provide consistent staffing for continuity of ongoing efforts.</p> |
| Security Questions (NOT SCORED) | <p>Awarded Respondents may have access to UT System internal files and/or applications. Answer questions below to ensure UTS's security measures are followed:</p> <p>8. Will the consulting take place on-premises?</p> <p>9. Will the consultant require access to Institution's network resources?</p> <p>10. Will the consultant require access to hardware in the Institution's data centers?</p> <p>11. Will the consultant require an account within the Institution's domain (@*.edu)?</p> <p>12. Has the consultant received training on sensitive, HIPAA, PCI, etc. data handling?</p> <p>13. Will any data be transferred to the consultant's possession?</p> <p>14. Is it encrypted (at rest) while in the consultant's possession?</p> <p>15. Will the consultant need remote access to the Institution's network or systems?</p> <p>16. Can we restrict that access based on source IP address?</p> |

| | |
|--|---|
| | <p>17. Will the Institution be notified of major changes to your environment that could impact the Institution's security posture?</p> <p>18. Do you carry cyber-risk insurance to protect against unforeseen service outages, data that is lost or stolen, and security incidents?</p> <p>19. Is consultant allowed to take home Institution's data in any form?</p> |
|--|---|

SECTION 4

TERMS AND CONDITIONS

The terms and conditions contained in the attached Agreement (ref. **APPENDIX ONE**) or, in the sole discretion of University, terms and conditions substantially similar to those contained in the Agreement, will constitute and govern any agreement that results from this RFQ. If Respondent takes exception to any terms or conditions set forth in the Agreement, Respondent will submit a list of the exceptions. Respondent's exceptions will be reviewed by University and may result in disqualification of Respondent's response as non-responsive to this RFQ. If Respondent's exceptions do not result in disqualification of Respondent's proposal, then University may consider Respondent's exceptions when University evaluates the Respondent's response.

SECTION 5

PRICING AND DELIVERY SCHEDULE

Proposal of: _____
(Proposer Name)

To: The University of Texas System

RFQ No.: 720-2118

Ladies and Gentlemen:

Having carefully examined all the specifications and requirements of this RFQ and any attachments), the undersigned proposes to furnish the required pursuant to the above-referenced Request for Qualifications upon the terms quoted below. The University will not accept responses which include assumptions or exceptions to the work identified in this RFQ.

5.1 Describe Respondent's Pricing Structure

5.2 Provide Hourly Fee Schedule for Services by type of service or staff member, as applicable

5.3 Discounts

Describe all discounts that may be available to University, including educational, federal, state and local discounts.

5.4 Payment Terms

University's standard payment terms are "net 30 days" as mandated by the *Texas Prompt Payment Act* (ref. [Chapter 2251, Government Code](#)).

Indicate below the prompt payment discount that Proposer offers:

Prompt Payment Discount: _____% _____ days/net 30 days.

[Section 51.012, Education Code](#), authorizes University to make payments through electronic funds transfer methods. Proposer agrees to accept payments from University through those methods, including the automated clearing house system (**ACH**). Respondent agrees to provide Respondent's banking information to University in writing on Respondent letterhead signed by an authorized representative of Respondent. Prior to the first payment, University will confirm Respondent's banking information. Changes to Respondent's bank information must be communicated to

University in writing at least thirty (30) days before the effective date of the change and must include an [IRS Form W-9](#) signed by an authorized representative of Proposer.

University, an agency of the State of Texas, is exempt from Texas Sales & Use Tax on goods and services in accordance with [§151.309, Tax Code](#), and [Title 34 TAC §3.322](#). Pursuant to [34 TAC §3.322\(c\)\(4\)](#), University is not required to provide a tax exemption certificate to establish its tax exempt status.

Respectfully submitted,

Proposer: _____

By: _____
(Authorized Signature for Proposer)

Name: _____

Title: _____

Date: _____

SECTION 6

QUALIFICATION REQUEST FORM

Name of Respondent: _____

Business Address: _____

Federal Tax ID Number: _____

Contact Name: _____

Contact E-mail Address: _____

Contact Phone Number(s): _____

By completing and signing this form, the Respondent affirms that all the information is true and correct. The person signing below further affirms that they are a duly authorized representative of the Respondent's firm.

Submitted and Certified by:

Authorized Signature

Date