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August 16, 2019

ADDENDUM #1 to the University of Florida ITN20NH-114 Consulting Services to establish a risk management program scheduled to be opened on **August 29, 2019 3:00 PM** at the University of Florida, Elmore Hall Conference Room, Radio Road, Gainesville, Florida.

This addendum shall be considered part of the Contract Documents for the above mentioned **ITN20NH-114** as though it had been issued at the same time and incorporated integrally therewith. Where provisions of the following supplementary data differ from those of the original document, this addendum shall govern and take precedence. All other terms, conditions, and regulations will apply.

This addendum consists of:

1. **Responses to technical questions and inquires submitted prior to 5pm, August 8, 2019.**

2. **Addition of Tab 11 to vendor response:**

   Tab 11: Provide any concerns about the University Terms and Conditions. Be specific about the clause and provide alternate language.

Sincerely,

N. J. Heredia

Nicola Heredia, Director
Procurement Services

Please acknowledge receipt of Addendum #1 by signing below, and returning this addendum with your proposal. Failure to include addendum with your proposal may result in rejection.

_____   _____
Signature   Company Name

_____
Email Address

_____   _____
Company Address   City/State/Zip

Responses to questions submitted for UF's ITN Florida ITN20NH-114 Consulting Services to Establish a Risk Management Program

Q1.   Are you able to share the key driver(s) for this initiative?

A1.   This effort was initiated by the Senior Vice President/Chief Operating Officer at the University of Florida in order to begin communicating and assessing risks and opportunities related to the university's strategic objectives.

Q2.   Since the release of the ITN, and as referenced on page 6, has the University made progress in its effort to establish key touchpoints, ERM goals, hold facilitated discussions with key stakeholders, develop a common risk language, or other achievements that may inform our response?

A2.   Yes, the first facilitated discussion on Enterprise Risk Management was held on July 15, 2019 and the second session was held on August 14, 2019. The first session provided an overview of ERM concepts and queried stakeholders regarding the university's top risks. In the second session, we reviewed the goals for an ERM effort, discussed a common risk language and reviewed sample ERM programs.

Q3.   What formal governance (policy, standards, procedures) or foundational documents does UF have in place?

A3.   We currently do not have formal governance documents, such as policies, standards or procedures.

Q4.   In Section 1.1, Summary, the university notes that risk assessments already occur on a regular basis in several divisions of the university, and that the university is expecting to have taken steps to advance ERM capabilities prior to the beginning of the engagement. What is the expected level of maturity for university risk assessment processes and other risk initiatives by the time the engagement begins? Will products of existing university risk assessments be available for use in the enterprise assessment approach requested in Section 1.2, Scope of Work?

A4.   While the maturity of risk assessment at the University is advanced in some areas, the overall maturity of our enterprise-level risk assessment is in its formative stages. Yes, existing information related to the university's existing risk assessments would be made available to a selected vendor within the scope of work.

Q5.   In Section 1.2, Scope of Work, the university requests that the vendor provides tools to facilitate development of a risk map, and provide a means to report and monitor risk. Does the university want the vendor to not only develop an approach to enterprise risk assessment, but assist in conducting an enterprise risk assessment as part of the engagement?

A6.   Yes, we would like for the vendor to both provide tools and assist in conducting a risk assessment as a part of this engagement.

Q7.   In Section 1.2, Scope of Work, the university requests assistance in developing a methodology to assign risk ownership and creating a template to formulate and operationalize risk management, including mitigation plans. Does the university expect risk response planning to be a component of this scope?

A7.   Yes, the university expects that risk response planning activities, including risk ownership and mitigation plans, will be a component of this engagement.

Responses to questions submitted for UF's ITN Florida ITN20NH-114 Consulting Services to Establish a Risk Management Program

Q8.   In Section 1.2, Scope of Work, the university requests the vendor "develop a report and process for regularly monitoring the evaluating enterprise risks". Should this report include outcomes of the enterprise risk assessment?

A8.   Yes, to the extent that certain outcomes have transpired as a part of the ERM risk assessment process, they should be included in the monitoring/evaluation report.

Q9.   In Section 2.1, Evaluation Criteria, the university references that they will evaluate the vendor's ability to identify and triage risk gaps in key categories (i.e., Strategic, Operational, and Reputational). Are these the only risk categories that the university is concerned about?

A9.   No, these are not the only risk categories of concern. Additional risk categories of interest may include financial, regulatory, information technology, research and other areas related to the university's core functions.

Q10.   The ITN documents three key areas of risk for evaluation in developing an ERM strategy: strategic, operational and reputational. Financial and Compliance risks are not included. Should these areas not be considered in developing this proposal?

A10.   Please see the response to Question 9.

Q11.   What risk categories / risks are currently being tracked and monitored within the ERM dashboards?

A11.   We do not currently have an ERM dashboard in place.

Q12.   What inputs / source(s) are being relied upon today for the collection of key data elements?

A12.   Currently different units collect and track information pertaining to risks within their own operational areas.

Q13.   Are there risks which are actively being managed, or are current risk monitoring activities more passive in nature? For example, does the ERM function play a larger role in managing certain risks, such as insurance placement?

A13.   Yes, there are risks throughout the organization that are currently being managed and monitored within individual units. ERM does not currently address insurance placement. The University of Florida is self-insured.

Q14.   Do you have dedicated ERM function and/or steering committee? If so, how is it presently composed?

A14.   We do not currently have a dedicated ERM function or steering committee.

Q15.   How does UF manage enterprise risks and related mitigation activities? Could you describe this process and protocol?

Responses to questions submitted for UF's ITN Florida ITN20NH-114 Consulting Services to Establish a Risk Management Program

A15.   Currently UF manages and mitigates risk through individual units and divisions. While there are some procedures (such as conflict of interest) that exist across the organization, risk mitigation largely occurs within the operational unit's area of responsibility.

Q16.   Is there a preferred format for describing our firm's methodology, proposed approach (including detailed project milestones) and deliverables?

A16.   No, there is no preferred format.

Q17.   Would the University be willing to provide an example of a recently completed risk assessment, such as those mentioned in page 6 of the ITN (e.g. those completed by the Office of Internal Audit, ADA Compliance, or the Office of Title IX)?

A17.   A sample risk assessment will be made available as a part of the scope of work with a selected vendor.

Q18.   For an initial enterprise risk assessment, approximately how many interviews would we be expected to hold and with whom?

A18.   We would expect that the number of interviews and potential interviewees would be developed collaboratively with the vendor as a part of the engagement.

Q19.   What is the University's budget and expected timeframe for this engagement?

A19.   We do not have a proposed budget. We expect that the timeframe for engagement would be between one and two years.

Q20.   Is the University open to considering the use of specialized software (e.g. a GRC tool) to facilitate the administration of the program, and specifically to develop:
        a. Dynamic dashboards and reporting capabilities
        b. Reduce the administrative effort/resources needed to maintain risk registers, update the risk profile, complete risk assessments, identify and prioritize issues, develop and maintain risk responses/action plans,. and create/distribute reports and other key communications.
        c. Manage training and educational materials.

A20. The university would consider using software in its ERM efforts.

Q21.   Which other milestones does the University plan to reach during this engagement and in what timeframe?
        a. Framework/program development (charter, policy, risk appetite, governance structure, administration, reporting, etc.)
        b. Initial Enterprise risk assessment
        c. Implementation of the ERM program
            i. Assign risk owners/develop risk responses
            ii. Report on progress, adjust responses as needed.

Responses to questions submitted for UF's ITN Florida ITN20NH-114 Consulting Services to Establish a Risk Management Program

              iii. Conduct the second enterprise risk assessment (or drill-down into specific functions or units).

A21.   During this engagement, the university would like to develop the tools and methods as well as implement an initial ERM process, including risk identification, assessment, mitigation and monitoring, within a timeline of one to two years.

Q22.   Does the university have a preference on the "day to day" working location of the Vendor (i.e. onsite vs. remote) with the understanding that the team will be physically present as needed for meetings, presentations, facilitated assessments, etc.?

A22.   No, we do not have a preference regarding the "day to day" working location of the vendor.

Q23.   Could you provide additional information on Tab 10 – "Please describe the process of producing "best value" for University and its users, through creative marketing, small business & diversity programs, "green" initiatives, and/or other creative offerings that don't appear elsewhere in the proposal response"? Should the "best value" be aligned with the engagement to establish a risk management program or independent? How will this component be evaluated?

A23.   As an institute of Higher Education, examples of best value could include opportunities for students (scholarships, internships etc), small and diverse business inclusion, sustainability initiatives or collaborations with research that could be suggested to UF.

Q24.   In line with the intent of an Invitation to Negotiate (ITN) and section 2.4 Pre-Award Negotiations, can the University confirm there will be an opportunity for offerors to negotiate the terms and conditions prior to final contract execution? If so, we request that the ITN be modified to clarify that intent, including Section 2.2 Selection, Negotiation, Additional Information on page 9 of the ITN and Section 7.1 Certification of Proposal on page 31 of the ITN.

A24.   As stated above, any foreseen issues with the terms and conditions should be included in Tab 11 of the response document. The negotiation phase of this Invitation to Negotiate would offer the opportunity for the negotiation of specific contract terms, along with scope of work and pricing negotiations.