



Texas Comptroller of Public Accounts
Glenn Hegar

Benjamin Kalenak Account ▾

Bid Postings

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Solicitation Notice

Print

Thank you for using the ESBD, your bid solicitation entry is now complete

Status: Posted

Contact Name: Benjamin Kalenak

Contact Number: 512-579-5048

Contact Email: bkalenak@utsystem.edu

Solicitation ID: 720-2105

Solicitation Title: Fair Value Measurement Services

Agency/Texas SmartBuy Member Name: University Of Texas System - 720

Posting Requirements: 21+ Days for Solicitation Notice

Solicitation Posting Date: 10/30/2020

Response Due Date: 1/6/2021

Response Due Time: 2:30 AM

Solicitation Description:

The University of Texas System Administration posted a bid opportunity for **Fair Value Measurement Services**.

Attached you will find submittal instructions for UT System RFP Public Portal - Bonfire; please follow the link below to the website for bid documents and details:

<https://utsystem.bonfirehub.com/opportunities/33792>.

Class/Item Code: 91804-Accounting/Auditing/Budget Consulting
92592-Value Engineering And Value Analysis Services, Professional
94611-Accounting Services (Not Otherwise Classified)

Modify Solicitation

Internal Notes

Cancel Solicitation

Published Details **Internal Notes**

Record Attachments

#	Name	Description
1	ESBD_File_215438_Submission Instructions - 720-2105.docx	RFP 720-2105 Submission Instructions



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POLICIES

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- [Accessibility Policy](#)
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- [Texas.gov](#)
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- [Texas Veterans Portal](#)
- [Public Information Act](#)
- [Texas Secretary of State](#)
- [HB855 Browser Statement](#)

OTHER STATE SITES

- [texas.gov](#)
- [Texas Records and Information Locator \(TRAIL\)](#)
- [State Link Policy](#)
- [Texas Veterans Portal](#)

Submission Instructions for Suppliers

Please follow these instructions to submit via our Public Portal.

1. Prepare your submission materials:

Requested Information

Name	Type	# Files	Requirement	Instructions
HSP	File Type: PDF (.pdf)	1	Required	
EOO (Appendix 1, Section 2)	File Type: PDF (.pdf)	1	Required	
General Questionnaire (Appendix 1, Section 3)	File Type: PDF (.pdf)	1	Required	
Addenda Checklist (Appendix 1, Section 4)	File Type: PDF (.pdf)	1	Required	
Sample Agreement	File Type: PDF (.pdf)	1	Required	
Additional Documentation	File Type: Any (.csv, .pdf, .xls, .xlsx, .ppt, .pptx, .bmp, .gif, .jpeg, .jpg, .jpe, .png, .tiff, .tif, .txt, .text, .rtf, .doc, .docx, .dot, .dotx, .word, .dwg, .dwf, .dxf, .mp3, .wav, .avi,	Multiple	Required	



Name	Type	# Files	Requirement	Instructions
	.mov, .mp4, .mpeg, .wmv, .zip)			
Section 5.5 (Q-36KT)	Questionnaire: Excel (.xlsx)	1	Required	You will need to fill out the provided Response Template for this Questionnaire. The Response Template can be downloaded from the project listing on the Bonfire portal.
Section 6 - Pricing	File Type: PDF (.pdf)	1	Required	

Commodity Codes

Commodity Set	Commodity Code	Title	Description
NIGP	91804	Accounting/Auditing/Budget Consulting	
NIGP	92592	Value Engineering and Value Analysis Services, Professional	
NIGP	94611	Accounting Services (Not Otherwise Classified)	

Requested Documents:



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Please note the type and number of files allowed. The maximum upload file size is 1000 MB.

Please do not embed any documents within your uploaded files, as they will not be accessible or evaluated.

Requested Questionnaires:

The Questionnaire Response Templates can be obtained at <https://utsystem.bonfirehub.com/opportunities/33792>.

Please note that Questionnaires may take a significant amount of time to prepare.

2. Upload your submission at:

<https://utsystem.bonfirehub.com/opportunities/33792>

The Q&A period for this opportunity starts Oct 30, 2020 5:00 PM CDT. The Q&A period for this opportunity ends Dec 04, 2020 4:00 PM CST. You will not be able to send messages after this time.

Your submission must be uploaded, submitted, and finalized prior to the Closing Time of **Jan 06, 2021 2:30 PM CST**. We strongly recommend that you give yourself sufficient time and **at least ONE (1) day** before Closing Time to begin the uploading process and to finalize your submission.

Important Notes:

Each item of Requested Information will only be visible after the Closing Time.

Uploading large documents may take significant time, depending on the size of the file(s) and your Internet connection speed.

You will receive an email confirmation receipt with a unique confirmation number once you finalize your submission.



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Minimum system requirements: Internet Explorer 11, Microsoft Edge, Google Chrome, or Mozilla Firefox. Javascript must be enabled. Browser cookies must be enabled.

Need Help?

The University of Texas System uses a Bonfire portal for accepting and evaluating proposals digitally. Please contact Bonfire at Support@GoBonfire.com for technical questions related to your submission. You can also visit their help forum at <https://bonfirehub.zendesk.com/hc>



REQUEST FOR PROPOSAL

**RFP No. 720-2105
Fair Value Measurement of Certain Investments**

Proposal Submittal Deadline: January 6, 2021 at 2:30 PM CST

The University of Texas System
Office of the Controller

Prepared By:
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The University of Texas System
210 West 7th Street
Austin, Texas 78701-2982
bkalenak@utsystem.edu
October 30, 2020

REQUEST FOR PROPOSAL

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Attachments:

- APPENDIX ONE: PROPOSAL REQUIREMENTS
- APPENDIX TWO: SAMPLE AGREEMENT
- APPENDIX THREE: CERTIFICATE OF INTERESTED PARTIES (FORM 1295)

SECTION 1

INTRODUCTION

1.1 Description of The University of Texas System

For more than 130 years, The University of Texas System has been committed to improving the lives of Texans and people all over the world through education, research and health care.

The University of Texas System is one of the nation's largest systems of higher education, with [14 institutions](#) that educate more than 230,000 students. Each year, UT institutions award more than one-third of all undergraduate degrees in Texas and almost two-thirds of all health professional degrees. With about 20,000 faculty – including Nobel laureates – and more than 80,000 health care professionals, researchers, student advisors and support staff, the UT System is one of the largest employers in the state.

Life-changing research and invention of new technologies at UT institutions places the UT System among the [top 10 “World’s Most Innovative Universities,”](#) according to Reuters. The UT System [ranks eighth in the nation in patent applications](#), and because of the high caliber of scientific research conducted at UT institutions, the UT System is ranked No. 1 in Texas and No. 3 in the nation in federal research expenditures.

In addition, the UT System is home to three of the nation's National Cancer Institute Cancer Centers – UT MD Anderson, UT Southwestern and UT Health Science Center-San Antonio – which must meet rigorous criteria for world-class programs in cancer research. And the UT System is the only System in the country to have four Clinical and Translational Science Awards (CTSA) from the National Institutes of Health.

Transformational initiatives implemented over the past several years have cemented UT as a national leader in higher education, including the expansion of educational opportunities in South Texas with the opening of The University of Texas Rio Grande Valley in 2015. And UT was the only system of higher education in the nation that established not one, but two new medical schools in 2016 at The University of Texas at Austin and UT Rio Grande Valley.

University of Texas institutions are setting the standard for excellence in higher education and will continue to do so thanks to our generous donors and the leadership of the [Chancellor](#), [Board of Regents](#) and [UT presidents](#).

1.2 Background and Special Circumstances

The University of Texas System annually prepares consolidated financial statements which comprise the consolidated statements of net position, the statements of revenues, expenses, and changes in net position and of cash flows, including related notes to the financial statements. The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB). The UT System operates on a fiscal year ending August 31.

On March 2, 2015, GASB issued Statement No. 72, *Fair Value Measurement and Application* which provides guidance on accounting and financial reporting issues related to fair value measurements, which primarily applies to investments made by state and local governments.

1.3 Objective of Request for Proposal

The University of Texas System is soliciting proposals in response to this Request for Proposal No.720-2105 (this “RFP”), from qualified vendors to provide valuation services (the “Services”) more specifically described in **Section 5** of this RFP.

1.4 Group Purchase Authority

Texas law authorizes institutions of higher education (defined by [§61.003, Education Code](#)) to use the group purchasing procurement method (ref. §§[51.9335](#), [73.115](#), and [74.008](#), *Education Code*). Additional Texas institutions of higher education may therefore elect to enter into a contract with the successful Proposer under this RFP. In particular, Proposer should note that University is part of The University of Texas System (**UT System**), which is comprised of fourteen institutions described at <http://www.utsystem.edu/institutions>. UT System institutions routinely evaluate whether a contract resulting from a procurement conducted by one of the institutions might be suitable for use by another, and if so, this RFP could give rise to additional purchase volumes. As a result, in submitting its proposal, Proposer should consider proposing a pricing model and other commercial terms that take into account the higher volumes and other expanded opportunities that could result from the eventual inclusion of other institutions in the purchase contemplated by this RFP. Any purchases made by other institutions based on this RFP will be the sole responsibility of those institutions.

SECTION 2

NOTICE TO PROPOSER

2.1 Submittal Deadline

University will accept proposals submitted in response to this RFP until 2:30 p.m., Central Standard Time (“CST”) on Wednesday, January 6, 2021 (the “**Submittal Deadline**”).

2.2 University Contact Person

Proposers will direct all questions or concerns regarding this RFP via Bonfire portal.

University specifically instructs all interested parties to restrict all contact and questions regarding this RFP to written communications delivered (i) through Bonfire portal, or (ii) if questions relate to Historically Underutilized Businesses, to HUB Coordinator (ref. **Section 2.5** of this RFP).

University must receive all questions or concerns no later than 4 p.m. CST on December 4, 2020. University will have a reasonable amount of time to respond to questions or concerns. It is University’s intent to respond to all appropriate questions and concerns; however, University reserves the right to decline to respond to any question or concern.

2.3 Criteria for Selection

The successful Proposer, if any, selected by University through this RFP will be the Proposer that submits a proposal on or before the Submittal Deadline that is the most advantageous to University. The successful Proposer is referred to as “**Contractor.**”

Proposer is encouraged to propose terms and conditions offering the maximum benefit to University in terms of (1) demonstrated competence and qualifications, (2) service, and (3) fair and reasonable cost, and (4) project management expertise.

The evaluation of proposals and the selection of Contractor will be based on the information provided in the proposal. University may consider additional information if University determines the information is relevant.

Criteria to be considered by University in evaluating proposals and selecting Contractor, will be these factors:

2.3.1 Threshold Criteria Not Scored

- A. Ability of University to comply with laws regarding Historically Underutilized Businesses; and
- B. Ability of University to comply with laws regarding purchases from persons with disabilities.

2.3.2 Scored Criteria

- A. Cost (30%);
- B. Vendor Experience (40%);
- C. Project Services (30%).

2.4 Key Events Schedule

Issuance of RFP	October 30, 2020
Pre-Proposal Teleconference (ref. Section 2.6 of this RFP)	November 17, 2020 at 2:00 p.m. CST
Deadline for Questions / Concerns (ref. Section 2.2 of this RFP)	4 p.m. CST December 4, 2020
Submittal Deadline (ref. Section 2.1 of this RFP)	2:30 p.m. CST on January 6, 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 (each a “**HUB**”) 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 RFP, Contractor subcontracts any of the Services, then Contractor must make a good faith effort to utilize HUBs certified by the Procurement and Support Services Division of the Texas Comptroller of Public Accounts. Proposals 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 RFP. Proposer acknowledges that, if selected by University, its obligation to make a good faith effort to utilize HUBs when subcontracting any of the Services will continue throughout the term of all agreements and contractual arrangements resulting from this RFP. Furthermore, any subcontracting of the Services by Proposer is subject to review by University to ensure compliance with the HUB program.
- 2.5.2 University has reviewed this RFP 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 RFP. 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*, Proposer’s proposal. 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 Proposer, **whether self-performing or planning to subcontract**, must complete and return the HSP in accordance with the terms and conditions of this RFP. Proposers that fail to do so will be considered non-responsive to this RFP 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

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

Instructions on completing an HSP

Proposer must visit <https://www.utsystem.edu/offices/historically-underutilized-business/hub-forms/hub-plan-templates-commodities-services-procurement> to download the most appropriate HUB Subcontracting Plan (HSP) / Exhibit H form for use with this Request for Proposal. Proposer 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.** Proposer shall select, from the four (4) Options available, the Option that is most applicable to Proposer’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 Proposer has any questions regarding which Option to use, Proposer shall contact the HUB Coordinator listed in Section 2.5.3.

Proposer 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: during this time, electronic signatures are acceptable.

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

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

***If Proposer’s submitted HSP refers to specific page(s) / Sections(s) of Proposer’s proposal that explain how Proposer will perform entire contract with its own equipment, supplies, materials and/or employees, Proposer 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 Proposer’s HSP to demonstrate Good Faith Effort.** Failure to do so will slow the evaluation process and may result in DISQUALIFICATION.

- 2.5.4 University may offer Proposer an opportunity to seek informal review of its draft HSP by University’s HUB Office before the Submittal Deadline. If University extends this offer, details will be provided at the Pre-Proposal Conference (ref. **Section 2.6** of this RFP) or by other means. Informal review is designed to help

address questions Proposer may have about how to complete its HSP properly. Concurrence or comment on Proposer's draft HSP by University will *not* constitute formal approval of the HSP, and will *not* eliminate the need for Proposer to submit its final HSP to University as instructed by **Section 2.5**.

2.6 Pre-Proposal Conference

University will hold a pre-proposal video conference at **2:00 p. m.**, Central Time on November 17, 2020. The pre-proposal conference will allow all Proposers an opportunity to ask University's representatives relevant questions and clarify provisions of this RFP.

Prospective Proposers are requested to RSVP for the pre-proposal conference via the Bonfire portal. University will provide the meeting video conference link and dial-in number upon RSVP request.

SECTION 3

SUBMISSION OF PROPOSAL

3.1 Proposal Validity Period

Each proposal must state that it will remain valid for University's acceptance for a minimum of one hundred and twenty (120) days after the Submittal Deadline, to allow time for evaluation, selection, and any unforeseen delays.

3.2 Terms and Conditions

3.2.1 Proposer must comply with the requirements and specifications contained in this RFP, including the Agreement (ref. **APPENDIX TWO**), the Notice to Proposer (ref. **Section 2** of this RFP), Proposal Requirements (ref. **APPENDIX ONE**) and the Specifications and Additional Questions (ref. **Section 5** of this RFP). If there is a conflict among the provisions in this RFP, the provision requiring Proposer to supply the better quality or greater quantity of services will prevail, or if such conflict does not involve quality or quantity, then interpretation will be in the following order of precedence:

3.2.1.1. Specifications and Additional Questions (ref. **Section 5** of this RFP);

3.2.1.2. Sample Agreement (ref. **Section 4** and **APPENDIX TWO**);

3.2.1.3. Proposal Requirements (ref. **APPENDIX ONE**);

3.2.1.4. Notice to Proposers (ref. **Section 2** of this RFP).

SECTION 4

GENERAL TERMS AND CONDITIONS

The terms and conditions contained in the attached Agreement (ref. **APPENDIX TWO**) 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 RFP. If Proposer takes exception to any terms or conditions set forth in the Agreement, Proposer will submit redlined **APPENDIX TWO** as part of its proposal in accordance with **Section 5.3.1** of this RFP. Proposer's exceptions will be reviewed by University and may result in disqualification of Proposer's proposal as non-responsive to this RFP. If Proposer's exceptions do not result in disqualification of Proposer's proposal, then University may consider Proposer's exceptions when University evaluates the Proposer's proposal.

SECTION 5

SPECIFICATIONS AND ADDITIONAL QUESTIONS

5.1 General

The minimum requirements and the specifications for the Services, as well as certain requests for information to be provided by Proposer as part of its proposal, are set forth below. As indicated in **Section 2.3** of this RFP, the successful Proposer is referred to as the “**Contractor.**”

Contract Term: University intends to enter into an agreement with the Contractor to perform the Services for an initial two (2) year base term, with the option to renew for two (2) additional two (2) year renewal periods, upon mutual written agreement of both parties.

Approval by the Board of Regents: No Agreement resulting from this RFP will be effective for amounts exceeding one million dollars (\$1,000,000) until approved by the Board of Regents of The University of Texas System.

Disclosure of Existing Agreement: University has an existing fair market valuation agreement with PriceWaterhouseCoopers, which is scheduled to expire April 23, 2021.

5.2 Reserved.

5.3 Additional Questions Specific to this RFP

Proposer must submit the following information as part of Proposer’s proposal:

5.3.1 If Proposer takes exception to any terms or conditions set forth in the Agreement (ref. **APPENDIX TWO**), Proposer must reline **APPENDIX TWO** and include **APPENDIX TWO** as part of its Proposal. If Proposer agrees with terms or conditions set forth in the **APPENDIX TWO**, Proposer will submit a written statement acknowledging it.

5.3.2 By signing the Execution of Offer (ref. **Section 2** of **APPENDIX ONE**), Proposer agrees to comply with Certificate of Interested Parties laws (ref. [§2252.908, Government Code](#)) and [1 TAC §§46.1 through 46.5](#)) as implemented by the Texas Ethics Commission (“TEC”), including, among other things, providing TEC and University with information required on the form promulgated by TEC and set forth in **APPENDIX SIX**. *Proposer may learn more about these disclosure requirements, including applicable exceptions and use of the TEC electronic filing system, by reviewing [§2252.908, Government Code](#), and information on the TEC website at <https://www.ethics.state.tx.us/data/forms/1295/1295.pdf> . **The Certificate of Interested Parties must only be submitted by Contractor upon delivery to University of a signed Agreement.***

5.4 Scope of Work

Contractor will provide the following services to University:

5.4.1 Valuation services performed in accordance with Governmental Accounting Standards Board (“**GASB**”) Statement No. 72, *Fair Value Measurement and Application*.

Per GASB Statement No. 72:

“This Statement requires a government to use valuation techniques that are appropriate under the circumstances and for which sufficient data are available to measure fair value. The techniques should be consistent with one or more of the following approaches: the

market approach, the cost approach, or the income approach. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets, liabilities, or a group of assets and liabilities. The cost approach reflects the amount that would be required to replace the present service capacity of an asset. The income approach converts future amounts (such as cash flows or income and expenses) to a single current (discounted) amount. Valuation techniques should be applied consistently, though a change may be appropriate in certain circumstances. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.”

The valuation services will be limited to certain non-publicly traded, privately held, investments.

These investments include assets held in the name of the University of Texas (“**UT**”) Board of Regents (“**the Board**”) on behalf of a named UT institution which often resulted from agreements with business entities relating to rights in intellectual property owned by the Board. These assets are commonly referred to as “Tech Stocks” and they include equity interest in various entities in the form of common stock; preferred stock, which may be convertible; rights and warrants; interest in limited partnerships or corporations; or convertible debt securities. UT System Administration or any UT System institution may receive an equity interest in a business entity

- as partial or total compensation for the intellectual property rights conveyed to such business entity; or
- as consideration for the institution's role as a founder, or for other contributions made to the business entity other than as a licensor.

In some circumstances UT System or any UT System institution may also purchase Tech Stock investments.

In addition to the Tech Stock investments, valuation services are also needed for a limited number of privately held investments in UT *Horizon Fund*, the strategic venture fund of UT System.

5.4.2 The number of Tech Stock investments can vary from month to month as the institutions continually enter into new intellectual property agreements and the Horizon Fund continues to purchase new investments. In addition, some investments have been excluded from the scope of the project. The investments requiring valuation span across approximately 24 issuing companies and the additional investments requiring documentation as to why no value is performed span across approximately 16 issuing companies.

5.4.3 There is no central repository of other supporting documentation for investments in the Tech Stocks. Rather, the individual Offices of Technology Commercialization at the following ten (10) UT institutions retain information for their agreements and investment holdings:

UT Austin
UT Dallas
UT El Paso
UT San Antonio
UT Southwestern Medical Center, Dallas
UT Medical Branch, Galveston
UT Health Science Center, Houston
UT Health Science Center, San Antonio
UT M. D. Anderson Cancer Center
UT Health Science Center, Tyler

UT System Administration's Office of Innovation & Strategic Investments retains documentation for investments in the *Horizon Fund*.

- 5.4.5 Contractor is responsible for working directly with Institutional contacts and provides weekly status updates to UT System ("UTS") primary contacts and institution contacts via e-mail throughout the project.

The fiscal year-end valuations must be provided on or before August 31 of the fiscal year valuation ("the **Valuation Date**"). The valuations will be based upon the most recent financial information available.

All values included in the UTS annual financial report ("**AFR**") are subject to audit scrutiny.

- A. Based on the initial list of in-scope investments provided by UTS and confirmation of the availability of key Business information and materiality factors, UTS/institution contacts will determine the population of investments that will be presented as follows:
1. **One Page Summary:** Contractor will summarize Business information and assist UTS/institution contacts in documenting their qualitative conclusion that a full valuation is not needed due to UTS determined materiality, or where a valuation cannot be completed due to the lack of key Business information. A 1 Page Summary deliverable consists of both Phase 1 and 2.
 2. **Valuation –** For those investments identified by UTS, Contractor will perform valuations for the investments that UTS/institution contacts determine there is appropriate Business information to complete the procedures, based upon advice from Contractor. A Valuation deliverable consists of both Phase 1 and 2 detailed below.
- B. UTS primary contacts will provide Contractor with a list of investments in scope for this project. The investment summary will (1) be labeled by institution and (2) be segregated into the following categories:
1. **Bucket 1 - New Portfolio Company ("Portfolio Company") Valuations -** Investments in new companies not previously reviewed by Contractor in a prior year. If a valuation cannot be performed, these investments will move to Bucket 3.
 2. **Bucket 2 - Existing Portfolio Company Valuations –** Investments in companies valued by Contractor in a prior year with an aggregate fair value of approximately \$500,000 or more or investments UTS determined to be material in the current year.

This also may include existing companies not previously valued, made up of investments in companies researched by Contractor in a prior year and identified by UTS as in scope for this project. If a valuation cannot be performed, these investments may move to Bucket 3.
 3. **Bucket 3 - Immaterial values or insufficient Business information to perform a Valuation for new or existing companies -** Investments in companies valued by Contractor in a prior year with an aggregate fair value up to approximately \$500,000, or New or Existing companies with insufficient Business information to perform a valuation.

C. The valuation work will be split into two (2) phases:

1. Phase 1 - Pre-Analytics Process

- a) Contractor to coordinate and lead kick-off meeting with Key Contacts, in which Contractor will provide a detailed project plan to be approved by UTS.
- b) Contractor will work with the institution contacts to collect Business information on the issuing companies ("Business Information").
- c) Contractor will provide a formal data request for each of the issuing companies for the in-scope investments.
- d) For each Portfolio Company reviewed by the Contractor in a prior year, the formal data request from the Contractor will include the Business Information collected in the prior year for the Key Contact to update rather than work from blank data request template.
- e) Discussion topics may include:
 - i. Portfolio Company background,
 - ii. key Portfolio Company milestones and progress,
 - iii. investment history of Portfolio Company,
 - iv. characteristics of securities held, and
 - v. summary of historical and projected financial performance.

Contractor to review all of the Business information provided.

- f) Contractor will perform their own independent research and analysis leveraging third-party data sources.
- g) Based on the Business information gathered for new Portfolio Companies and existing Portfolio Companies with values determined by UTS to be material in the prior year, the Contractor will advise UTS on whether there is sufficient Business Information for a valuation to be performed for a given fiscal year UTS will identify investments that Contractor will provide valuations.
- h) Contractor will obtain and evaluate the key Business Information available for the valuation year for Portfolio Companies with values UTS deemed to be immaterial in the prior year. Contractor will review Business information received and advise UTS whether there is sufficient Business information to perform a valuation and/or estimate if an investment value for the Portfolio Company is above \$500,000 (in aggregate), based on a common stock equivalent basis. Based on Contractor's preliminary review of the Business information available for these Portfolio Companies, UTS will determine whether a valuation should be performed.
- i) Contractor will obtain and evaluate the key Business Information available for the current valuation year for companies that could not be valued in the prior year for only those Portfolio Companies identified by UTS as in scope for this project. Contractor will review Business information received and advise UTS whether there is sufficient Business information to perform a valuation and/or estimate if an investment value for the Portfolio Company is above \$500,000 (in aggregate), based on a common stock equivalent basis. Based on

Contractor's preliminary review of the Business information available for these Portfolio Companies, UTS will determine whether a valuation should be performed.

- j) UTS/institution contacts will determine which investment shall move on to Phase 2.

2. Phase 2 - Analytics and Post-Analytics Process (may include part or all of the following work)

- a) UTS will determine before work is performed which investments will have 1 Pager Summary and which investments will have a Valuation performed.
- b) Analytics - Contractor to prepare either a 1 Page Summary or a Valuation at the direction of UTS.

- i. **1 Page Summary** - for all investments agreed upon, Contractor will perform the following:

Contractor to document findings and discuss with UTS/institution primary contacts. Documentation must include summary of the work performed for each investment and basis for UTS's conclusion. Documentation will be expected for the following:

- 1) Investments deemed to be immaterial by UTS in prior periods and preliminary evaluated for the Valuation Date fiscal year period; and
 - 2) Investments that could not be valued in prior periods and preliminary evaluated for the Valuation Date fiscal year period.

- ii. **Valuation** - for all investments determined by UTS, Contractor will perform the following:

- 1) Valuation modeling and analysis – Contractor will analyze Business information and use it to perform a valuation of the enterprise and then allocate the value to the securities held by UTS.
 - 2) Enterprise valuation – Contractor will prepare valuation of the underlying Portfolio Company using combination of market and income approaches. The key decision involves selection and vetting of key inputs and assumptions used in valuation approach(es).
 - 3) Equity allocation – The concluded equity will be allocated to the various asset classes within the capital structure of the underlying Portfolio Company to arrive at a value or a range of value for each investment.

- c) Post Analytics - Contractor to document findings and discuss with UTS primary contacts and external auditors in accordance with the Use of Deliverables terms of the Agreement.

- i. Final deliverables, on-going support, and audit review assistance – Contractor to develop documentation to support the valuation, including valuation models; industry analysis and a narrative on Contractor's conclusions of value; a summary of conclusions for all in-scope investments, and Business information needed for UTS's audit report footnote disclosures.

ii. Contractor's report ("FV Report") will include the following sections:

1) Summary of services:

- a) A description of the scope of work and sources of Business Information to support conclusions
- b) Definition of fair value under GASB Statement No. 72
- c) Discussion of the objectives of the engagement and the valuation approaches performed
- d) Summary of estimated ranges of fair value

2) Analysis and conclusion:

- a) Portfolio Company background – Description of the Portfolio Company including products and/or services and recent updates
- b) Business enterprise value – Contractor to provide an explanation of the selected methodology to value the enterprise and support for the key assumptions used to determine the assumptions and inputs in the valuation analysis.

- The market approach support will include:

- Selection of comparable companies or guideline transactions;
- Selection of a valuation multiple; and
- Quantification of any liquidity discounts or control premiums.

- The income approach support will include:

- Discussion on cash flows provided by Management;
- Quantification of a discount rate; and
- Terminal value calculation.

- Allocation of Value – Depending on facts and circumstances various allocation methodologies can be utilized to allocate the equity value to the securities in the capital structure. The methodologies may include a waterfall or current value method, scenario modeling or the use of option pricing.

3) Appendices:

- a) Assumptions and Limiting Conditions
- b) The Valuation Practitioners Representation and Certification – valuation is performed in accordance with the American Institute Certified Public Accountants Statement on Standards for valuation services.
- c) Qualifications of individuals who performed the work
- d) Supporting Valuation Schedules - Including relevant quantitative analyses to further support Contractor's conclusions.

d) Contractor to provide summary of results and other key metrics to assist UTS in their preparation of footnote disclosures required by GASB Statement 72.

5.4.6 Key Milestones and Deliverables:

Mid-April – Begin Pre-Analytics described in 5.4.5 Phase 1.

Weekly through the conclusion of the project - Contractor will provide weekly status updates to UTS primary contacts and institution contacts via email, including documentation of project plan and completion status.

On or before August 31 of the fiscal year valuation FV Report and other deliverables due for that year's valuations.

The deliverables on or before August 31st shall include:

- A. A list of the individual investments with the determined fair values for each holding;
- B. A brief summary of the inputs and methodology used to value each holding;
- C. The Business Information needed to complete the footnote disclosures required by GASB Statement No. 72;
- D. Copies of Business information details compiled for each Portfolio Company; and
- E. Draft one-page summaries for investments determined by UTS. UTS will review the deliverables, revise them as deemed appropriate, approve them prior to use and take full responsibility for their content.

If fair values cannot be determined due to lack of Business Information on the issuing Portfolio Company, Contractor will provide a brief summary for each holding explaining the circumstances and evidence that due diligence was performed to attempt to collect the needed Business Information.

If fair values are not determined due to no significant change in Business Information since the last valuation, Contractor will provide a brief summary for each holding explaining the due diligence performed to verify the lack of change in Business Information. Additional deliverables are listed in Section 5.4.5.

Subsequent to the remittance of the deliverables, Contractor must be available to respond to questions from UTS's financial auditors about the determined fair values and provide supporting documentation to the auditors upon request.

Since there are strict statutory deadlines in which the audit must be completed, responses to the auditor's questions should be met within three (3) business days.

5.4.7 Schedule of Timeline and Deliverables (estimated dates)

Contract signed and executed	March 31, 2021
List of investments & contacts provided to vendor (begin work)	April 1, 2021
Vendor lead kick-off meeting with all UT Institutions	April 30, 2021
Vendor provides weekly progress updates	June-August, 2021
Draft Fair Values and 1-page documentation due to UT System	August 2, 2021
Final Fair Values and 1-page documentation due to UT System	August 31, 2021
Footnote disclosure information due to UT System	August 31, 2021

5.5 Additional Questions Specific to this RFP

Proposer must submit the following information as part of Proposer's proposal:

Vendor Experience (40%)

1. Provide experience valuating investments for GASB 72 compliance. Demonstrate experience in valuation services for non-publicly traded, privately held, investments.
2. Provide references from three (3) of Proposer's customers from the past five (5) years for services that are similar in scope, size, and complexity to the Services described in this RFP.

Provide the following information for each customer:

- Customer name and address;
 - Contact name with email address and phone number;
 - Time period in which work was performed;
 - Short description of work performed.
3. Has Proposer worked with University institutions in the past five (5) years? If "yes," state University Institution name, department name, department contact, and provide a brief description of work performed.
 4. Outline Proposer's experience providing Note Disclosure information.
 5. Describe Proposer's experience answering external, financial auditor's questions.
 6. Describe expertise of staff assigned to this Project.

Project Services (30%)

7. Outline approach to accomplish the Scope of Work in Section 5.4
8. Demonstrate an understanding of Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*, and requirements related to compliance with GASB 72.
9. Provide the list of team members and bios that will be providing Services.
10. Outline Proposer's capability and financial resources to perform the Services by the deadlines outlined in Section 5.4 of this RFP.

SECTION 6

PRICING AND DELIVERY SCHEDULE

Proposal of: _____
(Proposer Company Name)

To: The University of Texas System

RFP No.: 720-2105 Fair Value Measurement Services

Ladies and Gentlemen:

Having carefully examined all the specifications and requirements of this RFP and any attachments thereto, the undersigned proposes to furnish the required pursuant to the above-referenced Request for Proposal upon the terms quoted (firm fixed price) below. The University will not accept proposals which include assumptions or exceptions to the work identified in this RFP.

6.1 Pricing for Services Offered (30%)

- A. **SERVICE FEES:** Contractor shall be paid for actual hours incurred by Contractor directly and solely in connection with the Work at the rate set forth as follows:

The fee ranges are based on a scope of an estimated number of Portfolio Company valuations and other documentation work (i.e., there may be multiple investments held for a specific Portfolio Company) and the work required for each Portfolio Company.

The fees will be adjusted if there is a change in scope or additional investments are added to the scope.

- B. **INVESTMENT FEES:**

Complete the following table. Fees per investment are as follows:

Project	New Investment		Recurring Investment	
	Low Fee Estimate Per Portfolio Company	High Fee Estimate Per Portfolio Company	Low Fee Estimate Per Portfolio Company	High Fee Estimate Per Portfolio Company
Phase 1	\$	\$	\$	\$
Phase 2 - 1 Page Summary	\$	\$	\$	\$
Phase 2 - Valuation	\$	\$	\$	\$

Bucket 1 – New Portfolio Company Valuations	Low Fee Estimate Per Portfolio Company	High Fee Estimate Per Portfolio Company	Estimated Fee Cap** (Population __)
Phase 1	\$	\$	\$
Phase 2	\$	\$	\$
Valuations for FY 202x (Phase 1+2)	\$	\$	\$
Total Max Fees, __ New Portfolio Companies			\$

Bucket 2 – Existing Portfolio Company Valuations	Low Fee Estimate Per Portfolio Company	High Fee Estimate Per Portfolio Company	Estimated Fee Cap** (Population)
Phase 1	\$	\$	\$
Phase 2	\$	\$	\$
Valuations for FY 202x (Phase 1+2)	\$	\$	\$
Total Max Fees, ___ Existing Portfolio Companies			\$

Bucket 3 - Immaterial values or insufficient Business information to perform a valuation for existing Portfolio Companies	Low Fee Estimate Per Portfolio Company	High Fee Estimate Per Portfolio Company	Estimated Fee Cap** (Population __)
Phase 1	\$	\$	\$
Phase 2	\$	\$	\$
Total Max Fees, 16 Portfolio Companies (Phase 1 + 2)			\$

Estimated Out of Pocket Expenses (not to exceed without approval)***			\$
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*Phase 1 (Pre-Analytics) and Phase 2 (Analytics and Post-Analytics) were defined in **Section 5.4**.

**Fees will be reduced by the number of Portfolio Companies that are determined to be out of scope. UTS has assumed 40 companies in total.

***Expenses are estimated to be \$ [redacted] (**Contractor to complete**) based on UTS approved travel policies. Expenses will only be billed if incurred and Contractor will limit their travel and expenses to not exceed this amount without UTS approval.

Fees include 25 hours of coordination with UTS auditors as part of the project. Contractor will provide written explanation for any per Portfolio Company fee that exceeds high fee estimate per Portfolio Company from the pricing tables above.

Contractor may only invoice for the hours used in direct support of the Services during the invoiced month.

C. PRICE INCREASE

Note that UTS will not accept any price increases during the Initial Term or in the middle of the Renewal Periods (ref. **Section 5.1** of this RFP).

However, if Proposer plans to adjust fees at the beginning of each Renewal Period, Proposer must describe the increase mechanism below:

- D. **ADDITIONAL SERVICES:** Fees for services beyond the scope of work described in **Section 5.4**, but related to valuation services, shall be approved in advance of the work in writing executed by both parties, and will not exceed the specified hourly rate of \$_____ per hour.

If UTS submits, in advance, a written request for additional services not contemplated or reasonably inferred by this Agreement, that is mutually agreeable to the parties Contractor will be paid for actual

hours incurred by Contractor directly and solely in support of the additional services at the Rates set forth above.

6.2 Expenses and disbursements

Contractor will be reimbursed without mark-up for reasonable out-of-pocket expenses including but not limited to postage, photocopying, long-distance telephone, messengers, photography, printing and travel expenses (including meals, lodging, mileage and coach class airfare) validly incurred directly and solely in support of the Project.

Provided, however, Contractor agrees and acknowledges that Contractor will be subject to the Travel Allowance Guide promulgated by the Comptroller of Public Accounts for the State of Texas with regard to meals, lodging, mileage, airfare and all other expenses related to travel. Further, Contractor agrees and acknowledges that Contractor will not be reimbursed by UTS for expenses that are prohibited or that exceed the allowable amounts set forth in the Travel Allowance Guide unless such expense is approved in advance by UTS.

As a condition precedent to receiving reimbursement for expenses and disbursements, Contractor will submit to UTS original receipts, invoices, and other documentation as required by UTS for all out-of-pocket expenses on a separate invoice to UTS.

For purposes of clarity, the term “mark-up” shall not include the internal per-ticket charge related to air travel that is charged by Contractor’s travel vendor and enables Contractor to obtain discounted airfares, and this internal per-ticket charge is considered a reasonable, reimbursable expense.

Notwithstanding the foregoing, reimbursement for expenses in connection with the Project shall not exceed \$_____ (the “Expense Cap”) for this contract, without the prior written approval of UTS.

TRAVEL POLICY

All travel and expense costs will be calculated as allowed by Textravel (<https://fmx.cpa.state.tx.us/fmx/travel/textravel/index.php>), as promulgated by the State of Texas Comptroller:

Contractor must use regular coach (UT System rate, corporate rate, or published rate, whichever is applicable and most cost efficient) air transportation for travel in excess of 120 miles, unless otherwise agreed by UTS.

In order to maximize discounted airfares, Contractor, with the cooperation of UTS, will schedule on-site visits far enough in advance to take advantage of most cost effective airfare.

In the event meetings or on-site visits are cancelled by UTS, the Contractor may charge for any advance-purchase cancellation penalties imposed by the airline.

Corporate, UT System, or state, whichever is lower, rate discounts will be used for hotel accommodations but not to exceed the locality based per-diem determined by the GSA and published by the State Comptroller of Public Accounts without advance approval by UT System.

Maximum billable amount per person per day for meals will be actual expenses not to exceed the locality based per diem determined by the GSA and published by the State Comptroller of Public Accounts. Departing from UTS prior to 12:01 p.m. negates any billing for meals for that day. Meal expenses are reimbursable for vendors who travel 50 miles or more, and stay overnight.

Rental cars will be the least expensive, air-conditioned, automatic transmission, mid-size car available to the Contractor under corporate rate programs. Full coverage collision insurance may be used for rental cars, but personal protection plans will not be reimbursed.

Ground transportation, parking costs and tolls may be invoiced at cost.

Personal automobile mileage charges will be computed based upon actual miles to and from the appropriate office to and from the client facility. Mileage charges will be invoiced at the standard mileage rate recognized by the State of Texas at the time of travel.

6.3 Schedule for Completion of Tasks and Submittal of Deliverables

See **Section 5.4.**

6.4 Delivery Schedule of Events and Time Periods

Indicate number of calendar days needed to commence the Services from the execution of the services agreement:

_____ Calendar Days

6.5 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"). Proposer agrees to provide Proposer's banking information to University in writing on Proposer letterhead signed by an authorized representative of Proposer. Prior to the first payment, University will confirm Proposer's banking information. Changes to Proposer'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: _____

APPENDIX ONE
PROPOSAL REQUIREMENTS

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SECTION 1

GENERAL INFORMATION

1.1 Purpose

University is soliciting competitive sealed proposals from Proposers having suitable qualifications and experience providing services in accordance with the terms, conditions and requirements set forth in this RFP. This RFP provides sufficient information for interested parties to prepare and submit proposals for consideration by University.

By submitting a proposal, Proposer certifies that it understands this RFP and has full knowledge of the scope, nature, quality, and quantity of the services to be performed, the detailed requirements of the services to be provided, and the conditions under which such services are to be performed. Proposer also certifies that it understands that all costs relating to preparing a response to this RFP will be the sole responsibility of the Proposer.

PROPOSER IS CAUTIONED TO READ THE INFORMATION CONTAINED IN THIS RFP CAREFULLY AND TO SUBMIT A COMPLETE RESPONSE TO ALL REQUIREMENTS AND QUESTIONS AS DIRECTED.

1.2 Inquiries and Interpretations

University may in its sole discretion respond in writing to written inquiries concerning this RFP and mail its response as an Addendum to all parties recorded by University as having received a copy of this RFP. Only University's responses that are made by formal written Addenda will be binding on University. Any verbal responses, written interpretations or clarifications other than Addenda to this RFP will be without legal effect. All Addenda issued by University prior to the Submittal Deadline will be and are hereby incorporated as a part of this RFP for all purposes.

Proposers are required to acknowledge receipt of each Addendum as specified in this Section. The Proposer must acknowledge all Addenda by completing, signing and returning the Addenda Checklist (ref. **Section 4** of **APPENDIX ONE**). The Addenda Checklist must be received by University prior to the Submittal Deadline and should accompany the Proposer's proposal.

Any interested party that receives this RFP by means other than directly from University is responsible for notifying University that it has received an RFP package, and should provide its name, address, telephone and facsimile (**FAX**) numbers, and email address, to University, so that if University issues Addenda to this RFP or provides written answers to questions, that information can be provided to that party.

1.3 Public Information

Proposer is hereby notified that University strictly adheres to all statutes, court decisions and the opinions of the Texas Attorney General with respect to disclosure of public information.

University may seek to protect from disclosure all information submitted in response to this RFP until such time as a final agreement is executed.

Upon execution of a final agreement, University will consider all information, documentation, and other materials requested to be submitted in response to this RFP, to be of a non-confidential and non-proprietary nature and, therefore, subject to public disclosure under the *Texas Public Information Act* (ref. [Chapter 552, Government Code](#)). Proposer will be advised of a request for public information that implicates their materials and will have the opportunity to raise any objections to disclosure to the Texas Attorney General. Certain information may be protected from release under §§[552.101](#), [552.104](#), [552.110](#), [552.113](#), and [552.131](#), *Government Code*.

1.4 Type of Agreement

Contractor, if any, will be required to enter into a contract with University in a form substantially similar to the Agreement between University and Contractor University Terms and Conditions (the "**Agreement**") attached to this RFP as **APPENDIX TWO** and incorporated for all purposes.

1.5 Proposal Evaluation Process

University will select Contractor by using the competitive sealed proposal process described in this Section. Any proposals that are not submitted by the Submittal Deadline or that are not accompanied by required number of completed and signed originals of the HSP will be rejected by University as non-responsive due to material failure to comply with this RFP (ref. **Section 2.5.4** of this RFP). Upon completion of the initial review and evaluation of proposals, University may invite one or more selected Proposers to participate in oral presentations. University will use commercially reasonable efforts to avoid public disclosure of the contents of a proposal prior to selection of Contractor.

University may make the selection of Contractor on the basis of the proposals initially submitted, without discussion, clarification or modification. In the alternative, University may make the selection of Contractor on the basis of negotiation with any of the Proposers. In conducting negotiations, University will use commercially reasonable efforts to avoid disclosing the contents of competing proposals.

University may discuss and negotiate all elements of proposals submitted by Proposers within a specified competitive range. For purposes of negotiation, University may establish, after an initial review of the proposals, a competitive range of acceptable or potentially acceptable proposals composed of the highest rated proposal(s). In that event, University may defer further action on proposals not included within the competitive range pending the selection of Contractor; provided, however, University reserves the right to include additional proposals in the competitive range if deemed to be in the best interest of University.

After the Submittal Deadline but before final selection of Contractor, University may permit Proposer to revise its proposal in order to obtain the Proposer's best and final offer. In that event, representations made by Proposer in its revised proposal, including price and fee quotes, will be binding on Proposer. University will provide each Proposer within the competitive range with an equal opportunity for discussion and revision of its proposal. University is not obligated to select the Proposer offering the most attractive economic terms if that Proposer is not the most advantageous to University overall, as determined by University.

University reserves the right to (a) enter into an agreement for all or any portion of the requirements and specifications set forth in this RFP with one or more Proposers, (b) reject any and all proposals and re-solicit proposals, or (c) reject any and all proposals and temporarily or permanently abandon this selection process, if deemed to be in the best interests of University. Proposer is hereby notified that University will maintain in its files concerning this RFP a written record of the basis upon which a selection, if any, is made by University.

1.6 Proposer's Acceptance of RFP Terms

Proposer (1) accepts [a] Proposal Evaluation Process (ref. **Section 1.5** of **APPENDIX ONE**), [b] Criteria for Selection (ref. **2.3** of this RFP), [c] Specifications and Additional Questions (ref. **Section 5** of this RFP), [d] terms and conditions of the Agreement (ref. **APPENDIX TWO**), and [e] all other requirements and specifications set forth in this RFP; and (2) acknowledges that some subjective judgments must be made by University during this RFP process.

1.7 Solicitation for Proposal and Proposal Preparation Costs

Proposer understands and agrees that (1) this RFP is a solicitation for proposals and University has made no representation written or oral that one or more agreements with University will be awarded under this RFP; (2) University issues this RFP predicated on University's anticipated requirements for the Services, and University has made no representation, written or oral, that any particular scope of services will actually be required by University; and (3) Proposer will bear, as its sole risk and responsibility, any cost that arises from Proposer's preparation of a proposal in response to this RFP.

1.8 Proposal Requirements and General Instructions

- 1.8.1 Proposer should carefully read the information contained herein and submit a complete proposal in response to all requirements and questions as directed.
- 1.8.2 Proposals and any other information submitted by Proposer in response to this RFP will become the property of University.
- 1.8.3 University will not provide compensation to Proposer for any expenses incurred by the Proposer for proposal preparation or for demonstrations or oral presentations that may be made by Proposer. Proposer submits its proposal at its own risk and expense.
- 1.8.4 Proposals that (i) are qualified with conditional clauses; (ii) alter, modify, or revise this RFP in any way; or (iii) contain irregularities of any kind, are subject to disqualification by University, at University's sole discretion.
- 1.8.5 Proposals should be prepared simply and economically, providing a straightforward, concise description of Proposer's ability to meet the requirements and specifications of this RFP. Emphasis should be on completeness, clarity of content, and responsiveness to the requirements and specifications of this RFP.
- 1.8.6 University makes no warranty or guarantee that an award will be made as a result of this RFP. University reserves the right to accept or reject any or all proposals, waive any formalities, procedural requirements, or minor technical inconsistencies, and delete any requirement or specification from this RFP or the Agreement when deemed to be in University's best interest. University reserves the right to seek clarification from any Proposer concerning any item contained in its proposal prior to final selection. Such clarification may be provided by telephone conference or personal meeting with or writing to University, at University's sole discretion. Representations made by Proposer within its proposal will be binding on Proposer.
- 1.8.7 Any proposal that fails to comply with the requirements contained in this RFP may be rejected by University, in University's sole discretion.

1.9 Preparation and Submittal Instructions

1.9.1 Specifications and Additional Questions

Proposals must include responses to the questions in Specifications and Additional Questions (ref. **Section 5** of this RFP). Proposer should reference the item number and repeat the question in its response. In cases where a question does not apply or if unable to respond, Proposer should refer to the item number, repeat the question, and indicate N / A (Not Applicable) or N / R (No Response), as appropriate. Proposer should explain the reason when responding N / A or N / R.

1.9.2 Execution of Offer

Proposer must complete, sign and return the attached Execution of Offer (ref. **Section 2** of **APPENDIX ONE**) as part of its proposal. The Execution of Offer must be signed by a representative of Proposer duly authorized to bind the Proposer to its proposal. Any proposal received without a completed and signed Execution of Offer may be rejected by University, in its sole discretion.

1.9.3 Pricing and Delivery Schedule

Proposer must complete and return the Pricing and Delivery Schedule (ref. **Section 6** of this RFP), as part of its proposal. In the Pricing and Delivery Schedule, the Proposer should describe in detail (a) the total fees for the entire scope of the Services; and (b) the method by which the fees are calculated. The fees must be inclusive of all associated costs for delivery, labor, insurance, taxes, overhead, and profit.

University will not recognize or accept any charges or fees to perform the Services that are not specifically stated in the Pricing and Delivery Schedule.

In the Pricing and Delivery Schedule, Proposer should describe each significant phase in the process of providing the Services to University, and the time period within which Proposer proposes to be able to complete each such phase.

1.9.4 Proposer's General Questionnaire

Proposals must include responses to the questions in Proposer's General Questionnaire (ref. **Section 3** of **APPENDIX ONE**). Proposer should reference the item number and repeat the question in its response. In cases where a question does not apply or if unable to respond, Proposer should refer to the item number, repeat the question, and indicate N / A (Not Applicable) or N / R (No Response), as appropriate. Proposer should explain the reason when responding N / A or N / R.

1.9.5 Addenda Checklist

Proposer should acknowledge all Addenda to this RFP (if any) by completing, signing and returning the Addenda Checklist (ref. **Section 4** of **APPENDIX ONE**) as part of its proposal. Any proposal received without a completed and signed Addenda Checklist may be rejected by University, in its sole discretion.

1.9.6 Submission

*Proposer should submit all proposal materials as instructed in **Section 3** of this RFP. RFP No. (ref. **Title Page** of this RFP) and Submittal Deadline (ref. **Section 2.1** of this RFP) should be clearly shown (1) in the Subject line of any email transmitting the proposal, and (2) in the lower left-hand corner on the top surface of any envelope or package containing the proposal. In addition, the name and the return address of the Proposer should be clearly visible in any email or on any envelope or package.*

University will not under any circumstances consider a proposal that is received after the Submittal Deadline or which is not accompanied by the HSP as required by **Section 2.5** of this RFP. University will not accept proposals submitted by email, telephone or FAX transmission.

Except as otherwise provided in this RFP, no proposal may be changed, amended, or modified after it has been submitted to University. However, a proposal may be withdrawn and resubmitted at any time prior to the Submittal Deadline. No proposal may be withdrawn after the Submittal Deadline without University's consent, which will be based on Proposer's written request explaining and documenting the reason for withdrawal, which is acceptable to University.

SECTION 2

EXECUTION OF OFFER

THIS EXECUTION OF OFFER MUST BE COMPLETED, SIGNED AND RETURNED WITH PROPOSER'S PROPOSAL. FAILURE TO COMPLETE, SIGN AND RETURN THIS EXECUTION OF OFFER WITH THE PROPOSER'S PROPOSAL MAY RESULT IN THE REJECTION OF THE PROPOSAL.

- 2.1 Representations and Warranties.** Proposer represents, warrants, certifies, acknowledges, and agrees as follows:
- 2.1.1 Proposer will furnish the Services to University and comply with all terms, conditions, requirements and specifications set forth in this RFP and any resulting Agreement.
 - 2.1.2 This RFP is a solicitation for a proposal and is not a contract or an offer to contract. Submission of a proposal by Proposer in response to this RFP will not create a contract between University and Proposer. University has made no representation or warranty, written or oral, that one or more contracts with University will be awarded under this RFP. Proposer will bear, as its sole risk and responsibility, any cost arising from Proposer's preparation of a response to this RFP.
 - 2.1.3 Proposer is a reputable company that is lawfully and regularly engaged in providing the Services.
 - 2.1.4 Proposer has the necessary experience, knowledge, abilities, skills, and resources to perform the Services.
 - 2.1.5 Proposer is aware of, is fully informed about, and is in full compliance with all applicable federal, state and local laws, rules, regulations and ordinances relating to performance of the Services.
 - 2.1.6 Proposer understands (i) the requirements and specifications set forth in this RFP and (ii) the terms and conditions set forth in the Agreement under which Proposer will be required to operate.
 - 2.1.7 Proposer will not delegate any of its duties or responsibilities under this RFP or the Agreement to any sub-contractor, except as expressly provided in the Agreement.
 - 2.1.8 Proposer will maintain any insurance coverage required by the Agreement during the entire term.
 - 2.1.9 All statements, information and representations prepared and submitted in response to this RFP are current, complete, true and accurate. University will rely on such statements, information and representations in selecting Contractor. If selected by University, Proposer will notify University immediately of any material change in any matters with regard to which Proposer has made a statement or representation or provided information.
 - 2.1.10 PROPOSER WILL DEFEND WITH COUNSEL APPROVED BY UNIVERSITY, INDEMNIFY, AND HOLD HARMLESS UNIVERSITY, THE STATE OF TEXAS, AND ALL OF THEIR REGENTS, OFFICERS, AGENTS AND EMPLOYEES, FROM AND AGAINST ALL ACTIONS, SUITS, DEMANDS, COSTS, DAMAGES, LIABILITIES AND OTHER CLAIMS OF ANY NATURE, KIND OR DESCRIPTION, INCLUDING REASONABLE ATTORNEYS' FEES INCURRED IN INVESTIGATING, DEFENDING OR SETTling ANY OF THE FOREGOING, ARISING OUT OF, CONNECTED WITH, OR RESULTING FROM ANY NEGLIGENT ACTS OR OMISSIONS OR WILLFUL MISCONDUCT OF PROPOSER OR ANY AGENT, EMPLOYEE, SUBCONTRACTOR, OR SUPPLIER OF PROPOSER IN THE EXECUTION OR PERFORMANCE OF ANY CONTRACT OR AGREEMENT RESULTING FROM THIS RFP.
 - 2.1.11 Pursuant to §§[2107.008](#) and [2252.903](#), *Government Code*, any payments owing to Proposer under the Agreement may be applied directly to any debt or delinquency that Proposer owes the State of Texas or any agency of the State of Texas, regardless of when it arises, until such debt or delinquency is paid in full.
 - 2.1.12 Any terms, conditions, or documents attached to or referenced in Proposer's proposal are applicable to this procurement only to the extent that they (a) do not conflict with the laws of the State of Texas or this RFP, and (b) do not place any requirements on University that are not set forth in this RFP. Submission of a proposal is Proposer's good faith intent to enter into the Agreement with University as specified in this RFP and that Proposer's intent is not contingent upon University's acceptance or execution of any terms, conditions, or other documents attached to or referenced in Proposer's proposal.
 - 2.1.13 Pursuant to [Chapter 2270, Government Code](#), Proposer certifies Proposer (1) does not currently boycott Israel; and (2) will not boycott Israel during the Term of the Agreement. Proposer acknowledges the Agreement may be terminated and payment withheld if this certification is inaccurate.
 - 2.1.14 Pursuant to [Subchapter F, Chapter 2252, Government Code](#), Proposer certifies Proposer is not engaged in business with Iran, Sudan, or a foreign terrorist organization. Proposer acknowledges the Agreement may be terminated and payment withheld if this certification is inaccurate.
- 2.2 No Benefit to Public Servants.** Proposer has not given or offered to give, nor does Proposer intend to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor or service to a public servant in connection with its proposal. Failure to sign this Execution of Offer, or signing with a false statement, may void the submitted proposal or any resulting Agreement, and Proposer may be removed from all proposer lists at University.
- 2.3 Tax Certification.** Proposer is not currently delinquent in the payment of any taxes due under [Chapter 171, Tax Code](#), or Proposer is exempt from the payment of those taxes, or Proposer is an out-of-state taxable entity that is not subject to those taxes, whichever is applicable. A false certification will be deemed a material breach of any resulting contract or agreement and, at University's option, may result in termination of any resulting Agreement.

- 2.4 Antitrust Certification.** Neither Proposer nor any firm, corporation, partnership or institution represented by Proposer, nor anyone acting for such firm, corporation or institution, has violated the antitrust laws of the State of Texas, codified in [§15.01 et seq., Business and Commerce Code](#), or the Federal antitrust laws, nor communicated directly or indirectly the proposal made to any competitor or any other person engaged in such line of business.
- 2.5 Authority Certification.** The individual signing this document and the documents made a part of this RFP, is authorized to sign the documents on behalf of Proposer and to bind Proposer under any resulting Agreement.
- 2.6 Child Support Certification.** Under [§231.006, Family Code](#), relating to child support, the individual or business entity named in Proposer's proposal is not ineligible to receive award of the Agreement, and any Agreements resulting from this RFP may be terminated if this certification is inaccurate.
- 2.7 Relationship Certifications.**
- No relationship, whether by blood, marriage, business association, capital funding agreement or by any other such kinship or connection exists between the owner of any Proposer that is a sole proprietorship, the officers or directors of any Proposer that is a corporation, the partners of any Proposer that is a partnership, the joint venturers of any Proposer that is a joint venture, or the members or managers of any Proposer that is a limited liability company, on one hand, and an employee of any member institution of University, on the other hand, other than the relationships which have been previously disclosed to University in writing.
 - Proposer has not been an employee of any member institution of University within the immediate twelve (12) months prior to the Submittal Deadline.
 - No person who, in the past four (4) years served as an executive of a state agency was involved with or has any interest in Proposer's proposal or any contract resulting from this RFP (ref. [§669.003, Government Code](#)).
 - All disclosures by Proposer in connection with this certification will be subject to administrative review and approval before University enters into any Agreement resulting from this RFP with Proposer.
- 2.8 Compliance with Equal Employment Opportunity Laws.** Proposer is in compliance with all federal laws and regulations pertaining to Equal Employment Opportunities and Affirmative Action.
- 2.9 Compliance with Safety Standards.** All products and services offered by Proposer to University in response to this RFP meet or exceed the safety standards established and promulgated under the Federal Occupational Safety and Health Law ([Public Law 91-596](#)) and the *Texas Hazard Communication Act*, [Chapter 502, Health and Safety Code](#), and all related regulations in effect or proposed as of the date of this RFP.
- 2.10 Exceptions to Certifications.** Proposer will and has disclosed, as part of its proposal, any exceptions to the information stated in this *Execution of Offer*. All information will be subject to administrative review and approval prior to the time University makes an award or enters into any Agreement with Proposer.
- 2.11 Manufacturer Responsibility and Consumer Convenience Computer Equipment Collection and Recovery Act Certification.** If Proposer will sell or lease computer equipment to University under any Agreement resulting from this RFP then, pursuant to [§361.965\(c\), Health & Safety Code](#), Proposer is in compliance with the Manufacturer Responsibility and Consumer Convenience Computer Equipment Collection and Recovery Act set forth in [Chapter 361, Subchapter Y, Health & Safety Code](#), and the rules adopted by the Texas Commission on Environmental Quality under that Act as set forth in [30 TAC Chapter 328, §361.952\(2\), Health & Safety Code](#), states that, for purposes of the Manufacturer Responsibility and Consumer Convenience Computer Equipment Collection and Recovery Act, the term "computer equipment" means a desktop or notebook computer and includes a computer monitor or other display device that does not contain a tuner.
- 2.12 Conflict of Interest Certification.**
- Proposer is not a debarred vendor or the principal of a debarred vendor (i.e. owner, proprietor, sole or majority shareholder, director, president, managing partner, etc.) either at the state or federal level.
 - Proposer's provision of services or other performance under any Agreement resulting from this RFP will not constitute an actual or potential conflict of interest.
 - Proposer has disclosed any personnel who are related to any current or former employees of University.
 - Proposer has not given, nor does Proposer intend to give, at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor or service to an officer or employee of University in connection with this RFP.

2.13 Proposer should complete the following information:

If Proposer is a Corporation, then State of Incorporation: _____

If Proposer is a Corporation, then Proposer's Corporate Charter Number: _____

RFP No.: 720-2105 Fair Value Measurement Services

NOTICE: WITH FEW EXCEPTIONS, INDIVIDUALS ARE ENTITLED ON REQUEST TO BE INFORMED ABOUT THE INFORMATION THAT GOVERNMENTAL BODIES OF THE STATE OF TEXAS COLLECT ABOUT SUCH INDIVIDUALS. UNDER [§§552.021 AND 552.023, GOVERNMENT CODE](#), INDIVIDUALS ARE ENTITLED TO RECEIVE AND REVIEW SUCH INFORMATION. UNDER [§559.004, GOVERNMENT CODE](#), INDIVIDUALS ARE ENTITLED TO HAVE GOVERNMENTAL BODIES OF THE STATE OF TEXAS CORRECT INFORMATION ABOUT SUCH INDIVIDUALS THAT IS INCORRECT.

Submitted and Certified By:

(Proposer Institution's Name)

(Signature of Duly Authorized Representative)

(Printed Name / Title)

(Date Signed)

(Proposer's Street Address)

(City, State, Zip Code)

(Telephone Number)

(FAX Number)

(Email Address)

SECTION 3

PROPOSER'S GENERAL QUESTIONNAIRE

NOTICE: WITH FEW EXCEPTIONS, INDIVIDUALS ARE ENTITLED ON REQUEST TO BE INFORMED ABOUT THE INFORMATION THAT GOVERNMENTAL BODIES OF THE STATE OF TEXAS COLLECT ABOUT SUCH INDIVIDUALS. UNDER §§552.021 AND 552.023, GOVERNMENT CODE, INDIVIDUALS ARE ENTITLED TO RECEIVE AND REVIEW SUCH INFORMATION. UNDER §559.004, GOVERNMENT CODE, INDIVIDUALS ARE ENTITLED TO HAVE GOVERNMENTAL BODIES OF THE STATE OF TEXAS CORRECT INFORMATION ABOUT SUCH INDIVIDUALS THAT IS INCORRECT.

Proposals must include responses to the questions contained in this Proposer's General Questionnaire. Proposer should reference the item number and repeat the question in its response. In cases where a question does not apply or if unable to respond, Proposer should refer to the item number, repeat the question, and indicate N / A (Not Applicable) or N / R (No Response), as appropriate. Proposer will explain the reason when responding N / A or N / R.

3.1 Proposer Profile

3.1.1 Legal name of Proposer company:

Address of principal place of business:

Address of office that would be providing service under the Agreement:

Number of years in Business: _____

State of incorporation: _____

Number of Employees: _____

Annual Revenues Volume: _____

Name of Parent Corporation, if any _____

NOTE: If Proposer is a subsidiary, University prefers to enter into a contract or agreement with the Parent Corporation or to receive assurances of performance from the Parent Corporation.

- 3.1.2 State whether Proposer will provide a copy of its financial statements for the past two (2) years, if requested by University.
- 3.1.3 Proposer will provide a financial rating of the Proposer entity and any related documentation (such as a Dunn and Bradstreet analysis) that indicates the financial stability of Proposer.
- 3.1.4 Is Proposer currently for sale or involved in any transaction to expand or to become acquired by another business entity? If yes, Proposer will explain the expected impact, both in organizational and directional terms.
- 3.1.5 Proposer will provide any details of all past or pending litigation or claims filed against Proposer that would affect its performance under the Agreement with University (if any).
- 3.1.6 Is Proposer currently in default on any loan agreement or financing agreement with any bank, financial institution, or other entity? If yes, Proposer will specify the pertinent date(s), details, circumstances, and describe the current prospects for resolution.
- 3.1.7 Proposer will provide a customer reference list of no less than three (3) organizations with which Proposer currently has contracts and / or to which Proposer has previously provided services (within the past five (5) years) of a type and scope similar to those required by University's RFP. Proposer will include in its customer reference list the customer's company name, contact person, telephone number, project description, length of business relationship, and background of services provided by Proposer.

- 3.1.8 Does any relationship exist (whether by family kinship, business association, capital funding agreement, or any other such relationship) between Proposer and any employee of University? If yes, Proposer will explain.
- 3.1.9 Proposer will provide the name and Social Security Number for each person having at least 25% ownership interest in Proposer. This disclosure is mandatory pursuant to [§231.006, Family Code](#), and will be used for the purpose of determining whether an owner of Proposer with an ownership interest of at least 25% is more than 30 days delinquent in paying child support. Further disclosure of this information is governed by the *Texas Public Information Act* (ref. [Chapter 552, Government Code](#)), and other applicable law.

3.2 Approach to Project Services

- 3.2.1 Proposer will provide a statement of the Proposer's service approach and will describe any unique benefits to University from doing business with Proposer. Proposer will briefly describe its approach for each of the required services identified in **Section 5.4** Scope of Work of this RFP.
- 3.2.2 Proposer will provide an estimate of the earliest starting date for services following execution of the Agreement.
- 3.2.3 Proposer will submit a work plan with key dates and milestones. The work plan should include:
- 3.2.3.1 Identification of tasks to be performed;
 - 3.2.3.2 Time frames to perform the identified tasks;
 - 3.2.3.3 Project management methodology;
 - 3.2.3.4 Implementation strategy; and
 - 3.2.3.5 The expected time frame in which the services would be implemented.
- 3.2.4 Proposer will describe the types of reports or other written documents Proposer will provide (if any) and the frequency of reporting, if more frequent than required in this RFP. Proposer will include samples of reports and documents if appropriate.

3.3 General Requirements

- 3.3.1 Proposer will provide summary resumes for its proposed key personnel who will be providing services under the Agreement with University, including their specific experiences with similar service projects, and number of years of employment with Proposer.
- 3.3.2 Proposer will describe any difficulties it anticipates in performing its duties under the Agreement with University and how Proposer plans to manage these difficulties. Proposer will describe the assistance it will require from University.

3.4 Service Support

Proposer will describe its service support philosophy, how it is implemented, and how Proposer measures its success in maintaining this philosophy.

3.5 Quality Assurance

Proposer will describe its quality assurance program, its quality requirements, and how they are measured.

3.6 Miscellaneous

- 3.6.1 Proposer will provide a list of any additional services or benefits not otherwise identified in this RFP that Proposer would propose to provide to University. Additional services or benefits must be directly related to the goods and services solicited under this RFP.
- 3.6.2 Proposer will provide details describing any unique or special services or benefits offered or advantages to be gained by University from doing business with Proposer. Additional services or benefits must be directly related to the goods and services solicited under this RFP.
- 3.6.3 Does Proposer have a contingency plan or disaster recovery plan in the event of a disaster? If so, then Proposer will provide a copy of the plan.

SECTION 4

ADDENDA CHECKLIST

Proposal of: _____
(Proposer Company Name)

To: The University of Texas System

Ref.: Fair Value Measurement Services

RFP No.: 720-2105

Ladies and Gentlemen:

The undersigned Proposer hereby acknowledges receipt of the following Addenda to the captioned RFP (initial if applicable).

Note: If there was only one (1) Addendum, initial just the first blank after No. 1, not all five (5) blanks below.

No. 1 _____ No. 2 _____ No. 3 _____ No. 4 _____ No. 5 _____

Respectfully submitted,

Proposer: _____

By: _____
(Authorized Signature for Proposer)

Name: _____

Title: _____

Date: _____

APPENDIX TWO
SAMPLE AGREEMENT
(INCLUDED AS SEPARATE ATTACHMENT)

APPENDIX THREE

**CERTIFICATE OF INTERESTED PARTIES
(Texas Ethics Commission Form 1295)**

This is a sample Texas Ethics Commission's FORM 1295 – CERTIFICATE OF INTERESTED PARTIES. If not exempt under [Section 2252.908\(c\), Government Code](#), Contractor must use the Texas Ethics Commission electronic filing web page (at <https://www.ethics.state.tx.us/data/forms/1295/1295.pdf>) to complete the most current Certificate of Interested Parties form and submit the form as instructed to the Texas Ethics Commission and University. **The Certificate of Interested Parties will be submitted only by Contractor to University with the signed Agreement.**

CERTIFICATE OF INTERESTED PARTIES		FORM 1295	
Complete Nos. 1 - 4 and 6 if there are interested parties. Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.		OFFICE USE ONLY	
1 Name of business entity filing form, and the city, state and country of the business entity's place of business.			
2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.			
3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.			
4		Nature of Interest (check applicable)	
Name of Interested Party	City, State, Country (place of business)	Controlling	Intermediary
5 Check only if there is NO Interested Party. <input type="checkbox"/>			
6 AFFIDAVIT I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct.			
_____ Signature of authorized agent of contracting business entity			
AFFIX NOTARY STAMP / SEAL ABOVE			
Sworn to and subscribed before me, by the said _____, this the _____ day of _____, 20_____, to certify which, witness my hand and seal of office.			
_____ Signature of officer administering oath Printed name of officer administering oath Title of officer administering oath			
ADD ADDITIONAL PAGES AS NECESSARY			