



# UNIVERSITY OF SOUTH CAROLINA

AMENDMENT NO. 1 TO SOLICITATION

TO: ALL VENDORS

FROM: Charles Johnson, Procurement Manager

SUBJECT: SOLICITATION NUMBER: USC-RFP-3190-CJ

DESCRIPTION: Change Management Consulting and Advisory Services Related to a New Budget Model for the University of South Carolina’s Flagship Campus in Columbia,SC

DATE: August 30, 2017

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This Amendment No. 1 modifies the Request for Proposals only in the manner and to the extent as stated herein.

Questions and Answers

Revised/Modified Information For Offerors To Submit – General clause in Section IV. Information For Offerors To Submit in the solicitation.

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**BIDDER SHALL ACKNOWLEDGE RECEIPT OF AMENDMENT NO. 1 IN THE SPACE PROVIDED BELOW AND RETURN IT WITH THEIR BID RESPONSE. FAILURE TO DO SO MAY SUBJECT BID TO REJECTION.**

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Authorized Signature

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Name of Offeror

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Date

## **THE FOLLOWING QUESTIONS WERE SUBMITTED BY VENDOR A:**

**QUESTION # 1:** In what areas would the winning bidder have to work with other consulting firms?

**ANSWER:** *The University of South Carolina is constantly evolving and utilizes consultants at various times for expertise and global perspectives. The inclusion of this language is intended to make those groups interested in this engagement aware that there is an expectation of positive and professional collaboration amongst consultants if the University determines it could benefit from multiple groups working together.*

*In the past third-party consultants have been utilized to review possible methodologies for allocation of administrative and other costs. This is an example of an area that may or may not require collaboration. Currently the Board of Trustees has contracted with our external auditor, Elliott Davis Decosimo, to review budget and actual expenditures by academic unit based on the financial statement format. The University expects the budget model consultant (contractor) to work with EDD.*

**QUESTION # 2:** What change management resources would USC be providing on this engagement above and beyond a Steering Committee?

**ANSWER:** *As mentioned in step 5 of the scope, the process of this engagement should result in an agreed upon model, and suggested next steps. The University has capable staff that will utilize the product of this step and will build upon the momentum, “buy in” and recommendations provided through this engagement to put the new budget model into production. The University expects the consultant (contractor) to engage with deans, department chairs, faculty, Board of Trustee members, and senior administration.*

**QUESTION # 3:** Is there a budget for this engagement we can use to make sure the proposal elements maximize the value derived from that available funding?

**ANSWER:** *Total costs for this engagement will not exceed \$249,500.*

**QUESTION # 4:** What kind of work has been conducted before this proposal on this particular topic at USC?

**ANSWER:** *The University has conducted interviews, attended conferences and participated in webinars to acclimate itself with the concepts of various budget models. Further, the Provost, COO and CFO, along with other members of senior administration have voiced support for a change in the budget model currently utilized by the University. As mentioned above, third-party consultants have previously been utilized to review possible methodologies for allocation of administrative and other costs, but with the understanding that no formal adoption of allocation methodologies would take place until a more thorough change management process was undertaken and includes our deans, department chairs and faculty.*

## **THE FOLLOWING QUESTIONS WERE SUBMITTED BY VENDOR B:**

**QUESTION #1:** Could you please provide more context as to why the university backed away from the VCM model?

**ANSWER:** *The University discontinued the value centered management budget approach due to significant losses of state funding during the great recession. State funds were reduced by 50% - more than \$93M from the period fall 2008 through spring 2012. Recentralization of the budget provided that the increasingly scarce resources of the University were deployed with single “institutional perspective” that ensured continued progress through a period of great turbulence. Note though that academic units currently retain 100% of their unit-specific fees and 100% of their summer tuition revenue. The centralized portion of the budget is the fall and spring base tuition.*

**QUESTION # 2:** Are you able to provide your expected timeline for Steps 5 and 6, as you did for the preceding steps?

**ANSWER:** *The University would expect each of these steps to take approximately 1-2 months. As indicated, the University is flexible in its consideration of schedules if the rationale is compelling. Our intent is to have a working model in place for the 2019 budget cycle with full implementation for 2020.*

**QUESTION # 3:** You mention that the contractor may be required to work collaboratively with other consultants. What services might those other consultants be providing to USC?

**ANSWER:** *The University of South Carolina is constantly evolving and utilizes consultants at various times for expertise and global perspectives. The inclusion of this language is intended to make those groups interested in this engagement aware that there is an expectation of positive and professional collaboration amongst consultants if the University determines it could benefit from multiple groups working together.*

*In the past, third-party consultants have been utilized to review possible methodologies for allocation of administrative and other costs. This is an example of an area that may or may not require collaboration. Currently the Board of Trustees has contracted with our external auditor, Elliott Davis Decosimo, to review budget and actual expenditures by academic unit based on the financial statement format. The University expects the budget model consultant (contractor) to work with EDD.*

**QUESTION # 4:** You mention you are open to advice and guidance on the six-step approach. What level of flexibility do you have? Are there any components to which you would like to strictly adhere?

**ANSWER:** *If a compelling case is made for an alternative approach, the University will consider it. However, the main goals of each step are expected to be accomplished at the conclusion of the engagement. Additionally the process must be engaging and collaborative with diverse constituent groups represented in the process.*

**QUESTION # 5:** You mention constituent and stakeholder groups in various places throughout the RFP, including the President, senior leadership, deans, faculty senate leadership and board of trustees. Have you determined a project governance structure (e.g. steering committee, advisory bodies) that would organize how these groups

interact to make recommendations and decisions related to this project, or are you looking to the consulting firm for suggestions?

**ANSWER:** *The University has considered aspects of governance structures, but has not made any specific decisions regarding the exact makeup. We expect advisement on this particular topic as part of steps 5 and 6 as indicated in the scope/specification of work. We do not want to empanel a large and unwieldy working group.*

**QUESTION # 6:** Has the University of South Carolina developed a pre-determined budget for this engagement?

**ANSWER:** *Total costs for this engagement will not exceed \$249,500.*

**THE INFORMATION FOR OFFERORS TO SUBMIT – GENERAL  
CLAUSE IN SECTION IV. INFORMATION FOR OFFERORS TO SUBMIT  
HAS BEEN REVISED/MODIFIED AND NOW READS AS FOLLOWS:**

**INFORMATION FOR OFFERORS TO SUBMIT – GENERAL:** You shall submit a signed Cover Page and Page Two. Your offer should include all other information and documents requested in this part and in parts II.B. Special Instructions; III. Scope of Work; V. Qualifications; VIII. Bidding Schedule/Price Proposal; and any appropriate attachments addressed in Part IX. Attachments to Solicitations. You should submit a summary of all insurance policies you have or plan to acquire to comply with the insurance requirements stated herein, if any, including policy types; coverage types; limits, sub-limits, and deductibles for each policy and coverage type; the carrier's A.M. Best rating; and whether the policy is written on an occurrence or claims-made basis.