



UNIVERSITY OF SOUTH CAROLINA

AMENDMENT NO. 1 TO SOLICITATION

TO: ALL VENDORS

FROM: Charles Johnson, Procurement Manager

SOLICITATION NUMBER: USC-RFP-3419-CJ

DESCRIPTION: Consulting and Advisory Services for Review of Current Tuition and Fee Structure and Recommendation of Alternative Pricing Strategies for The University of South Carolina's Flagship Campus in Columbia, SC

DATE: January 24, 2019

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

Vendor Questions and Answers.

Removal of the Iran Divestment Act – Certification clause from Section II. Instructions to Offerors – A. General Information of the solicitation.

Section VIII. Bidding Schedule / Price-Business Proposal of the solicitation has been revised/modified.

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.

Authorized Signature

Name of Offeror

Date

THE FOLLOWING QUESTIONS WERE RECEIVED FROM VENDOR A:

QUESTION #1: How will the scope or implementation of this project change with the recent announcement from Governor Henry McMaster that his administration is seeking a tuition freeze in exchange for higher base funding?

ANSWER: The University is interested in consolidating the tuition and fee schedule to be clear to students and parents the pricing by college and program. The Governor's wish, and the impact of the Higher Education Opportunity Act, remain to be seen. The University must be clear on pricing and eliminate excessive individual fee charges.

QUESTION #2: Is USC's primary goal in this engagement to increase inquiries, applications, enrollments, net tuition revenue, or all?

ANSWER: None of these items listed speak to the primary goal as stated in #1. We expect the initial implementation to be revenue neutral, but to be clear on pricing for students and their parents.

QUESTION #3: What programs are within scope for this analysis? Does this assessment relate solely to in-person undergraduate degree programs only or does it also include any graduate, online, and/or non-degree programs?

ANSWER: Initially the intent is to cover undergraduate and graduate programs. Online programs may be part of the discussion. Non-degree programs are outside the scope of this engagement.

QUESTION #4: How should this project use the various financial models produced previously that estimate the costs of delivery by School/College (e.g., by Elliott Davis) and any produced by the current budget model re-design project? Should the work on this project create another model that projects costs of delivery on a per-school, per-student basis or use one of these previously constructed models?

ANSWER: This engagement is intended to consolidate tuition and fees. The work is intended to compliment the changing budget model, but the intent is to roll fees up and remain revenue neutral.

QUESTION #5: How does USC envision the consultants on this project working with those supporting the budget model re-design? Will the two projects be linked in terms of working on joint presentations or perhaps just in sharing data and insights?

ANSWER: The budget model and tuition and fee revision are independent projects. We do not expect any joint presentations. Discussions will be required with the deans and their staff.

QUESTION #6: Does USC want to consider a wide-range of alternative tuition models or is it most focused on differentiated tuition rates, presumably by program or school?

ANSWER: The focus is differentiated tuition and fee rates by program and/or college.

THE FOLLOWING QUESTIONS WERE RECEIVED FROM VENDOR B:

QUESTION #1: The RFP does not appear to differentiate between undergraduate and graduate tuition pricing. As such, would the consulting partner be expected to include both in the assessment?

ANSWER: Both graduate and undergraduate tuition and FEE pricing.

QUESTION #2: The RFP makes specific mention to the price of tuition. Does the University want to examine gross tuition pricing, net tuition pricing, or both pricing aspects?

ANSWER: All tuition and fees, gross and net.

QUESTION #3: Assuming that net tuition pricing is in scope, to what extent does the University anticipate the consulting partner will focus on financial aid elasticity modeling?

ANSWER: Financial aid elasticity is not the focus of this engagement.

QUESTION #4: The RFP points to a desire for the University to understand the overall value of degree programs. Does the University anticipate that the consulting partner will survey current students to better understand their perspectives on educational value?

ANSWER: We do not expect any surveys of students. The focus is on consolidating the tuition and fee structure.

QUESTION #5: Based on the RFP timeline, would it be fair to assume that a fall 2019 completion date would position the University to implement pricing changes for the 2021 academic year?

ANSWER: The timing is correct. We expect this work to take place in the summer and fall with a roll out in spring 2020 to be effective for the 2021 fiscal year.

THE FOLLOWING QUESTIONS WERE RECEIVED FROM VENDOR C:

QUESTION #1: The RFP notes that USC is presently involved in a budget model re-design process; are you working with another consultant on this?

A. As a related question: the RFP mentions that the consultant selected for this project may be asked to work with “other consultants”; are there consulting teams currently in place that you would expect the selected consultant to work with? If so, what is the nature of their engagement(s)?

ANSWER: We have engaged a consultant on the budget model project. The budget model and tuition and fee revisions are independent projects. The current RFP is intended to compliment the changing budget model, but the intent is to roll fees up and remain revenue neutral. Some collaboration or basic understanding of the budget model project may be necessary to understand current environment when working with Deans and their staff, but we do not anticipate any joint presentations or comprehensive collaboration.

QUESTION #2: The project timeline outlined in the RFP is approximately 6-8 months; is this timeline firm or are you open to a shorter timeline that aims to achieve similar goals?

ANSWER: We would be open to a shorter timeline if University goals are met. Scheduling with University administration can be challenging.

QUESTION #3: In the scope of work section, Step 5 is focused on developing a strategy and setting up the university for implementation and Step 6 is focused on developing a post-implementation monitoring structure; can you confirm that this scope includes no implementation work?

ANSWER: The scope does not include implementation but anticipates recommendations for implementation.

QUESTION #4: Are you able to extend the submission deadline by 1 week? We hope to provide a robust, tailored response to the RFP and the additional time would support that.

ANSWER: After careful consideration, the University has decided not to extend the Deadline for Receipt of Proposals.

QUESTION #5: In Step 5 (*Determine an agreed-upon strategy (or strategies) and prepare for implementation*) there is no mention of stakeholder engagement; what is your expectation for

what internal USC stakeholder engagement would look like at this stage? Which stakeholders will be most involved in approving the strategy?

ANSWER: Stakeholders include University Administration including Academic unit Deans and their staff. Tuition and fees must be approved by the University Board of Trustees as part of annual budget approval process.

QUESTION #6: Is there an established governance model/task force structure for the ongoing budget model work? If so, do you expect that the pricing project will work within that structure? If so, could you provide an overview of the structure?

ANSWER: As stated in the answer given to question #1 above, the current RFP is an independent project. Currently, tuition is developed by University Administration for review and approval by the Board of Trustees. Fees are developed by various units and colleges within the University for review and approval by University Administration, then those agreed upon fees are set before the Board of Trustees along with the annual tuition proposal.

QUESTION #7: After the award is posted on March 1, how quickly do you hope to begin the engagement?

ANSWER: If we are able to stay on schedule for the solicitation and the award is posted on March 1, 2019, we anticipate that an Intent to Award (which carries with it a 10-day protest period) will need to be issued as the estimated potential value of the contract will likely exceed \$100,000.00. Therefore, if we issue an Intent to Award on March 1, 2019, it wouldn't go final until 8:00 AM on March 12, 2019 (provided the Intent to Award isn't protested). If the Intent to Award is issued on March 1, 2019 and it goes final on March 12, 2019 at 8:00 AM, then the contract term could begin as early as March 12, 2019.

QUESTION #8: The Iran Divestment Act link on page 7 appears broken. Are you able to provide an updated link?

ANSWER: The Iran Divestment Act – Certification clause in Section II. Instructions to Offerors – A. General Information of the solicitation has been removed from the solicitation.

THE FOLLOWING QUESTION/REQUEST WAS RECEIVED FROM VENDOR D:

QUESTION/REQUEST: I recently saw your bid request for Consulting and Advisory services as it pertains to the current tuition and fee structure at The University of South Carolina and wanted to obtain more information. I am definitely interested in this opportunity and wanted to learn a little more. I believe that my experience can assist your team in developing a pricing strategy that will better for your students and the university.

I currently manage a team of pricing managers for a Fortune 500 company in the transportation industry that is fast paced and highly dependent on competitive pricing and a sound strategy. I also have experience in academia as a former tenure track employee, so I understand the many of the goals that the University of South Carolina are working toward. I believe that this combination of skills will be able to give you the assistance you need for this project.

If you could, I would like to know more about the project, time table and expectations. If I believe that I would be a great fit for this project, I will submit a bid ASAP.

CLARIFICATION FROM VENDOR REGARDING ITS QUESTION REQUEST: To be more specific, I would like to understand more about the enhanced revenue goal of your project.

In pricing, one can lower prices and earn more revenue or one can increase prices for a higher revenue per unit. One can also do both of these things strategically to increase overall profitability. However, the literature states that revenue can only be maintained at a certain level or enhanced. Which one of these enhancements is the goal for this project?

While the literature adequately describes many of the goals and time lines for the project, I was referring to the general time line when the project would begin. If the due date for the bid is February, would award occur in March and work to start in April?

ANSWER/RESPONSE: The University is interested in consolidating the tuition and fee schedule to be clear to students and parents the University's pricing by college and program. The University must be clear on pricing and eliminate excessive individual fee charges. We expect the initial implementation to be revenue neutral.

As for timing, we expect this work to take place in the summer and fall with a roll out in spring 2020 to be effective for the 2021 fiscal year.

The Iran Divestment Act – Certification clause has been removed from Section II. Instructions to Offerors – A. General Information of the solicitation.

Section VIII. Bidding Schedule / Price-Business Proposal of the solicitation has been revised/modified and now reads as follows:

VIII. BIDDING SCHEDULE / PRICE-BUSINESS PROPOSAL

Item	Qty	Quantity and Unit of Measure	Description	Offeror's Maximum Not-To-Exceed Price (for the Maximum 5 Year Contract Term)
1	1	5 Years (Maximum Contract Term)	Offeror's Proposed Consulting and Advisory Services for Review of Current Tuition and Fee Structure and Recommendation of Alternative Pricing Strategies for the University of South Carolina's Flagship Campus in Columbia, SC in accordance with all of the requirements stated in the solicitation.	\$

RECOMMENDATIONS

1. Submitted proposals establish the first impression of the offeror's ability to follow instructions.
2. Responsiveness will be evaluated against the solicitation's specifications and scope of work and evaluation criteria.
3. Save costs associated with printing, binding, and shipping bids and by only submitting the information requested in the solicitation you are responding to.
4. INFORMATION FOR OFFERORS TO SUBMIT:
 - a. You shall submit a signed Cover Page, Page Two.
 - b. Your offer should include all other information and documents requested in:
 - (1) II.B. Special Instructions;
 - (2) III. Scope of Work;
 - (3) V. Qualifications
 - (4) VIII. Bidding Schedule/Price – Business Proposal and
 - (5) Any appropriate attachments addressed in Part IX. Attachments to Solicitation.

5. DO NOT INCLUDE:
 - a. Do not include a copy of the solicitation.
 - b. Do not include a copy of any amendment(s) to the solicitation.
 - c. Do not include any of your company's standard contract forms or other legal documents.
 - d. Do not include any exceptions to the solicitation's terms and conditions or specifications.
 - e. Do not include any additional boilerplate contract clauses, unless requested.
6. Instructions regarding how to acknowledge an amendment should appear in all amendments issued.
7. By signing the Cover Page, you agree to be bound by the terms of the Solicitation