

ADDENDUM 2

DATE: January 7, 2016
PROJECT: Fundraising Campaign Feasibility Study
RFP NO: 744-R1607
OWNER: The University of Texas Health Science Center at Houston
TO: Prospective Bidders

I. The following are revisions to the general information provided in the RFP posted Thursday, December 10, 2015:

New Exhibits

Exhibit A - Section 6 Pricing and Delivery Schedule (revised 01/08/2016)

Section 6 of the RFP has been revised and entitled **Pricing and Delivery Schedule (revised 01/08/2016)**—reference **Exhibit A of the RFP**. Please use this version of the schedule and disregard the prior version

Exhibit B - Office of Development Organization Chart

II. The following are responses to the questions received by the deadline for questions on Tuesday, December 29, 2015:

1. Will UTHealth have completed the case for support that will be tested during the feasibility interviews?

If YES,

- a) If yes, will a copy be made available for the purposes of crafting proposal?
- b) What is the proposed campaign goal?
- c) What are the proposed campaign priorities?
- d) What is the proposed timeframe for the campaign?
- e) What is the proposed timeframe for the campaign's quiet phase?

If NO,

- a) Have the campaign priorities been determined and agreed upon by the UTHealth's leadership?
- b) Are there dollar amounts attached to each campaign priority?
- c) Is development of the case for support part of the scope of work? If yes, what commitments can UTHealth make regarding the sharing of priorities with contractor in a timely fashion; decision making (and timeliness) related to dollar amounts to be tested; and other items required for production of case for support.

Answer: Yes. Before the start of the feasibility study in fall 2016, a case for support will be ready. However, a copy of the case for support will not be ready for the purposes of crafting the proposal. Refinement of the case is part of the scope of work. The confidential "working" campaign goal is \$400 M. This is subject to change. Generally, UTHealth anticipates the campaign areas of focus to include research, scholarship, endowment, trauma, healthy aging,

brain health initiative, heart health initiative and orthopaedics. The time frame and phases for the campaign are as follows:

Planning Phase:	January 2014 - August 2015
Proposed Quiet Phase:	September 2015 - August 2018
Proposed Public Phase:	September 2018 - August 2022

2. Is there a strategic plan and/or needs assessment driving campaign?
 - a) If YES, will this be made available to contractor?
 - b) If NO, is one currently under development? When was the last strategic plan and/or needs assessment completed, and what timeframe did it cover? Will this be made available to contractor?

Answer: Yes—see <https://go.uth.edu/strategic>

3. Do the six schools which comprise UTHealth have a history of individual fundraising, or has fundraising traditionally been managed through the Office of Development?

Answer: Until fall 2015, the six schools of UTHealth have had a history of individual fundraising with a dotted line to and some coordination with the Office of Development. In fall 2015, all development activities were centralized.

4. Is there agreement amongst the UTHealth's leadership regarding the proposed comprehensive campaign?

Answer: Yes. In 2015, President Colasurdo, the University Executive Council, and the Development Board Executive Committee fully endorsed the proposed comprehensive campaign for UTHealth. Currently, the UT System is reviewing UTHealth's request to conduct the campaign, and we expect approval in January 2016.

5. Have interviewees and focus group participants been identified, or will the contractor participate in the process of identifying these? Has UTHealth determined which stakeholders/influencers it wants interviewed for the study?

Answer: No, interviewees and focus group participants have not yet been formally identified, but UTHealth would like the Proposer to consider sixty (60) interviews and four (4) focus sessions when responding to this RFP. UTHealth will work with the selected Contractor to establish appropriate totals for each.

6. Do the Office of Development and the President consider this a regional campaign or a national campaign?

Answer: No. The campaign will primarily be Houston and Texas-based. UTHealth does not anticipate a large multi-state or national campaign although there will be some selected prospects (individuals, foundations and corporations) from throughout the country.

7. For purposes of estimating costs, what are the geographic areas the contractor would be asked or expected to travel to for the purpose of conducting interviews?

Answer: The geographic is primarily Houston with possible travel to Austin and Dallas.

8. How many interviews does the UTHealth want to contract for?

Answer: Proposer should consider sixty (60) interviews and provide the associated pricing using **Exhibit A of this RFP**—reference Section I of this Addendum 2.

9. How many focus groups does UTHealth want to contract for?

Answer: Proposer should consider four (4) focus sessions and provide the associated pricing using in **Exhibit A of this RFP**—reference Section I of this Addendum 2..

10. Is a minority-owned business required to complete a HUB subcontracting plan?

Answer: Yes, all bidders including a minority-owned business are required to submit a HUB Subcontracting Plan (HSP). The HSP should reflect that the contractor will (a) self-perform the full project with its own resources or (b) subcontract certain portions of the project. If you need guidance in completing your HSP or want to ensure your HSP is completed correctly, contact Shaun McGowan—reference **Section 2.5.5** of the RFP.

11. The RFP document we have does not include Appendix Two (Sample Agreement) or Appendix Three (HUB subcontracting plan). Would you provide us with copies of these?

Answer: The Sample Agreement (Appendix Two) and HUB Subcontracting Plan (Appendix Three) are currently available on the UTHealth Procurement website—see <http://www.uth.edu/buy/bid-list.htm> and the screenshot below.

LaChandra Wilson	Fundraising Campaign Feasibility Study	01/14/2016 11AM	01/14/2016 11AM	N/A	12/29/2015 11AM	RFP 744-R1607	Appendix Two-Sample Agreement Appendix Three- HUB Subcontracting Plan
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12. What role will the Center for Enhancing Philanthropy play in the process of reviewing proposals?

Answer: The Center for Enhancing Philanthropy is part of the UT System and does not have a role in reviewing proposals.

13. Has UTHealth consulted with the Center for Enhancing Philanthropy regarding the proposed campaign? Will contractor have access to UTHealth assessments conducted by the Center?

Answer: Yes, UTHealth has consulted with the Center for Enhancing Philanthropy at the UT System and its request for approval of a comprehensive campaign is under review. The assessments will be discussed with the successful bidder.

14. What were the results of the three prior campaigns listed on page one (School of Nursing building in the late 1990s; the Brown Foundation Institute for Molecular Medicine in the early 2000s; and the School of Dentistry building, 2007-2012.)? For each, were the campaign financial fundraising goals met within the defined campaign timeframe?

Answer: The following are general results of prior campaigns:

- **SON Building Campaign:** \$10M raised; goals unknown, as campaign pre-dates current staff and leadership & available records are incomplete
- **New Frontiers Campaign (for Brown Foundation IMM):** \$124.4M raised; \$120M goal met within defined timeframe
- **School of Dentistry Building:** \$11.7M raised of \$20M goal

15. What is the current thinking about the size of the comprehensive goal that UTHealth would like to test in the proposed campaign?

Answer: The current thinking is \$400M to \$500M and is subject to change.

16. Section 5.2.8 requests a “written campaign plan and total campaign expenses.” Can you please elaborate on what we should include in “total campaign expenses”? For example, we will include the projected cost of campaign counsel and reimbursable expenses for a three-five year period following completion of the scope of work by January 31, 2017 and authorization to start the campaign. Should we also include optional/variable expenses such as additional campaign staff UTHealth may hire, creation and production of campaign materials (print and electronic), additional travel costs required for campaign solicitations by UTHealth staff, and other campaign-related expenses?

Answer: Section 5.2.8 refers to the Scope of Work to be completed by the selected Contractor. For the sake of responding to the RFP, Proposers should provide pricing for only the items listed in **Exhibit A of the RFP**—reference Section I of this Addendum 2.

17. How many individuals with good (valid) addresses are there in the UTHealth database?

Answer: There are 455,023—includes patients.

18. When was the most recent database wealth screening done for UTHealth?

Answer: The most recent database was in September 2014 (Target Analytics, a division of Blackbaud).

19. Please provide the organization chart for UTHealth Office of Development.

Answer: Reference **Exhibit B of the RFP**—reference Section I of this Addendum 2.

20. How much in total was raised in each of the past three fiscal years?

Answer: The total raised in prior fiscal years is as follows:

- FY15: \$40.8M
- FY14: \$35.1M
- FY13: \$28.8M
- FY12: \$23M
- FY11: \$25.5M

21. Have the philanthropic priorities been established? Is the basis for a case statement in place?

Answer: Yes.

22. The campaign budget would build on the existing development budget. What is their budget and number of staff?

Answer: The budget is \$6.6 M with 57 staff members (FY15).

23. President Colasurdo has demonstrated a strong commitment to development and to a campaign. Do the deans and directors share a similar commitment or will be it useful to survey each of the six academic units?

Answer: Yes, there is strong commitment. There is no anticipated need for a survey of the academic units.

24. Similarly, Development Board Chair Graham has expressed enthusiasm for increased private gift. Do the board members know about and support the proposed campaign plans?

Answer: The Development Board Executive Committee knows about and supports the proposed campaign plan. Not all of the Development Board knows about the proposed campaign.

25. What is the representation of the team that will be evaluation the proposals? (campus leadership, faculty and staff, board members, alumni, etc.)

Answer: Generally, it will be development leadership but additional team members may be added.

26. What are UTHealth's top five gifts ever recorded? When and for what purpose were they committed?

Answer: The top gifts are as follows:

- \$75M FY16 Medical School (endowments)
- \$25M FY08 Medical School
- \$25M FY04 Institute for Molecular Medicine (New Frontiers Campaign)
- \$20M FY02 Institute for Molecular Medicine (New Frontiers Campaign)
- \$10M (tie) FY04 Institute for Molecular Medicine (New Frontiers Campaign)
- \$10M (tie) FY06 Medical School/Children's Learning Institute

27. What is President Giuseppe N. Colasurdo, M.D.'s current level of engagement in fundraising?

Answer: President Colasurdo is engaged and supportive of development efforts.

28. What is the Board's current involvement in fundraising? What percentage gives? Are there minimum give/get expectations?

Answer: See the following regarding the Board's current involvement:

- Board giving for FY15 was 75%.
- No set dollar amounts for give or get.
- Regular Board members are encouraged to actively participate by:
 - ◇ Serving as a goodwill ambassadors/advocates for UTHealth
 - ◇ Attending the two Development Board meetings (one in the Fall; one in the Spring), and other Development Board events
 - ◇ Supporting UTHealth on an annual basis by making a gift or pledge to an area of interest at the highest level possible, based on Board Member's resource potential and other current philanthropic commitments, and/or supporting the Annual Fund
 - ◇ Helping to identify prospective major donors through a review of prospect lists and, when appropriate, assisting in cultivation and solicitation activities in conjunction with a staff professional from the Office of Development
 - ◇ Hosting prospective donors at university events
 - ◇ Providing professional counsel or expertise to the President or other members of the administrative leadership
 - ◇ Assisting UTHealth efforts to forge relationships with federal, state, county and city officials, and agencies
 - ◇ Serving on a Board committee or a school-based Advisory Council

29. In addition to the evaluation criteria given in the RFP, what are the driving factors that will influence your firm selection? What is UTHealth looking for in a partner?

Answer: UTHealth is seeking interested, committed, and excellent counsel, and a firm with a record of successful consultation.

30. Section 1.9.3 of Appendix One states that the Pricing and Delivery Schedule must include "the method by which the fees are calculated", and that "the 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." However, the Pricing and Delivery Schedule is a form which does not account for fields into which such information can be included. Is there a preferred way in which the UTHealth would like Proposers to incorporate this information into the form?

Answer: In response to the RFP Appendix One, Section 1.9.3, the Proposer should provide detail or breakdown of the total price provided in **Section 6.1 of Exhibit A of the RFP**—reference Section I of this Addendum 2. The specific items of the detail/breakdown is at the discretion of the Proposer but should provide UTHealth added insight into Proposer's pricing.

31. The RFP does not outline any anticipated case components of an upcoming campaign (except for some general language that the University wants to conduct a comprehensive campaign to continue to improve and expand its academic, research, and clinical programs), nor does it specify a dollar goal to be tested during the study. Can UTHealth provide any further details at this time regarding a test goal or case components?

Answer: See answer to question #1.

32. The RFP indicates that UTHealth is looking to conduct this study beginning September 2016, with the deliverable due by the end of January 2017. However, our firm sometimes conducts the readiness assessment portion of services prior to the planning study. Is UTHealth open to having the readiness assessment conducted earlier, such as from March through September 2016?

Answer: No.

33. Please provide details regarding the University's:

- a) Number of alumni
- b) Number of entries in the donor database and what system is used (Raiser's Edge, etc.)
- c) Last time screening of the database has occurred, and who conducted the screening (Blackbaud, etc.)
- d) Details regarding annual fund initiatives, including amount raised this past fiscal year and from how many donors.

Answers: See the following:

- a) 30,885 solicitable (i.e. with valid addresses)
- b) 470,843 records in Raiser's Edge database
- c) September 2014 by Target Analytics (a division of Blackbaud)
- d) \$555,865 from 1,308 donors

34. Will the answers to all questions being asked by all the firms participating in this Q&A be circulated to all participating firms? (Without attribution, of course.)

Answer: Yes; per **RFP Appendix One Section 1.2** of the RFP, such answers are provided via addenda to the RFP (i.e., this **Addendum 2**).

35. What is the most urgent need this RFP will meet?

Answer: The most urgent is the need for counsel leading to a valid feasibility study.

36. What is the main overall objective?

Answer: The main overall objective is to complete a campaign feasibility study that tests the validity of the priorities and projects around which the campaign would be centered.

37. Will this be an iterative process?

Answer: Yes, it is likely to be an iterative process.

38. What are the top three qualifications that you are looking for a contractor to meet?

Answer: The top qualifications of the contractor include its track record of excellence, capacity, and commitment.

39. When is UTHealth expected to make a decision on who will be awarded the contract?

Answer: UTHealth expects to make a decision by mid-February 2016.

40. Who is on the evaluation committee?

Answer: The RFP Evaluation Committee consists of executive leadership and support staff within the UTHealth Office of Development.

END OF ADDENDUM 2