Addendum Number 1

The following clarifications and responses to inquiries are hereby submitted for consideration in your response to RFQ 769-20-0821JR:

1. Is the internal audit function located in one centralized location? If so, are the workpapers/internal audit documentation centrally located at the same location?
   Response: The majority of auditors are all at one location, and the work papers and audit files are centrally located.

2. When was the last time UNT had a review of its internal audit function? Was there any major non-compliance issues identified as a result?
   Response: A comprehensive review as listed in the RFQ has not been performed.

3. Is there a specific budget for this RFQ? If so, what is it?
   Response: Funding has been identified.

4. Does UNT have electronic workpapers, or is it primarily paper-based? If electronic, what system is used?
   Response: Electronic workpapers; Teammate is the system utilized.

5. Does the Internal Audit Department need certification of compliance with the Texas Internal Auditing Act?
   Response: Per the RFQ, UNT System is requesting a comprehensive review of internal audit.

6. Since the University receives grants from the federal government, do the Generally Accepted Government Auditing Standards (GAGAS) need to be certified?
   Response: This is not included in the scope of this review.

7. Does the Internal Audit Department have a recent completed IIA Global Audit Information Network (GAIN) available for use by the reviewers?
   Response: No.

8. Is the Internal Audit Department centralized at the Denton campus, or are auditors located at each campus?
   Response: The department is centralized and located in Denton. Additionally, a small number of auditors are located at the Health Science Center.

9. Will the vendor who is awarded the internal audit review work be precluded
from providing any related follow-on work, such as providing internal audit outsourcing?
Response: No. In Section 4.1 the UNTS reserves the right to contract with the awardee for services up to two (2) years following the award.

10. Would the vendor be precluded from providing services related to functions that would be subject to internal audit review?
Response: No. See response to Question 9.

11. What was the catalyst for seeking this assessment? (E.g. known breach?) Is an annual risk assessment performed to ensure internal audit program addresses identified risks? If not, when was last risk assessment performed?
Response: This is a strategic initiative. Yes, Internal Audit performs an annual risk assessment.

12. What is the split between operational vs. financial controls at UNTS?
Response: That data is not available at this time.

13. What does governance structure look like? What body are results of internal audit program presented to?
Response: Internal Audit reports to the Board of Regents Audit Committee.

14. How are identified deficiencies prioritized for remediation?
Response: This may be discussed with the card fee; however, there is no prioritization structure at this time.

15. Please provide description of the systems and IT environment at UNTS.
Response: The UNT System utilizes PeopleSoft Version 9.2 as our ERP.

16. Approximately how many key stakeholders are anticipated to be interviewed?
Response: Between 20-40 anticipated key stakeholder interviews.

17. What is the desired period to be evaluated (e.g. most recent 12 months, 2020 YTD, etc.) and approximately how many internal audit reports/projects would the represent in total from which sample projects would be selected (financial, process/operational, IT, etc.)? Is there a set number of projects UNT already has in mind that we should consider as the minimum as part of the QAR efforts?
Response: The review period to be evaluated is fiscal years FY17-to present. There is no reference to a QAR in section 5.2 of the RFQ.

18. Based on the information shared in the RFQ, it looks like UNT’s desire is for a full-scope QAR instead of one designed as self-assessment with external validation. Is this assumption correct?
Response: UNT System is seeking a comprehensive review of Internal Audit.

19. Is there an internal audit repository / tool (e.g. TeamMate, etc.) where information is housed we should be aware of or some other means in which the desired documentation is obtained (e.g. workpapers, final reports, etc.)?
Response: There is a central repository of workpapers and reports.

20. Can you please provide clarification of UNT's view on independence with respect to any potential internal audit co-sourcing support needs beyond the QAR effort (e.g. will the selected QAR provider be prohibited from providing other Internal Audit services (e.g. IT audit, process, specialist, etc.), must these be different team members for the QAR who have not provided or would not provide support to UNT's internal audit team for a specified period of time if selected for the QAR project needs?
Response: There is no reference to a QAR in section 5.2.
21. We are a publicly traded corporate and as such, not considered a HUB. Given this, is it acceptable to check "No" to this question on p. 23 of the RFQ document and not be required to fill out the HSP materials or must those be completed regardless of status? Also, how much weighing will be given to HUB/HSP providers compared to those who currently do not meet this criteria? Response: Failure to complete the HSP satisfactorily could result in disqualification. No additional weight is given to HUB providers. Please see HUB contact information in Section in 2.5 of the RFQ document if you need assistance in completing the HSP.

22. Is the University looking for a full external Quality Assessment Review in accordance with the standards and guidance established by the Institute of Internal Auditors? Response: No. UNT System is requesting a comprehensive review of the Internal Audit function as stated in the RFQ.

23. What period would you like the review to cover? Response: The period to review would be FY17 to present.

24. Are internal auditors centrally located or spread out amongst the campuses? Response: The department is centralized and located in Denton. Additionally, a small number of auditors are located at the Health Science Center.

25. What working paper system is used by Internal Audit? Response: TeamMate.

26. What types of audits does Internal Audit conduct (Financial, Performance, Compliance, Information Technology, Construction, etc.)? Response: Please see the audit plan on either the audit website or on the Board of Regents website in the Board Books.

27. Are working papers and reports stored centrally or is remote access available? Response: Workpapers are stored and there is remote access.

28. Does Internal Audit currently outsource any of its' audits? If so, what types of audits and to who? Response: Please see the audit plan on either the audit website or on the Board of Regents website in the Board Books.

29. When was the last time a review of Internal Audit was conducted? Can we obtain a copy of that report? Response: A comprehensive review as listed in the RFQ has not been performed.

30. We understand per your charter you are required to adhere to the Texas Internal Auditing Act. Can you confirm that the scope of this project would also include required components of The Act? Response: UNT System is seeking a comprehensive review of Internal Audit.

31. Is there a budget that has been established for the scope of work? Response: Funding has been identified.

32. We understand the engagement is to commence in 2020. Is there a desired timeline for completion of the work? Response: To be completed by May 2020.

Please note the updated Purchase order terms and conditions link: https://www.untsystem.edu/sites/default/files/bsc_po_terms_2019.pdf
ACKNOWLEDGEMENT: Please acknowledge receipt of this addendum by initialing the appropriate line on the Addenda Checklist, Section 4 of the RFP.