UNIVERSITY OF PUERTO RICO
GOVERNING BOARD

ADDENDUM NO. 1

TO REQUEST FOR PROPOSALS RFP JG 2027-01

Originally issued as: System Sustainability and Structural Alternatives Study of the University of Puerto Rico

As amended: System Sustainability, Structural Alternatives, and Five-Year Fiscal Plan Development Services

Issue Date: August 4, 2026

1. PURPOSE OF THIS ADDENDUM

This Addendum No. 1 ("Addendum") is issued by the Governing Board of the University of Puerto Rico ("Governing Board") pursuant to Section 8.5 of RFP JG 2027-01 ("RFP"). Its purpose is to expand the Scope of Services to integrate the preparation of a comprehensive Fiscal Plan for the University of Puerto Rico, covering Fiscal Years 2028 through 2032, into the same engagement as the System Sustainability and Structural Alternatives Study.

The Governing Board has determined that the organizational sustainability analysis required under Institutional Transformation Action No. 22 and the development of this comprehensive Fiscal Plan constitute complementary and interdependent initiatives. Integrating both efforts under a single procurement will promote methodological consistency, reduce duplication of effort, improve coordination, and provide the Governing Board with a unified strategic framework for institutional decision-making.

Except as expressly modified herein, all terms, conditions, requirements, and deadlines set forth in the original RFP remain unchanged and in full force and effect. In the event of any conflict between this Addendum and the original RFP, the terms of this Addendum shall govern. Bidders are responsible for acknowledging receipt of this Addendum in accordance with Section 8.5 of the RFP; failure to do so may result in the proposal being deemed non-responsive.

2. MODIFICATIONS TO THE RFP

2.1 RFP Title and Section 1 — Introduction

The title of the RFP is amended from "University of Puerto Rico System Sustainability and Structural Alternatives Study" to "University of Puerto Rico System Sustainability, Structural Alternatives, and Five-Year Fiscal Plan Development Services" The following new subsection is added:

1.5 Integrated Institutional Transformation and Fiscal Planning

The Governing Board has determined that the sustainability and structural alternatives study and the development of a comprehensive Fiscal Plan must proceed on an integrated basis, so that: (i) organizational recommendations are financially viable and costed; (ii) the Fiscal Plan incorporates the structural alternatives evaluated under this engagement; and (iii) both work streams share a single, reconciled set of demographic and financial assumptions.

2.2 Section 3 — Objectives of the Engagement

The following objectives are added:

Objective 7

Develop a comprehensive Fiscal Plan for the University of Puerto Rico for Fiscal Years 2028 through 2032, informed by and consistent with the findings, structural alternatives, and recommendations produced under Objectives 1 through 6, and capable of certification under Section 201 of PROMESA.

Objective 8

Develop integrated financial projections and fiscal scenarios supporting each structural alternative evaluated, built on a single reconciled set of demographic and financial assumptions.

Objective 9

Provide an implementation, governance, and monitoring framework capable of supporting long-term financial sustainability and coordinated execution with the Governing Board and the Government of Puerto Rico.

2.3 Section 4 — Scope of Work

Section 4.1 is amended so that the engagement is organized into four phases: Current State Assessment, Structural Alternatives Analysis, Strategic Findings and Recommendations, and Fiscal Plan Development, culminating in a single Final Integrated Sustainability and Fiscal Transformation Report. The Contractor's Work Plan shall sequence these phases, including running Fiscal Plan Development in parallel with other phases where appropriate, to complete all deliverables within the engagement period set forth in Section 6.1, which remains unchanged.

The following new subsection is added:

4.8 Fiscal Plan Development (Phase IV)

The Contractor shall prepare a comprehensive Fiscal Plan for the University of Puerto Rico for Fiscal Years 2028 through 2032, based on and consistent with the findings, structural alternatives, and recommendations developed under Phases I through III, and suitable for certification under Section 201 of PROMESA. At a minimum, the Fiscal Plan shall include:

- An updated macroeconomic and demographic baseline calibrated to current conditions, including post-disaster recovery dynamics and the trajectory of federal funds.
- Multi-year revenue and expenditure projections, including a tuition and affordability framework based on the University's actual Pell Grant coverage and a revenue diversification framework distinguishing structural, recurring sources from non-recurring or contingent ones, together with sensitivity analysis of major cost and revenue drivers.
- Reconciliation of the University's pension reform framework across its prior certified fiscal plan, budget, and Governing Board certifications, and integration of the University's personnel and compensation framework with the Commonwealth's Public Service Reform.

- A financial assessment covering historical results, budget-to-actual performance, debt, pension and other post-employment benefits (OPEB) liabilities, and restricted and unrestricted funds, reconciled to audited financial statements for FY2024 and FY2025.
- An assessment of the financial implications of enrollment, demographic, and academic portfolio trends, consistent with the structural alternatives evaluated under Phases I through III, together with operational efficiency, capital, and infrastructure measures and their quantified fiscal impact and feasibility.
- Baseline, Moderate Improvement, and Transformational fiscal scenarios, each quantifying the projected fiscal gap and the measures needed to close it, with documented, auditable assumptions and a clear distinction between measures within UPR's control and those dependent on external governmental or regulatory action.
- An assessment of financial risks to the Fiscal Plan, including sensitivity to major revenue and cost drivers, implementation risk, demographic and enrollment risk, and external funding risk.
- A restructured transformation-goals architecture with defined ownership and realistic timelines, and documentation of the transformation of the University's operational model, academic offerings, regional partnerships, dual enrollment, online programs, and data systems supporting the long-term sustainability of the UPR as a system.
- An implementation roadmap that translates each proposed measure into an initiative-level institutional transformation action, with defined scope, milestones, dependencies, sequencing, responsible parties, and risks with mitigations, together with key performance indicators tied to the Fiscal Plan's financial trajectory, a governance structure, and a monitoring framework enabling the Governing Board to track execution against the certified plan. Sequencing shall prioritize institutional transformation actions not subject to any pending certification dispute and shall include a stakeholder communications approach calibrated to a sensitive labor environment, consistent with Section 4.7.
- An integrated, fully transferable financial projection model, delivered in Microsoft Excel format with all assumptions, formulas, and supporting schedules documented, accompanied by training and knowledge transfer sufficient for UPR finance staff to operate and maintain it independently.
- Structured engagement with the Governing Board and the Government of Puerto Rico throughout the Fiscal Plan's design and development, consistent with Section 4.7, with planning assumptions coordinated with the Government's broader fiscal trajectory, and a formal presentation to the Governing Board and, in connection with the Section 201 certification process, to the Financial Oversight and Management Board (FOMB).

The Fiscal Plan shall be consistent with the Guiding Principles set forth in Section 1.4, and all supporting data, quantitative models, and technical documentation shall be delivered in open, non-proprietary, and auditable formats, consistent with Section 4.6.

2.4 Section 5 — Deliverables

The table of deliverables in Section 5 is replaced in its entirety with the following:

Del.	Title	Description and Timeline	Payment
D-1	Project Management Plan and Work Plan	The Contractor shall submit a detailed Work Plan within fifteen (15) calendar days after the contract is signed. The CER shall review the Work Plan and may provide comments or recommendations. The Contractor may commence analytical work upon submission of the Work Plan, unless the CER identifies material deficiencies requiring revision Bidders are encouraged to propose the methodology, sequencing of work, milestones, and project management approach they consider most appropriate to achieve the RFP objectives within the maximum contract term.	15%
D-2	Current State and Sustainability Assessment	Integrated sustainability and financial current-state assessment covering the dimensions described in Section 4.2. A draft must be submitted for CER comments prior to the final version.	20%
D-3	Structural Alternatives Report	Structural alternatives analysis, benchmarking, and accreditation/legal considerations described in Sections 4.3–4.5. A draft must be submitted for CER comments prior to the final version.	20%
D-4	Draft Fiscal Plan	Draft multi-year Fiscal Plan as described in new Section 4.8 (Phase IV).	25%
D-5	Final Integrated Sustainability and Fiscal Transformation Report	Consolidates D-2 through D-4 into a single final report, as described below. Includes formal presentation before the CER, the Governing Board, and, as part of the Section 201, the Financial Oversight and Management Board (FOMB). The report shall not be considered final for purposes of Deliverable D-5 until the Conformed Final Report has been delivered following completion of the Section 201 review process.	20%

Deliverable D-4 (Draft Fiscal Plan), and the final Fiscal Plan incorporated into Deliverable D-5, shall each contain, at a minimum, the following sections:

- Executive Summary.
- Macroeconomic and Demographic Baseline.
- Financial Assessment.
- Enrollment and Affordability Projections.
- Revenue Forecasts and Diversification.

- Expenditure Forecasts.
- Pension, Personnel, and Compensation Analysis.
- Capital and Infrastructure Planning.
- Structural Alternatives and Transformation Impacts.
- Five-Year Financial Projections, Fiscal Scenarios, and Gap-Closing Measures.
- Financial and Implementation Risks.
- Debt Sustainability Section (incorporated through analysis worked in conjunction with the Puerto Rico Fiscal Agency and Financial Advisory Authority)
- Implementation of Roadmap.
- Financial projection model.
- KPIs, Governance, and Monitoring Framework.
- Supporting Financial Model, Assumptions, and Technical Appendices.

Deliverable D-5 shall consolidate, at a minimum:

- The Current State and Sustainability Assessment (D-2) and Structural Alternatives Report (D-3).
- Strategic findings and recommendations, including consolidation and structural-alternative recommendations, consistent with Section 4.6.
- The final Fiscal Plan, incorporating comments received on the Draft Fiscal Plan (D-4).
- The integrated financial projection model.
- The implementation roadmap and governance recommendations.
- An executive summary suitable for public release.

The Contractor's obligations under the Agreement shall not be deemed complete until D-5 has been formally reviewed and accepted by the Governing Board, consistent with the acceptance requirements set forth in Section 5.

Deliverable D-5 shall incorporate all applicable comments received from the CER and the Governing Board, as well as any revisions required to address comments or Notices of Violation issued by the FOMB during the Section 201 process. FOMB approval or certification shall not be required for acceptance of the Deliverable. However, the Contractor shall provide the revisions and support necessary to complete the Section 201 process.

2.5 Section 6.1 — Procurement Schedule

The Deadline for Bidder Questions is hereby extended from July 31, 2026 to August 10, 2026; the one-hundred-eighty (180)-calendar-day engagement period remains unchanged. The Contractor's Work Plan (Deliverable D-1) shall propose the sequencing of Phases I through IV described in Section 4.1, including any phases conducted in parallel, sufficient to complete Deliverables D-1 through D-5 within that unchanged 180-calendar-day period.

Any amendments required as part of the Section 201 process may extend beyond the initial 180-calendar-day engagement period and shall remain part of the Contractor’s obligations under Deliverable D-5.

2.6 Section 7.1 — Eligible Bidders

In addition to the minimum organizational qualifications established in Section 7.2 of the RFP, and given the addition of Deliverables D-4 and D-5, Bidders must demonstrate at least **five (5) years of experience** providing strategic and financial consulting services, including experience in developing multi-year fiscal plans for public-sector entities or institutions of higher education.

Preferable experience includes public university systems, fiscal recovery plans, government restructuring initiatives, or engagements involving financial oversight boards, such as the FOMB or equivalent fiscal control entities, though it is not required. Bidders possessing such experience should describe it in the Technical Proposal for evaluation under Section 9, Organizational Qualifications and Comparable Experience, and Project Team Qualifications.

2.7 Section 8.3 — Cost Proposal

The Cost Proposal shall provide pricing itemized by each of the five deliverables (D-1 through D-5) described in Section 5, as amended, including:

- Fixed price by deliverable, consistent with the payment percentages set forth in Section 5.
- Labor categories and estimated level of effort.
- Direct and indirect costs.
- A payment schedule tied to the five deliverables.
- Relevant assumptions and exclusions.

The Governing Board strongly prefers fixed-price proposals, consistent with Section 8.3 of the original RFP.

3. NO OTHER CHANGES

Except as expressly set forth in this Addendum, all other terms, conditions, requirements, and provisions of RFP JG 2027-01 remain unchanged and in full force and effect.

4. QUESTIONS

Any questions regarding this Addendum shall be submitted in writing to the Governing Board point of contact identified in Section 6.2 of the RFP, in accordance with Section 8.4. Oral questions will not be accepted.

Issued by RFP Point of Contact (POC):

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