**Q&A #4**

**RFP #685688**

**ERP Financing**

1. Question:

Please provide total enrollment projections.  What attributed to the large enrollment growth in FY17?

Answer:

The UA System added two campuses included in the 2017 numbers, Pulaski Technical College and Rich Mountain Community College. These additional students account for almost all of the increase. The Fayetteville campus increased but it was offset by some small decreases on other campuses. While we do not have specific enrollment projections, this and other information from the 2017-18 academic year is available at <https://www.uark.edu/about/quick-facts.php>.

1. Question:

Please further describe the equipment and assets to be secured for the project.  Is there other security that the system is willing to offer?

* If other security is available, please specify.

Answer:

Financing will be for the implementation of a subscription-based Enterprise Resource Planning system provided by Workday on a cloud platform. Financing will pay for a portion of the implementation by Deloitte. Tangible assets to be acquired as part of the project and that may be available for collateral will be of nominal value relative to the cost of the project.

1. Question:

Please provide a copy of the Master Trust Indenture.

Answer:

The RFP does not contemplate bond financing. The Master Trust Indenture is related only to bonds issued by the Fayetteville campus. This relates to the pledged revenues of tuition and fees.

1. Question:

Excluding the additional $40 million for the Student Information System in 2 to 3 years, is the University of Arkansas System planning to issue additional material debt (>$10 million) within the next five years?

Answer:

There could be additional debt issued in excess of $10 million in the next five years.

1. Question:

Are there specific draw schedules associated with the $27 million ERP system project, and/or the $40 million student information system upgrade?

Answer:

We will work with the lender to either take a single draw or multiple draws depending on the best arrangement. We estimate the implementation costs for the student information system to be $40 million but will likely bid that portion of the project within the next 18 months. The time period for that implementation is expected to only be 2 years.