

**University of North Texas System
Work Authorization No. 01
Entity-Wide Business Risk Assessments**

This Work Authorization is made as of this 18th day of June 2019, between the University of North Texas System (Client) under the terms and conditions established in the MASTER PROFESSIONAL SERVICES AGREEMENT dated as of May 1, 2017 between the North Central Texas Council of Governments and Gradient Solutions Corporation (Consultant). The System is using it's interlocal agreement with the North Central Texas Council of Governments for this Work Authorization.

Section A - Scope of Services

Description of Services:

Entity-Wide Business Risk Assessment process will be performed for the individual entities: University of North Texas System (System), UNT Health Science Center (UNTHSC), University of North Texas Denton (UNT) and UNT Dallas (UNTD). Collectively, the four UNT System components are referred to as "Entities" or individually as "Entity." Phases listed below will be similar for each entity with notable exceptions such as Definitions, Participants and timing of the Phases.

- The phases of the Risk Assessment are:
 - **Phase 1** – Create the Business Risk Definitions
 - **Phase 2** – Small group discussions
 - **Phase 3** – Design and publish an online survey evaluating applicable Risks
 - **Phase 4** – Risk Assessment Workshop to rank the Risks previously identified along with discussion with leadership team covering the results of the project

Key Tasks:

- **Phase 1** – Consultant will provide a baseline set of Business Risk Definitions (approximately 60). A System Client Executive Team member will coordinate the review, modifications and collection of the final Business Risk Definitions for each individual Entity for use in connection with this project.
- **Phase 2** – Conduct up to 4 individual small group discussion meetings for each Entity, over two consecutive days, in order to explain the Entity-Wide Business Risk Assessment process as well as the Consultant's Business Risk Model.
- **Phase 3** – Design and publish (simultaneously for all entities) an online survey evaluating applicability of defined Business Risks on a four-dimensional basis – significance, likelihood, process vulnerability and predictability. The survey will be sent to up to 40 participants per Entity. The results of the online survey will be used to determine the top 10 to 15 risks to vote on during Phase 4. The results of this survey will be shared after the completion of Phase 4. Consultant will use Survey Monkey for the online survey tool.

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- **Phase 4** – Conduct one prioritization (paired to paired ranking) Risk Assessment Workshop for each Entity, on separate dates, in order to rank the Top 10 to 15 Risks identified in Phase 3 – up to 15 participants (anticipated to last approximately 1 to 2 hours). Participants will compare each Business Risk to one another and vote as to which one of the two shown Business Risks is the more important one at the time of the vote. Consultant will provide each participant the definitions of the Top Business Risks identified with Phase 3 so that they may refer to the definitions while voting. The Participants will be provided the opportunity to clarify the meaning of the definition before the vote. Consultant does not encourage participants to make known their individual feeling about individual Business Risks until after the completion of the vote. The voting software includes a feature that uses algorithms in order not to have to vote every risk directly against another. Ties are not accepted, which is accomplished by having either an odd number of participants or setting a feature in the software to accept all the votes except the last one entered. Consultant will use Resolver and Ballot (software) for the paired to paired ranking vote.

Deliverables:

- **Phases 1 to 4** – For each entity, Business Risk Definitions that were used, results of the online survey, heatmap and list of high ranked risks outcome from the Risk Assessment Workshop.

Section B – Schedule:

- Lapsed period to complete the project will range between 4 to 7 weeks depending on each Entity's schedule for completing their Business Risk definitions. A schedule for all Phases will be mutually agreed upon.

Section C - Compensation and Expenses:

- Fixed Fee Analysis Per Entity - \$26,000 plus all travel related expenses (mileage, tolls, parking and hotel)

Section D – The Client's Responsibility:

- Designate one Client Executive Team member for each Entity for point of contact along with necessary time to support the project. The System contact will be the primary contact person with the Consultant.
- The System Client Executive Team member will coordinate the review, modifications and collection of the final Business Risk definitions for each Entity for use in connection with this project. The final Business Risk Definitions for each Entity will be provided in word or excel format.
- Make respective top executives available to participate in the upfront kick-off of each of the small group discussions
- Make key managers and personnel available for small group discussions
- For each Entity, provide a list of names and email addresses for those individuals that will receive an online survey. Indicate which of the listed individuals that receive an online survey will be part of Phase 4 – Risk Assessment Workshop. A Client Executive Team Member will send all survey participant notifications that a survey will be delivered to them from Consultant. The notification will include the timeline for survey completion.

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- The System Client Executive Team member will coordinate all communications with the participants including, training, publication of the survey, status of the survey, etc.
- Provide an adequate work/meeting area
- Timely response to project related requests
- Provide access to the Client’s facilities as required to conduct project work

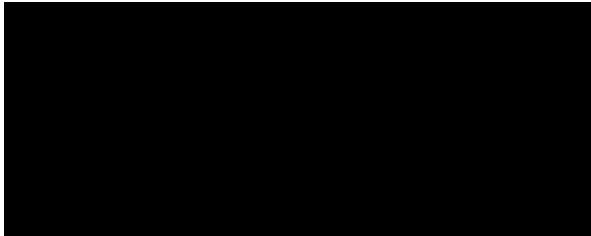
Section E - Other Provisions

- This Work Authorization does not include any planning, implementation of risk mitigation strategies for the identified risks in tasks 3 and 4 above.
- No subcontractors will be utilized by Consultant with the exception of Calvin E. Webb III.
- These Services will not entail assessment of the employees’ capabilities in performing their identified tasks.
- The Services provided under this Work Authorization do not constitute work, examinations, or any other similar steps in accordance with Generally Accepted Auditing Standards, the Institute of Internal Audit Standards, Government Accountability Office Standards, or any other authoritative body. Thus, Consultant’s engagement will not constitute an audit, compilation, review, attestation service, or fraud examination. Consultant is not a public accounting firm.

Addendum attached hereto and incorporated herein for all purposes.

University of North Texas System

Gradient Solutions Corporation



Date: 6/20/2019

Date: 6/22/2019

STANDARD ADDENDUM TO AGREEMENT

Contracts with the University of North Texas System (“UNTS”) are subject to the following terms and conditions, which are incorporated for all purposes into the Agreement to which they are attached. In the event of a conflict between the Agreement and this Addendum to Agreement, this Addendum shall govern. Any term or condition of the Agreement that is not superseded by a term or condition of this Addendum shall remain in full force and effect.

Payment. In accordance with Chapter 2251 of the Texas Gov’t Code: (a) payment shall be made no later than thirty days following the later of (i) delivery of the goods or completion of the services and (ii) delivery of an invoice to UNTS; and (b) interest, if any, on past due payments shall accrue and be paid at the maximum rate allowed by law. Vendor must be in good standing, not indebted to the State of Texas, and current on all taxes owed to the State of Texas for payment to occur. Invoices and any required supporting documents must be presented to: University of North Texas System – Business Service Center, 1112 Dallas Dr. Ste. 4000, Denton, TX 76205.

Eligibility to Receive Payment. By entering into and performing under this Agreement, Vendor certifies that under Section 231.006 of the Texas Family Code and under Section 2155.004 of the Texas Gov’t Code, it is not ineligible to receive the specified payment and acknowledges that this Agreement may be terminated and payment may be withheld if this certification is inaccurate.

Tax Exempt. UNTS is exempt from the payment of taxes and will provide documentation confirming its tax exempt status.

Breach of Contract Claims Against UNTS. Chapter 2260 of the Texas Gov’t Code establishes a dispute resolution process for contracts involving goods, services, and certain types of projects. To the extent that Chapter 2260, Texas Gov’t Code, is applicable to this Agreement and is not preempted by other applicable law, the dispute resolution process provided for in Chapter 2260 and the related rules adopted by the Texas Attorney General pursuant to Chapter 2260, shall be used by the parties to attempt to resolve any claim for breach of contract against UNTS that cannot be resolved in the ordinary course of business.

Governing Law and Venue. This Agreement shall be construed and enforced under and in accordance with the laws of the State of Texas. Venue for any suit filed against UNTS shall be subject to the mandatory venue statute set forth in § 105.151 of the Texas Education Code.

No Excess Obligations. In the event this Agreement spans multiple fiscal years, UNTS’ continuing performance under this Agreement is contingent upon the appropriation of funds to fulfill the requirements of the contract by the Texas State Legislature. If the Legislature fails to appropriate or allot the necessary funds, or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act, UNTS shall issue written notice to Vendor that UNTS may terminate the Agreement without further duty or obligation.

Travel Expenses. Reasonable travel, meals, and lodging expenses shall be charged in accordance with and shall not exceed State of Texas travel, meal, and lodging reimbursement guidelines applicable to employees of the State of Texas.

Delivery. Delivery shall be FOB Destination.

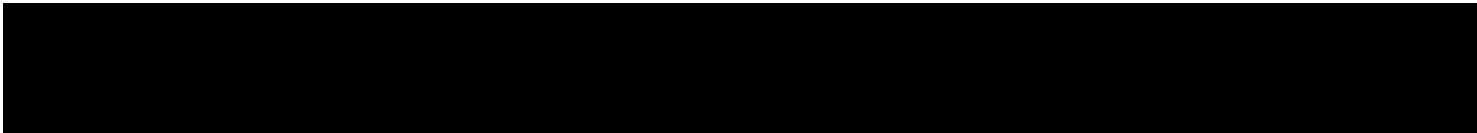
Public Information. UNTS shall release information to the extent required by the Texas Public Information Act and other applicable law. If requested, Vendor shall make public information available to UNTS in an electronic format.

Required Posting of Contracts on Website. Vendor acknowledges and agrees that UNTS is required by Section 2261.253 of the Texas Gov’t Code to post each contract it enters into for the purchase of goods or services from a private vendor on its Internet website, including any terms and conditions otherwise marked confidential and/or proprietary.

Insurance. UNTS, as an agency of the State of Texas, is insured for general liability insurance under a self-insurance program covering its limits of liability. The parties agree that such self-insurance by UNTS shall, without further requirement, satisfy all insurance obligations of UNTS under the Agreement.

Israel Non-Boycott Verification. If the Agreement is subject to Texas Gov’t Code Section 2270.002, Vendor hereby represents, verifies, and warrants that it does not boycott Israel and will not boycott Israel during the term of the Agreement.

Limitations. UNTS is subject to constitutional and statutory limitations on its ability to enter into certain terms and conditions of the Agreement, which may include those terms and conditions relating to: liens on UNTS property; disclaimers and limitations of warranties; disclaimers and limitations of liability for damages; waivers, disclaimers, and limitations on legal rights, remedies, requirements, and processes; limitations of time in which to bring legal action; granting control of litigation or settlement to another party; liability for acts or omissions of third parties; payment of attorney’s fees; dispute resolution; and indemnities. Terms and conditions relating to these limitations will not be binding on UNTS, except to the extent not prohibited by the Constitution and the laws of the State of Texas.



Date: 6/22/2019 _____

Date: 6/20/2019 _____