



Proposal to Provide

Redacted Version: Cost Allocation Plan Services

Prepared for
DuPage County, IL

RFP# 24-064-FIN
July 29, 2024

Maximus US Services, Inc.
2309 West White Oaks Dr.
Suite A
Springfield, IL 62704
[REDACTED]



1.0 COVER LETTER

July 29, 2024

Jennifer Sinn
Deputy Chief Financial Officer
DuPage County
21 N. County Farm Road
Wheaton, IL 60187

RE: RFP# 24-064-FIN – Cost Allocation Plan Services

Dear Jennifer Sinn,

Maximus US Services, Inc. (Maximus), a wholly owned subsidiary of Maximus, Inc., is pleased to present to you our proposal to provide Cost Allocation Plan Services to DuPage County (County). We are confident that you will find our proposal fully compliant with the requirements outlined in the RFP. More importantly, we believe the County will find that we have submitted a proposal presenting the very best approach to meeting your cost allocation needs in a thorough and cost-effective manner.

The County is seeking a contractor to prepare a CAP for each of the County fiscal years 2024, 2025, and 2026. These services will allow the County to make critical management decisions based on accurate and reliable budget data.

With four decades of experience, Maximus is the largest and most experienced firm in the nation providing governmental cost allocation and reporting services. We have successfully demonstrated across the country that our cost allocation services can optimize indirect cost reimbursements. Our methodology and specific tasks are incorporated into our proposal and explain our work plan. Taken together, they represent what we believe to be the technical approach and tasks most appropriate to assisting the County at this time.

Maximus submits its proposal based on certain assumptions. That is, Maximus assumes that the County will negotiate in good faith certain terms and conditions upon award of the contract. Please refer to our terms and conditions to consider in *Appendix A: Exceptions*. This does not denote our proposal is conditional in any way, but rather communicates the assumption as to the process through which any resultant contract will be finalized. In accordance with internal procedures adopted by our firm, the Contracts Department of Maximus has the legal authority to negotiate and execute a contract resulting from this procurement. In addition, we have marked



sections featuring our project team and our clients as *Confidential* to protect their privacy. We also acknowledge receipt of Addenda #1 and #2.

As the Maximus official authorized to submit this quote and bind Maximus to its commitments, I want to express how honored we are to have this opportunity to serve the County. Should you have any questions regarding this proposal, please contact at [REDACTED] or by email at [REDACTED]

Sincerely,

A black rectangular redaction box covers the signature area.

Michael Holmes
Associate Managing Director
Maximus US Services, Inc.

CONTENTS

- 1.0 Cover Letter 2**
- 2.0 Firm Qualifications 5**
 - (a) Summary of General Qualifications..... 5
 - (b) Depth & Breadth..... 7
 - (c) Key Attributes 8
 - (d) Relevant Experience 10
 - (e) Business Documentation..... 12
 - (f) References [Start of Confidential Information]..... 12
- 3.0 Key Qualifications [Confidential] 13**
 - (a) Project Team Background & Credentials..... 13
 - (b) Areas of Expertise of Firm Officers [Confidential]..... 14
 - (c) Interaction with Staff & Participants..... 22
- 4.0 Project Understanding 23**
 - Methodology 23
 - Approach 26
 - 4.1 Project Schedule..... 29
 - Project Schedule 30
 - (a) Ongoing Management..... 31
 - (b) Performance Metric Guarantees 32
 - (c) Sample Incident Reports 33
 - (d) Procedure for Problem Escalation..... 34

Appendix A: Exceptions

Appendix B: Business License and W9

Required Forms



SECTION 9 - PROPOSAL FORM

(PLEASE TYPE OR PRINT THE FOLLOWING INFORMATION)

Full Name of Offeror	Maximus US Services, Inc.
Main Business Address	1600 Tysons Blvd. Suite 1400
City, State, Zip Code	McLean VA 22102
Telephone Number	██████████
Fax Number	██████████
Proposal Contact Person	Lucas Williamson
Email Address	██

The undersigned certifies that he is:

- the Owner/Sole Proprietor
 a Member of the Partnership
 an Officer of the Corporation
 a Member of the Joint Venture

herein after called the Offeror and that the members of the Partnership or Officers of the Corporation are as follows:

<u>Ilene Baylinson - General Manager</u> (President or Partner)	<u>Rick Sankey - Sr. Managing Director</u> <u>Mike Holmes - Associate Managing Director</u> (Vice-President or Partner)
<u>Bruce Perkins</u> (Secretary or Partner)	<u>David Mutryn</u> (Treasurer or Partner)

Further, the undersigned declares that the only person or parties interested in this Proposal as principals are those named herein; that this Proposal is made without collusion with any other person, firm or corporation; that he has fully examined the proposed forms of agreement and the contract specifications for the above designated purchase, all of which are on file in the office of the Procurement Manager, DuPage Center, 421 North County Farm Road, Wheaton, Illinois 60187, and all other documents referred to or mentioned in the contract documents, specifications and attached exhibits, including Addenda No. 1, 2, and _____ issued thereto;

Further, the undersigned proposes and agrees, if this Proposal is accepted, to provide all necessary machinery, tools, apparatus and other means of construction, including transportation services necessary to furnish all the materials and equipment specified or referred to in the contract documents in the manner and time therein prescribed. Further, the undersigned certifies and warrants that he is duly authorized to execute this certification/affidavit on behalf of the Offeror and in accordance with the Partnership Agreement or by-laws of the Corporation, and the laws of the State of Illinois and that this Certification is binding upon the Offeror and is true and accurate.

Further, the undersigned certifies that the Offeror is not barred from proposing on this contract as a result of a violation of either 720 Illinois Compiled Statutes 5/33 E-3 or 5/33E-4, proposal rigging or proposal-rotating or as a result of a violation of 820 ILCS 130/1 et seq., the Illinois Prevailing Wage Act.

The undersigned certifies that he has examined and carefully prepared this proposal and has checked the same in detail before submitting this proposal, and that the statements contained herein are true and correct.

If a Corporation, the undersigned further certifies that the recitals and resolutions attached hereto and made a part hereof were properly adopted by the Board of Directors of the Corporation at a meeting of said Board of Directors duly called and held and have not been repealed, nor modified and that the same remain in full force and effect. (Offeror may be requested

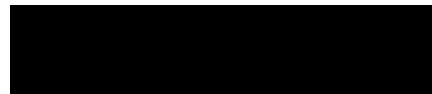


CERTIFICATE OF CORPORATE SECRETARY

The undersigned Secretary of Maximus US Services, Inc., (“Corporation”) hereby certifies that Michael Holmes, Associate Managing Director and Jennifer Galletta, Counsel - Contracts, have been authorized by the Board of Directors of the Corporation to sign all contractual documents pertaining to RFP #24-064-FIN to provide Cost Allocation Plan Services to the County of DuPage, Illinois. This authorization is provided on behalf of the Corporation in accordance with internal procedures adopted by the Corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Corporation.

SEAL



Catherine Scavello
Secretary

Date: July 23, 2024

2.0 FIRM QUALIFICATIONS

For over four decades, cost accounting for government services has been a principal line of business for Maximus US Services, Inc. (Maximus¹). We offer DuPage County (County) both a national perspective and in-depth knowledge of state government. In addition, our proposed project team has a thorough understanding of the U.S. Office of Management and Budget (OMB) cost principles. Our extensive overall cost allocation experience, financial stability, deep pool of resources, and successful history working with thousands of state and local governments across the country – makes Maximus the best choice for this engagement.

With over four decades of experience, Maximus is a national market leader in the analysis and preparation of complex Cost Allocation Plans (CAPs), Statewide Cost Allocation Plans (SWCAPs), Public Assistance Cost Allocation Plans (PACAPs), and Indirect Cost Rate (ICR) calculations. Maximus has more than 40 staff with government accounting expertise. The knowledgeable members of our Cost Allocation Team, as described in *Section 3: Key Qualifications*, have committed their careers to working with government entities to ensure compliance with federal cost principles and applicable implementation guidance issued by the U.S. Office of Management and Budget (OMB) and the US Department of Health and Human Services (DHHS), Cost Allocation Services (CAS).

With a workforce of over 30,000 employees company-wide to draw from if needed, Maximus brings the resources of a large company to bear on all of our projects. The single greatest benefit of a larger company is the ability to identify, absorb, and mitigate risk.



At-A-Glance

- Maximus is a financially stable, multi-national company with the available resources to complete this engagement with minimal economic risk and with the capability to provide support in the years to come.
- Maximus has developed Cost Allocation Plans (CAPs) for multiple state and local governments across 48 states and the District of Columbia, including SWCAPs for 33 states, with no significant disallowances.
- More than 90 percent of our CAP service clients renew with us year after year; we have worked with many of our clients for more than 20 years.

(a) Summary of General Qualifications

When human and financial resources are limited or interrupted, as is sometimes the case with small regional vendors, the impact on an engagement can be disastrous. Maximus maintains a solid cadre of more than 40 professional cost allocation consultants and has the financial wherewithal to successfully complete this and future engagements. Add to that our history of

¹ Maximus US Services, Inc., formerly known as Maximus Health Services, Inc., was established as a wholly owned subsidiary of Maximus, Inc. in 2007. Previously, Maximus Consulting Services, Inc. provided all financial services operations, but as of October 1, 2020 all financial services operations were transferred to Maximus US Services, Inc. The Department benefits from the years of experience of both organizations. Throughout this proposal, references to Maximus as it relates to financial services experience refers both to Maximus US Services, Inc. and Maximus Consulting Services, Inc.

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dedication and commitment to our clients, and you have one of the many advantages that set Maximus apart from our competitors.

Maximus is the nation's leader in cost allocation for state and local governments. Each year, we work with approximately 1,000 clients to assist them in developing and negotiating their Cost Allocation Plans, Indirect Cost Rate Proposals, Public Assistance Cost Allocation Plans and Random Moment Time Studies. These documents are used primarily for:

- Supporting allocations to agencies that administer federal grants and contracts, including documentation of salary and wage costs in accordance with federal cost principles
- Documenting allocations that are used in developing agency indirect cost rate proposals
- Setting billing rates for internal service funds
- Negotiating grant audit disallowances

Maximus developed and perfected most of the cost allocation and labor cost distribution methodologies in use by other consultants today. We continue to maintain our leading position by staying abreast of the latest developments at the federal level, where cost allocation policies related to grants are set, and by continuously investing in our systems and procedures.

Maximus provides a broad array of consulting services. Consulting services provided by Maximus include:

- Government-wide cost allocation plans in accordance with 2 CFR Part 200
- Department/agency cost allocation plans in accordance with 2 CFR Part 200
- Indirect cost rate proposals in accordance with 2 CFR Part 200
- Internal service fund rate development, including expertise in Information Technology Services and Fleet Operations
- Cost of service studies

(a.1) Office Locations

Maximus' corporate headquarters is located at 1600 Tysons Boulevard, Suite 1400, McLean, VA 22102, and we maintain more than 170 offices across the U.S. Our Financial Services practice is based in Richmond, VA and we have six other locations, as shown in *Exhibit (a.1)-1: Maximus Service Office Locations*. We will conduct the work for DuPage County's project from our Springfield office located at 2309 West White Oaks Drive, Suite A, Springfield, Illinois 62704.

Serving Office Address	Headquarters
Maximus US Services, Inc. 2309 West White Oaks Dr. Suite A Springfield, IL 62704 [REDACTED]	Maximus US Services, Inc. 1600 Tysons Blvd. Suite 1400 McLean, Virginia 22102-4893 [REDACTED]

Maximus US Services, Inc.
 2309 West White Oaks Dr. Suite A | Springfield, IL
 [REDACTED]

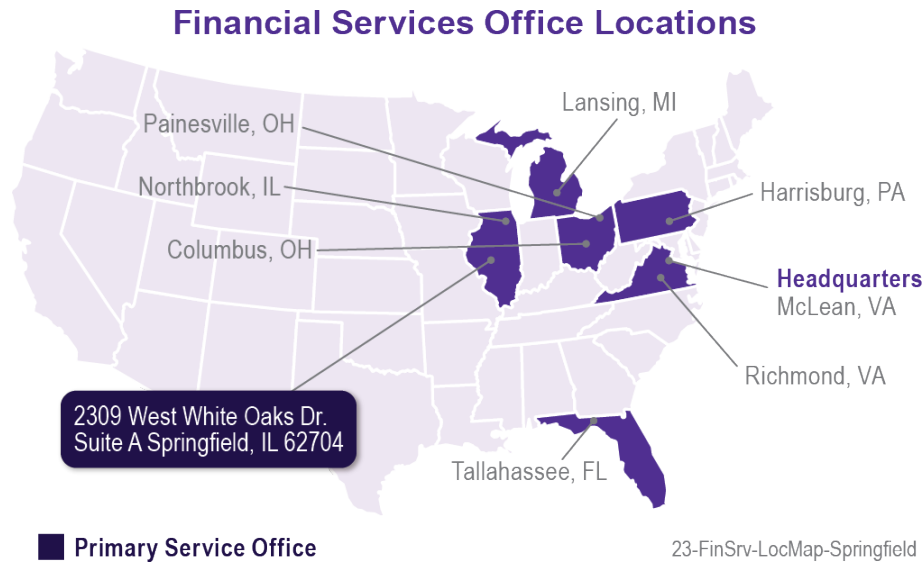


Exhibit (a.1)-1: Maximus Service Office Locations. Maximus will support DuPage County from our Springfield, Illinois office.

(b) Depth & Breadth

As will be demonstrated in the remainder of this proposal, Maximus possesses all of the attributes important to the County in a CAP Contractor, including:

- A proven methodology for performing this work that is tailored to the needs of the County
- A successful history and experience record providing services of comparable scope and complexity, including CAPs for numerous counties across the State of Illinois
- Project references who will attest to the quality of our services
- A highly qualified project team with state-of-the-art tools, and the ability to provide additional government accounting experts should the need arise
- Financial stability that ensures the County has a financially sound partner in this effort today and in years to come

Experienced consultants of Maximus US Services, Inc., a wholly owned subsidiary of Maximus Inc., will lead this project. With decades of experience, Maximus US Services, Inc. is a national market leader in the analysis and preparation of complex CAPs, Statewide Cost Allocation Plans (SWCAPs), and Public Assistance Cost Allocation Plans (PACAPs). Our extensive experience conducting a variety of successful engagements in all facets of CAPs — including development, preparation, negotiation, implementation, and subsequently maintenance — has resulted in Maximus preparing approximately 90 to 95 percent of the consultant-prepared plans submitted to HHS/CAS, according to federal negotiators.

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Our Project Director for the County’s project will be is a Senior Manager within our Financial Services Division. He has vast knowledge of federal cost principles and 18 years of experience leading and managing all aspects of Cost Allocation projects. has been the project manager on the DuPage County Cost Allocation project since 2020.

(c) Key Attributes

Relevant Knowledge

Experienced consultants of Maximus US Services, Inc., a wholly owned subsidiary of Maximus Inc., will lead this project. With decades of experience, Maximus US Services, Inc. is a national market leader in the analysis and preparation of complex CAPs, Statewide Cost Allocation Plans (SWCAPs), and Public Assistance Cost Allocation Plans (PACAPs). Our extensive experience conducting a variety of successful engagements in all facets of CAPs — including development, preparation, negotiation, implementation, and subsequently maintenance — has resulted in Maximus preparing approximately 90 to 95 percent of the consultant-prepared plans submitted to HHS/CAS, according to federal negotiators.

As shown in *Exhibit (c)-1: Maximus Cost Allocation Projects*, Maximus has worked across 48 states and the District of Columbia, conducting a variety of successful engagements in all facets of CAP and Indirect ICRP development. Each year, we work with nearly 1,000 clients to assist them in developing and negotiating their CAPs.

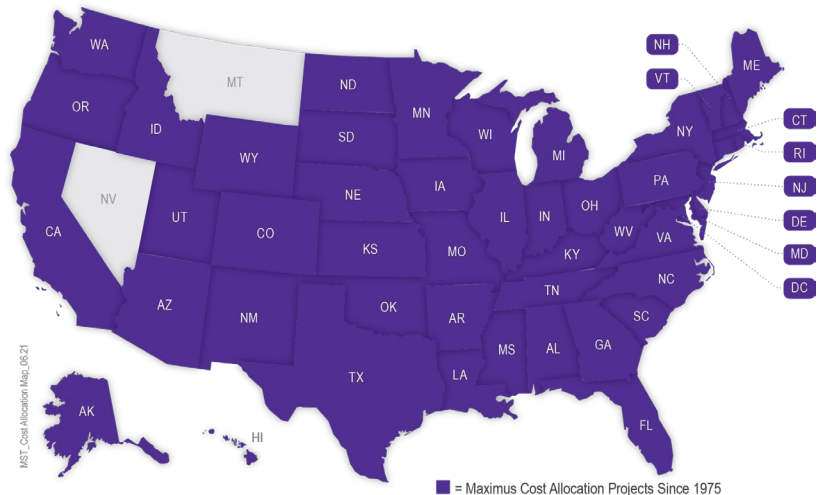


Exhibit (c)-1: Maximus Cost Allocation Projects.
Maximus is the leading provider of cost accounting services to government organizations in the US.

Financial Stability

Government agencies and departments partner with quality vendors who have solid credit ratings and a strong indication of financial solvency. The importance of financial strength and strategic liquidity in today’s market cannot be overstated. Maximus, Inc. has revenues over \$4,905 billion (as of September 30, 2023), representing more than 3,500 contracts. During our 49-year history, we have experienced steady growth and workforce expansion as demonstrated in *Exhibit (c)-2 : Maximus Revenue FY2012– FY2023*.

Our financial strength provides our government clients with the confidence that we can fulfill contractual responsibilities and provide high-quality, uninterrupted services to their citizens. As a publicly traded company, our financial stability is independently verifiable. An essential component of contract management is maintaining strict financial controls. Our financial

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structure and practices meet Committee on Sponsoring Organizations (COSO) and Generally Accepted Accounting Principles (GAAP) requirements. We have never filed (or had filed against us) any bankruptcy or insolvency proceeding or undergone the appointment of a receiver, trustee, or assignee for the benefit of creditors. Presently, Maximus commands a high financial rating from Dun & Bradstreet, reflecting its assessment of both our financial statements and our credit worthiness. Maximus, Inc.’s audited financial statements can be viewed at www.maximus.com under Investor Relations.

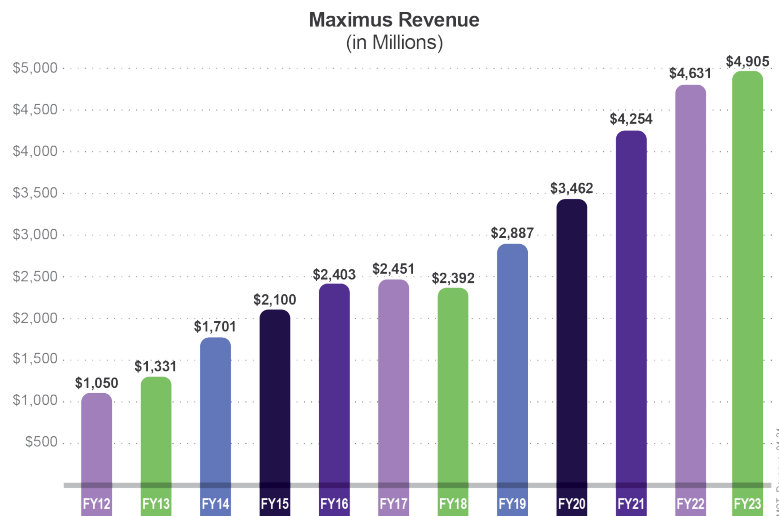


Exhibit (c)-2: Maximus Revenue FY2012 – FY2023 Maximus, Inc. has been profitable for more than 49 years and enjoys a very strong balance sheet.

Proven Track Record

There are many reasons that substantiate why Maximus is the best candidate to provide CAP Services for DuPage County. First and foremost, we have far more government accounting experience than any of our competitors and a long history of working with the federal government to evolve cost allocation guidelines, both testimonies to why Maximus cost allocation services are highly regarded by government entities across the U.S.

Maximus brings a proven track record of providing high-quality deliverables that meet the needs of various counties and cities across the country as well as in the State of Illinois. No other firm has the breadth of experience or personnel with the depth of skills required to understand and apply the complexities within the cost allocation process as well as bring a national perspective directly to the benefit of DuPage County.

We take great pride in providing high-quality service to our clients and have consistently met and exceeded expectations. This success starts with the following fundamental principles of Maximus, which will guide us during our work for DuPage County:

- We are dedicated to providing the highest quality of service to our clients. We first take time to understand the operations and needs of our clients, and then we develop solutions to help resolve those issues.



- We utilize an interactive process that involves our client in all aspects of our engagement, resulting in a product that the client understands and accepts as accurate.
- We assign senior project teams to our engagements, using staff members who have many years of consulting experience, who are on-site for the project, and who are directly involved in each step of the work process.
- We seek to build long-term relationships based on mutual trust and respect, so that our clients feel free to seek us out as a trusted advisor for advice and counsel long after our engagement is complete.
- We have established such a relationship during our time serving DuPage County and have full knowledge and understanding regarding the County’s organization and processes

(d) Relevant Experience

Nothing speaks more highly of a successful track record than repeat clients. Many of our clients have been with us for 20 years or more. They know of our uncompromising commitment to compliance with federal regulations, and our ability to enhance reimbursements from the federal government. Further, they know that Maximus CAPs withstand federal and state-level audit scrutiny.

Maximus has successfully provided cost allocation services for thousands of state and local governments across the U.S. However, due to the large number of engagements that we complete nationally each year, we have limited this list provided *in Exhibit (d)-1: Established Experience Record* to those clients serviced in the last five years. We have provided contact information for specific references in *Section (f)*.

Illinois Government			
Illinois State Agencies			
Department of Human Services	Department of Public Health	Facilities Management Revolving Fund	Department on Aging
Community College Board	Illinois SWCAP	Environmental Protection Agency	Department of Specialized Care for Children
Criminal Justice Information Authority	Department of Innovation & Technology	Department of Agriculture	
Illinois Local Government			
Chicago City	Chicago Suburban PACE (transit)	DuPage County Health Department	Sangamon County
Chicago City CTA (transit)	Chicago City METRA (transit)	Madison County	Sangamon County Health Department
Lake County	DuPage County		
Kansas Clients			
Shawnee County	State of Kansas SWCAP	Kansas Department for Aging and Disability Services	Kansas Water Office

Wyandotte County			
Minnesota Counties			
Benton	Jackson	Meeker	Washington
Big Stone	Koochiching	Scott	Yellow Medicine
Itasca	Le Sueur	Swift	
Nebraska Counties			
Antelope	Fillmore	Lincoln	Saunders
Box Butte	Gage	Madison	Scotts Bluff
Burt	Garfield	Merrick	Seward
Butler	Greeley	Morrill	Sheridan
Cass	Hamilton	Nemaha	Sherman
Cedar	Holt	Otoe	Stanton
Chase	Howard	Pawnee	Thayer
Colfax	Jefferson	Pierce	Thurston
Cuming	Johnson	Platte	Valley
Dakota	Keith	Polk	Washington
Dawes	Kimball	Red Willow	Wayne
Dixon	Knox	Saline	
	Lancaster	Sarpy	
Wisconsin Counties			
Adams	Forest	Oconto	Richland
Ashland	Green Lake	Oneida	Sheboygan
Bayfield	Iron	Outagamie	Taylor
Buffalo	Kenosha and Kenosha Health	Pierce	Vernon
Crawford	Lincoln	Portage	
Eau Claire	Manitowoc	Price	Waukesha
Fond du Lac	Marinette		Winnebago
Iowa Counties			
Calhoun County		Lee County	
Calhoun County		Monona County	
Harrison County		Scott County	
Missouri Local Government			
Boone County		St. Charles County	
Cole County		St. Louis City	
Oregon Counties			
Washington County			

State SWCAPS			
State of Alaska	State of Hawaii	MN State Courts	State of North Dakota
Alaska Dept. of Revenue	HI Dept. of Human Svcs.	NE Dept. of Economic Development	State of Oklahoma
Alaska Courts			

Exhibit (d)-1: Established Experience Record *Our expansive client list is a testament to the quality of our services and the skills of our staff.*

(e) Business Documentation

The Maximus US Services, Inc. Tax ID# is 26-0307682. Please see a copy of our Business License and W9 form included as *Appendix B*.

(f) References [Start of Confidential Information]

Maximus has many clients that will speak to our ability to provide quality staff and services. They know of our uncompromising commitment to quality to ensure compliance with federal regulations and the ability to optimize reimbursements from the federal government. The specific project references provided in *Exhibit (f)-1: Maximus Project References* were selected based on their similarity to that of DuPage County’s project, as well as to demonstrate the broad capabilities of our team.

City of Chicago, Illinois			
Contact Name:	[REDACTED]		
Address:	121 N. La Salle S [REDACTED]		
[REDACTED]	[REDACTED]	Email:	[REDACTED]
Project Description:	Since 1978, we have prepared CAPs and indirect rate proposals that meet federal OMB guidelines. We have also prepared full-cost CAPs to identify costs incurred by the City’s Corporate Fund on behalf of various enterprise funds.		

City of St. Louis, Missouri			
Contact Name:	[REDACTED]		
Address:	1200 Market Street, St. Louis, Missouri 63103		
Phone Number:	[REDACTED]	Email:	[REDACTED] v
Project Description:	We have prepared the City’s CAP and indirect rate proposals for over 30 years.		

Madison County, Illinois			
Contact Name:	[REDACTED]		
Address:	157 North Main Street, Suite 154, Edwardsville, Illinois 62025		
Phone Number:	[REDACTED]	Email:	[REDACTED]
Project Description:	We have prepared Madison County’s CAP and indirect rate proposals for over 30 years.		

Exhibit (f)-1: Maximus Project References. *Maximus clients will attest to our ability to provide high-quality CAPs that withstand federal audit scrutiny while increasing the likelihood of enhanced federal reimbursements.*

These projects involve extensive department review and interviews of departmental staff to assess the number and levels of services provided to other departments and programs. We

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work with departments to quantify service delivery based on available statistical data and other management and performance metrics that may be maintained by the department. These cost plans are used to recover indirect costs from grants, enterprise operations, and other special revenue fund sources; and have been accepted by the federal cognizant agency and auditors.

Further, our references have detailed knowledge of how Maximus conducts an engagement, the level of experience and expertise of our consultants, our ability to meet project schedules, and the level of support we provide during and after completion of a project.

3.0 KEY QUALIFICATIONS [CONFIDENTIAL]

DuPage County can be confident that the Maximus Project Team members are thoroughly versed, knowledgeable, and experienced in the requirements of updating and negotiating CAPs. Our proposed team has worked together extensively, and they are committed to quality service for the County.

The Maximus Team is particularly well qualified to assist the County with the requested scope of services. [REDACTED] will serve as the Project Director, and [REDACTED] will serve as Project Manager. Mr. Williamson and Mr. Wuchte will be supported by [REDACTED] as the Technical Advisor. The experience and expertise of our project team makes Maximus the perfect firm for the County’s cost allocation needs. Please refer to Project Team Resumes for a more detailed description of our team qualifications. **Resumes REDACTED from this version.**

(a) Project Team Background & Credentials

Name	Position/Title	Location	Years of Experience	Years with Maximus	# of Clients
[REDACTED]	Project Director Senior Manager	[REDACTED]	18	18	11
[REDACTED]	Project Manager Consultant	[REDACTED]	2	2	15
[REDACTED]	Technical Advisor Director	[REDACTED]	26	26	10

[CONFIDENTIAL INFORMATION]



(c) Interaction with Staff & Participants

During the course of our engagement, we work efficiently to ensure that we do not curtail County staff efforts from performing their ongoing work. However, to help ensure that we successfully complete the CAPs on time and within budget, we request the following assistance from the County:

- Provide guidance on the organizational structure of the County.
- Assist in restructuring the CAPs as needed and provide input as to what changes should and should not be made in the CAPs. Approval of changes to the CAPs will be the sole responsibility of the County.
- Direct Maximus staff to the contact personnel in other departments/agencies whose assistance will be required to complete the plan.
- Compile data needed to perform tasks. We will liaison with the County to identify the required documents and their sources, to obtain a complete picture of the County's financial structures and infrastructures. Maximus will provide guidance to the County in determining the data required for plan preparation and it is understood that we will rely upon the accuracy and completeness of the data provided by the County to perform the work. Any subsequent disallowance of funds paid to the County for any reason is the sole responsibility of the County.
- Provide the accounting and statistical reports the Maximus staff will need to complete the plan in a timely manner.
- Participate in interviews. During our activities, we will liaison with the County departments to schedule appointments and interview specific personnel to obtain relevant information regarding the County's financial structures and processes. We will work with the County to identify personnel that we need to interview.
- Attend bi-weekly meetings at the discretion of the County, updating personnel regarding progress, needed documentation, and overall status of the project
- Provide timely responses to questions and document reviews. Our success in meeting milestones is dependent on the delivery of required County-provided information, and timely draft review by County representatives.

We are dedicated to providing the highest quality of service to DuPage County. We will take time to understand the operations and needs of the County, and then we will develop solutions to help resolve recognized issues. Our process is not a "one-size-fits-all" procedure because we take time to understand all components of the engagement and the details that make DuPage's project unique.

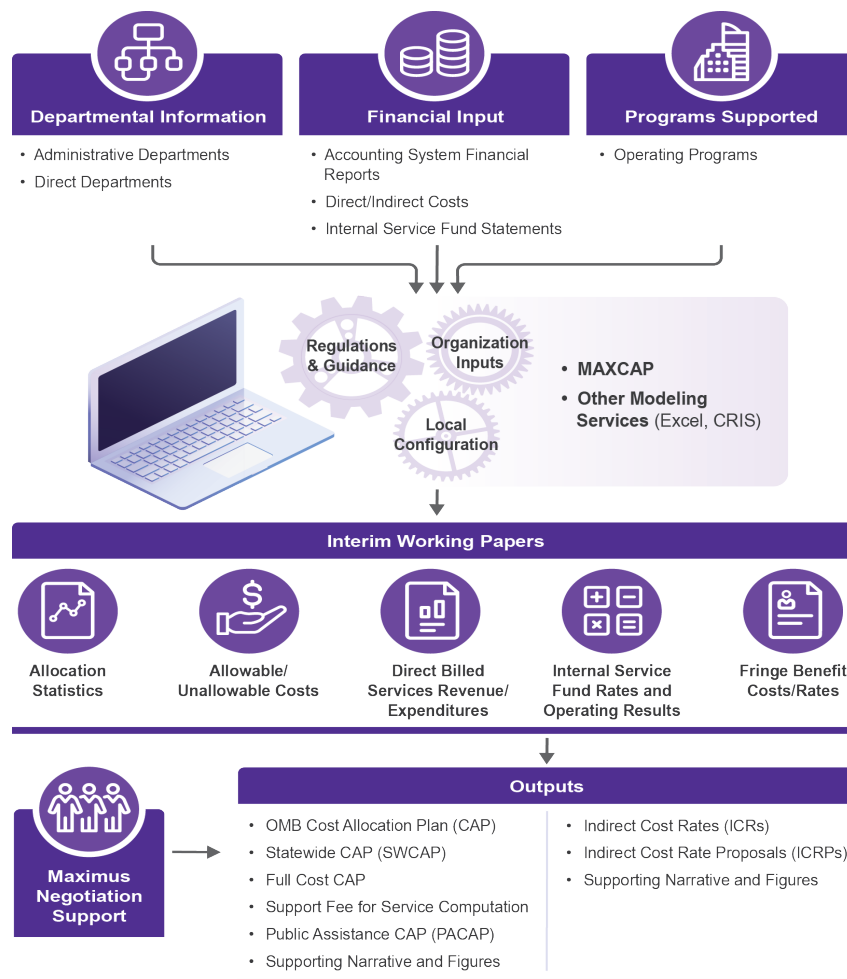


4.0 PROJECT UNDERSTANDING

Methodology

Maximus has assisted thousands of state agencies, local governments and public entities to recover millions of dollars through the cost allocation process. We continually strive to perfect our methodology, illustrated in *Exhibit 4.0-1: Maximus Cost Allocation Methodology*, to deliver the best results to our clients. Highlights of our best practices for preparing CAPs include:

- Employing a structured methodology to attain consistent, high-quality, auditable results
- Utilizing our proprietary software tool that has the capability to prepare CAPs flexibly and efficiently
- Employing a “Double Step-Down Allocation” of costs to make sure that all recoverable costs are appropriately allocated
- Following a structured work plan that incorporates all required elements necessary to create the CAP and provide support as needed during the claiming process



22-P31203.0002-52

Exhibit 4.0-1 Maximus Cost Allocation Methodology. *Our methodology leads to an optimized return.*

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MAXCAP™ Software Tool

A reliable software application is a critical component of this engagement as accurate cost allocation is the foundation of the County’s realization of expected revenue. Maximus has invested significant company resources in developing and refining a proprietary system to provide our clients with more than just a complex spreadsheet; our experiences have proven that a spreadsheet does not suffice in providing the computations or flexibility required to achieve the best outcomes. Our software application was designed to eliminate the guesswork that often results when spreadsheets are used to perform financial cost allocation. To deliver CAPs that are tailored to our client’s unique requirements and circumstances, we need a tool that is powerful enough to evaluate different scenarios quickly and accurately with multiple variables and parameters.

The result of nearly 40 years of continuous development and refinement, our proprietary cost allocation solution, MAXCAP, ensures we meet these criteria. MAXCAP simplifies and streamlines



the process of developing CAPs, ultimately providing our clients with a CAP that is both optimized and defensible. Unlike spreadsheet cost allocation solutions, our systems have been designed specifically for CAP preparation.

MAXCAP supports our data collection, interview questions, data validation, and reporting, and it structures the required cost plan report to comply with accounting guidelines. It allows us to evaluate alternative allocation bases and to quickly assess the impact of changes during the negotiation process, providing the County with the mechanisms to develop viable alternatives.

We have successfully used MAXCAP and its predecessor products to develop tens of thousands of cost plans for more than 4,000 governmental clients throughout the United States. Further, the Maximus computerized double step-down cost allocation methodology has been reviewed and accepted by all federal cognizant agencies to which our plans have been submitted. *Exhibit 4.0-2: MAXCAP Features and Benefits* provides a snapshot of the advantages our proprietary software offers to the County.

MAXCAP Features	Benefits
<ul style="list-style-type: none"> Provides a clear paper trail of documentation and narratives 	<ul style="list-style-type: none"> Reviewers will have full and immediate access to the County’s financial documents during negotiations
<ul style="list-style-type: none"> As a database, maintains multiple models for comparison analysis 	<ul style="list-style-type: none"> This allows for year-to-year comparison of your CAP results, allowing for quick identification of large variances
<ul style="list-style-type: none"> Uses multiple “step-downs” that redirect costs allocated to administrative units onward to direct service units 	<ul style="list-style-type: none"> More sophisticated and comprehensive than an Excel only platform used by many other firms, ensures all costs are accurately assigned to the benefitting departments

Exhibit 4.0-2: MAXCAP Features and Benefits. Maximus uses MAXCAP to simplify and streamline the cost allocation process and provides our clients with a CAP that is both optimized and defensible.

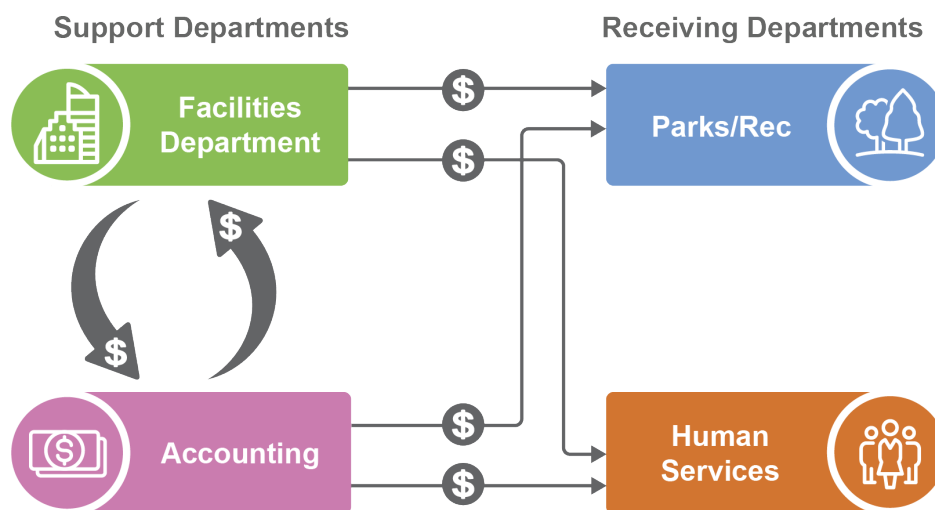


Double Step-Down Cost Methodology

Our Project Team applies a Double Step-Down methodology in its cost allocation calculations. Because central service departments provide services to other central service departments, a double step-down procedure ensures the accurate allocation of costs. Simply stated, this allows all central service departments to allocate costs to all other central service departments. Since the central service departments cannot simultaneously allocate their costs, the process must be done sequentially, one department after another. The second step-down allows for the equitable allocation of the costs each central service department receives from another.

To demonstrate the potential inequity of a single step-down, consider the costs of the

Accounting department and of the **Facilities** department as shown in *Exhibit 4.0-3*: below.



21-P31203.0002-02

Exhibit 4.0-3: Double Step-Down Methodology. *Our double step-down methodology helps to ensure equitable cost allocation across departments*

Accounting processes the purchase orders for the materials and supplies that **Facilities** uses to serve other departments. This cost is rightfully allocable to all the departments that **Facilities** serves. If **Accounting** allocates its costs after **Facilities** allocates its costs using a single step-down, then the costs that are attributable to the services provided to **Facilities** will be prorated to the other departments served by **Accounting**. This method can then send costs to departments disproportionate to the benefit received from those costs.

Similarly, **Facilities** provides services to **Accounting**. If **Accounting** allocates its costs after **Facilities** allocates its costs using single step-down, then the costs that are attributable to the services provided to **Accounting** will be prorated to the other departments served by **Facilities**.



Approach

Maximus follows our proven and results-driven methodology, providing the County the advantage of our proprietary software, the consistency provided by our project management practices, and the assurance that Maximus deliverables will be of the highest quality. The following subsections describe in detail the tasks proposed to implement our methodology.

Task 1: Initiate the Maximus Project

The initiation period of a project sets the stage for the entire engagement. A haphazard approach to orientation may result in a chaotic project environment with incongruent goals and confused staff, while a methodical approach typically results in a cohesive team working toward the same common goals. Therefore, our objective during this task is to make sure that all of the required people, processes and tools are in place with a common understanding of project expectations so that we can mobilize the Maximus Project Team to begin work in an organized, structured fashion. To accomplish this task, we will conduct the following steps:

- **Step 1: Conduct Kickoff Meeting.** We will meet with the County to enable us to solidify a partnership around the project, verify any organizational changes that may have taken place since the last CAPs were completed and gain input for the direction of our work. During the kickoff, we will discuss our overall plan for development of the CAPs.
- **Step 2: Create Project Repository.** During this task, we will also create a centralized repository for all documentation related to the engagement facilitating an audit trail for work performed.
- **Step 3: Review of the prior year's report.** Discuss any concerns or potential improvements with the County.

We will complete this step at the beginning over every contract year to ensure our understanding of the County's project goals.

Task 2: Conduct Research and Gather Materials

We will work with the County to identify the required documents, their sources, and any personnel whom we will need to interview to obtain a complete picture of the County's financial structures and infrastructures. Maximus will provide guidance to the County in determining the data required for plan preparation and it is understood that we will rely upon the accuracy and completeness of the data provided by the County to perform the work. To accomplish this task, we will conduct the following steps:

- **Step 1: Determine Available Financial Information.** This step involves identifying the sources of financial information to be used. At a minimum, we will review the financial statements and other accounting reports pertaining to County departments, including data collection worksheets, allocation bases, indirect cost pools and methods of distributing costs, for the period under review and any relevant organization charts. We will also work with the County to identify additional financial reports.
- **Step 2: Classify Departments.** We will analyze the organizational structure of the County to determine which departments or cost pools provide centralized services to other

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departments. These cost pools become the “central service departments” in each CAP. We intend to update the prior cost plan with the latest organization chart and properly classify each organizational unit as a central service or operating (receiver) department.

- **Step 3: Determine Administrative Departments.** During this step, our focus is on identifying those departments (normally administrative departments) with responsibility for providing services to other departments. These departments are typically performing such services as IT, financial accounting, purchasing, facilities management, and payroll and personnel administration.
- **Step 4: Determine Allocation Bases.** To ensure that administrative costs are allocated fairly and accurately, we will determine appropriate allocation bases. Federal guidelines provide substantial leeway in selecting allocation bases, but they must be defensible during negotiations. Maximus will review the County’s data collection worksheets, allocation bases, indirect costs pools and methods of distributing costs for appropriateness. We will review allocation statistics to assure that central services are measurable in specific units of service provided. For example, the Department of Human Resources may provide a range of services to employees. HR may do recruitment for some department and not others. HR may also deal with employee training. We will match the appropriate statistic to each cost, representing each of the variety of personnel-related services, to assure the highest reasonable degree of accuracy in allocations.
- **Step 5: Develop a Listing of the Information Required by each Department.** The list will include the appropriate expenditures/expenses base on the agreed upon allocation method for those expenditures/expenses, and any other supporting information required to prepare the plan per 2 CFR Part 225.
- **Step 6: Develop Allocation Data.** The services provided by each user department must be measurable in specific units of service. We will identify the most appropriate metrics for cost allocation, based upon the services provided by the department. For example, the payroll section provides payroll services to all other departments. As a result, we measure payroll services by the number of personnel in each department or by payroll transactions processed by department.
- **Step 7: Analyze Expenditures.** For each administrative department, we will prepare a worksheet showing the expenditures of the department during the period under review. We will eliminate any disallowed expenditures under OMB cost principle regulations and add building and equipment depreciation. The resulting amount is allowable costs to benefiting departments. Based upon the units of service identified in *Steps 4 and 5*, we will then calculate the portion of allowable costs to each department.

Task 3: Develop the OMB CAP

Using the information gathered during *Task 2: Conduct Research and Gather Materials*, we will perform the necessary analysis and calculations to provide a complete the OMB CAP. An OMB CAP must exclude costs that are identified as unallowable under federal guidance. We will use MAXCAP®, our proprietary software tool, to assist during this task. To accomplish this task, we will conduct the following steps:

The purpose of an OMB CAP is to provide a means for reimbursement of charges incurred by the County while providing support to state or federal programs. An OMB CAP must exclude costs that are identified as unallowable under federal guidance. Using the information gathered during *Task 2: Conduct Research and Gather Materials*, we will perform the necessary analysis and calculations to provide a complete OMB CAP. To accomplish this task, we will conduct the following steps:

- **Step 1: Allocate Central Services Costs.** Using MAXCAP, we will use cost data and allocation statistics to allocate the cost of overhead to the departments. As described earlier, MAXCAP uses a double step-down allocation procedure to distribute costs among central services and to departments that receive benefits. The double step-down procedure initially requires a sequential ordering of departments. We will then make department indirect cost allocations in the order selected to all benefiting departments, including cross allocations to other central service departments. To ensure that the cross-benefit of services among central service departments is fully recognized, we make a step-down allocation for each central service department.
- **Step 2: Summarize Costs.** During this step, we summarize the costs in the CAP for each department that receives services from another department. We document these in the draft CAP, including the cost allocation worksheets. We will perform a variance analysis comparing departmental indirect costs for the FY in question to the past year, and we will provide explanations of material variances.
- **Step 3: Formalize the CAP.** During this step, we will document the draft CAP for review by the County's management team. Costs are summarized in the CAP for each "direct" fund/department that receives services from central service departments. We will also include a narrative description of all functions, activities, and allocated bases in the CAP. Prior to delivering the draft CAP, we will conduct a thorough internal Quality Assurance (QA) review cycle.
- **Step 4: Review CAP with Core County Personnel.** We will review the formalized draft CAP with relevant County management personnel. Maximus will present the CAP and provide an opportunity for County management to raise any questions or concerns. We will also highlight the differences between the new CAP and the CAP from the previous FY.
- **Step 5: Prepare Final CAP.** Following completion of the County's review of the draft CAP, we will incorporate any agreed upon changes and provide a final CAP. We will provide electronic versions of the CAP and related schedules to the County. The County shall have free access to all materials used to develop the CAP.
- **Step 6: Prepare County-Wide Indirect Cost Rate.** Following the completion of the Final CAP, we will prepare a county-wide indirect cost rate that the county has requested for grant reporting and budgeting. This rate could be submitted to the State of Illinois Grant Accountability and Transparency Unit (GATU) should the County decide to submit the rate for review.
- **Step 7: Defend CAP.** We will defend the CAP if challenged by federal or State representatives for a period of three (3) years after delivery of the CAP. Maximus shall make

work papers and other records available to auditors and our responsibility under audit shall be to provide audit assistance to the County and to make those changes to the work product as required as a result of an audit.

Task 4 – Provide Training, Guidance, and Recommendations to the County

We will provide relevant staff members with instruction and guidance commensurate with their job responsibilities and involvement with the CAP.

This process will involve providing instruction and guidance to your staff regarding cost principles and guidelines and various cost allocation strategies and specifications. To that end, we provide the following services:

- Review current methodologies and recommend enhancements to the process. These enhancements will be incorporated into each plan prepared using Maximus costing methodologies.
- Data requirement explanation detailing expected format for the data, record retention and audit procedures, and data security procedures for private and confidential information.
- Offer comment on our general observations during the course of the engagement that will serve to enhance and expedite the CAP preparation process during the course of the contract and in future periods.

Our entire Project Team will be available to answer questions regarding any cost allocation issues via telephone and email throughout the contract period.

4.1 Project Schedule

As DuPage County evaluates potential partners to prepare CAPs to recoup appropriate expenditures as well as for budgetary purposes, your contractor's ability to manage resources and the schedule should be a critical evaluation factor. Maximus is prepared to deliver the requested services in a timely and accurate manner, throughout the scheduled period of performance. Our proposed schedule is based upon our successful track record of providing tens of thousands of similar CAPs for state and local governments over the past four decades.

The Project Schedule illustrates how Maximus services will be finalized and delivered by the Maximus Team and includes all tasks, subtasks, deliverables, milestones, durations, and anticipated start and finish dates for all activities. This schedule will be revised and updated as necessary over the life of the engagement to align with the County's requirements.

We are available to begin our fieldwork for this engagement within two weeks of your authorization to proceed and mutually successful contract negotiations. All initial services should be completed within eight weeks from the commencement of our fieldwork. We will defend the OMB CAP at which time the State or federal authorities provides comment. This schedule is, of course, dependent upon the availability of data and the cooperation of County personnel.

DuPage has requested to have the draft report for review no later than July 19th each year. Maximus will be able to meet this deadline without any issue provided the source data is



available in time. We will deliver a completed CAP and Indirect Rate to the County after the county completes their draft review and before July 31 of each contract year if possible.

Project Schedule

Exhibit 4.1-1: Maximus Work Plan contains a preliminary project work breakdown and schedule to prepare the CAPs and ICRs for each contract year.

Task	Week	1	2	3	4	5	6	7	8	TBD
Task 1.	Initiate Project									
Step 1	Conduct Kickoff Meeting									
Step 2	Update Project Schedule									
Step 3	Create Project Repository									
Task 2.	Conduct Research and Gather Materials									
Step 1	Determine Available Financial Information									
Step 2	Classify Departments									
Step 3	Determine Administrative Departments									
Step 4	Determine Allocation Bases									
Step 5	Develop Allocation Data									
Step 6	Analyze Expenditures									
Task 3.	Develop the OMB CAP									
Step 1	Allocate Central Services Costs									
Step 2	Summarize Costs									
Step 3	Formalize the CAP									
Step 4	Review CAP with Core County Personnel									
Step 5	Prepare Final CAP									
Step 6	Prepare County-Wide Indirect Cost Rate									
Step 7	Defend OMB CAP (as needed)									
Task 4.	Provide Training, Guidance, and Recommendations									

Exhibit 4.1-1: Maximus Work Plan. Our project timeline is a streamlined process developed over years of conducting successful projects.

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We can start the annual analysis within 4 weeks of available financials for the preceding calendar year. This schedule is, of course, dependent upon the availability of data and the cooperation of Department personnel. Please note that the schedule for Task 7: Defend OMB CAP is dependent upon the State and federal review cycle, if applicable, and is not depicted in the preliminary timeline with dates.

(a) Ongoing Management

Maximus manages projects in accordance with the standards established by the Project Management Institute (PMI) in the Project Management Body of Knowledge (PMBOK®) Guide. Building on PMI’s industry standard foundation and the lessons we have learned through extensive experience managing both large and small engagements for numerous federal, state, and local government clients, Maximus has crafted a successful project management approach which covers the entirety of a project; proactively working toward on-schedule, high-quality products. The approach incorporates the practices detailed in *Exhibit (a)-1: Maximus Project Management Practices* and helps ensure that activities related to the CAP occur as scheduled, risks are averted or managed to reduce their impact, proper communication occurs within the project team and with County representatives, and accountability at all levels is enforced.

Management Practice	Control Measure
Integration Management	<ul style="list-style-type: none"> Project leadership provides oversight and monitoring of all project activities Regularly scheduled client meetings update project status and issues Regularly scheduled project team meetings review schedule and task status
Scope Management	<ul style="list-style-type: none"> CAP project requirements clarified, documented, and tracked through project lifecycle Formal change control process provides a systematic methodology for modifications to the project plan, performance measures, or other similarly important operational parameters
Time/Cost Management	<ul style="list-style-type: none"> Master project milestone schedule and detailed task schedule track progress and provide early warning signs when the conditions leading to possible slippage are forming Internal cost systems provide detailed cost analysis preventing us from realizing cost overruns Regularly scheduled project team meetings review and manage high-priority objectives in accordance with the schedule
Quality Management	<ul style="list-style-type: none"> Established Maximus Corporate QA Team provides senior-level management oversight for all Maximus projects Quarterly project reviews conducted with Maximus senior management ensure accountability Internal project reviews performed by the Maximus Team on all project deliverables ensure consistency and completeness
Human Resource Management	<ul style="list-style-type: none"> Organization structure and communication channels maximize collaboration and unity of project management by the County and Maximus Periodic face-to-face meetings with individual staff provide guidance and feedback on performance and create a mentor relationship to support management
Communication Management	<ul style="list-style-type: none"> Communication Plan is developed, maintained, and followed to establish and maintain formal and informal lines and methods of communication between the County and Maximus Documentation procedures ensure agreement on meeting proceedings and follow-up action items



Risk/Issue Management	<ul style="list-style-type: none"> ■ Risk Management Plan defines the process for addressing varying levels and types of risk items ■ We will track risk identification and mitigation via risk/issues log to support management of identified project risk from identification until elimination
Project Management Tools	<ul style="list-style-type: none"> ■ Microsoft Project used to monitor schedule ■ Internal Maximus cost tracking system to monitor hours expended

Exhibit (a)-1: Maximus Project Management Practices. The Project Leadership Team monitors all management practice areas to ensure overall project quality and customer satisfaction with our delivery of cost allocation services.

(b) Performance Metric Guarantees

The development of accurate, reliable, and complete Cost Allocation Plans requires strict adherence to quality control measures that work to ensure full compliance with all legal and contractual obligations. Maximus is committed to providing customized quality work within a structure of continuous improvement, seeking to modify procedures, techniques, and staff roles on an ongoing basis to enhance productivity and effectiveness. We apply our QA methodology to our projects to support the effective conduct and delivery of required tasks and deliverables. Our approach adheres to the following quality principles:

- **QA is an ongoing process that is built into the project:** We tailor deliverable standards to reflect requirements that meet the needs of the client. Through all phases of the project, we evaluate deliverables, activities, and progress against the established objectives and, where appropriate, identify and support process improvement.
- **QA is an extension of project management roles and responsibilities:** Our approach to QA can also be seen as project management assistance or project management support.

For all tasks and activities conducted, the Maximus Project Team follows established QA guidelines and implements QA processes to ensure that the conduct of each task is consistent, comprehensive, and in compliance with the scope of the contract. For example, we pass all deliverables through an internal review process before they are submitted to the County. We also employ a series of guidelines for quality reviews for each engagement, no matter how large or small, as shown in *Exhibit (b)-1: Maximus Levels of Quality Review*.

Level One Quality Control (Project Staff)	Level Two Quality Control/Assurances (Project Leadership)	Level Three Quality Assurance (Segment/Division QA Team)	Level Four Quality Assurance (Corporate QA Team)
Reviews for accuracy: <ul style="list-style-type: none"> ■ Data input/output ■ Work completed in accordance with scope of work, policies, and procedures 	Reviews and confirms accuracy and compliance: <ul style="list-style-type: none"> ■ Data input/output ■ Work completed and in compliance with scope of work, policies, and procedures ■ Project control effectiveness 	Confirms the following: <ul style="list-style-type: none"> ■ Adequate internal controls ■ Documented policies and procedures ■ Compliance with federal and state regulations 	Confirms the following: <ul style="list-style-type: none"> ■ Project controls in place ■ Adherence to Maximus protocols ■ Adherence to federal accounting controls

Exhibit (b)-1: Maximus Levels of Quality Review. To promote across-the-board quality on all our contracts, corporate guidelines define the levels of quality reviews to be carried out.



(c) Sample Incident Reports

A sample incident report, as in *Exhibit (c)-1: Sample Incident Report*, identifies any issues or concerns the project team encounters that would prevent Maximus from meeting its contractual responsibilities and the timely delivery of the draft or final CAP report. Incident reports are very uncommon on Maximus CAP projects, as significant delays are rare. Examples of actions that might require a report could be a complete lack of response to emails and phone calls. A report may be issued if we suspect the information provided by the County is incomplete and we are unable to obtain a full explanation of our accuracy concerns.

The form is titled "Incident Report Template" in the top left and "MAXIMUS" in the top right. The main heading is "INCIDENT REPORT".

Description of Incident

Incident Details:

Reported By:	Reported to:
Date/Time:	Date/Time:

Follow Up Action:

Description of Resolution

Date/Time:	Date/Time:
------------	------------

Resolution and Corrective Measures Taken:

Follow Up required:

Page 1

Exhibit (c)-1: Sample Incident Report. Maximus will submit an Incident Report to the County if their attention is required for resolution.

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(d) Procedure for Problem Escalation

The cost allocation process is inherently complex in that it applies principles of government accounting to real world practices and changes posed by the Uniform Guidance. Further complicating the process are the dynamic of state regulations and the differing approaches used across local government entities to support financial analysis.

Maximus recognizes that issues may occur on any project, and we have multiple levels of oversight in place to identify and resolve those issues before they jeopardize the success of our projects. For example, we often run into issues where the group receiving an allocation believes it is allocated more costs than is equitable. In this case, we set up meetings with the parties involved and discuss what reasonable allocation bases are available, and possibly perform 'what-if' allocation runs to see the results. In cost allocation there are often several reasonable ways to allocate costs depending on the level of effort the County is willing to commit to collect the data. We have always been able to come up with a method that is acceptable to the participants.

Internally, our contract compliance approach unfolds at both the project and corporate levels. At the project level, management, supervisory, and Quality Assurance (QA) staff monitor performance standard compliance and evaluate overall project performance through a combination of reports, QA scores, customer satisfaction surveys, informal feedback from stakeholders, and discussions with agency officials.

At the corporate level, project data is aggregated within the context of a common accountability framework. While the reporting formats may differ from project to project depending on the indicators and the frequency of the reports, the corporate policy requires a common approach to monitoring compliance and generates "early warning" signals when performance is out of alignment with corporate expectations. In addition, we expect that our clients will raise issues when they arise. If the County identifies any deficiencies related to our engagement, Maximus stands ready to develop and implement a corrective action plan, at our expense, as directed by the County and to track our adherence to the plan.

The Problem Escalation Procedure (PEP), an integral part of our overall project management approach, defines the acceptable timeframes for developing and implementing the corrective action plan. The PEP is built upon a strong foundation of sound project management. Our comprehensive PEP details the method of escalation for any contractual issue, whether it routine or emergency. Maximus will provide immediate notice to the County of any occurrence that affects our ability to perform all or any part of our responsibilities for the project, along with an assessment of the time and effort necessary to recover.

Exhibit (d)-1: Problem Escalation Procedure Steps demonstrates the steps included within the Problem Escalation Procedure (PEP) process.

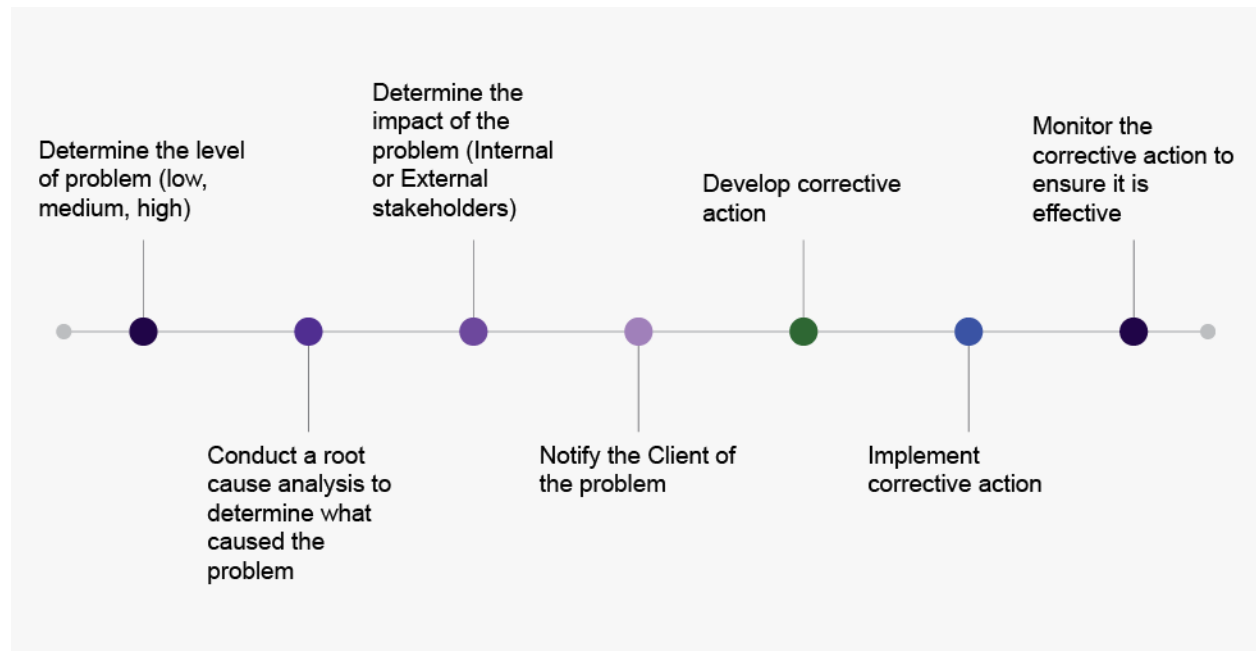


Exhibit (d)-1: Problem Escalation Procedure Steps



Appendix A: Exceptions

Maximus US Services, Inc. (“Maximus” or “Contractor”) is pleased to submit its proposal to County of DuPage (the “County” or the “Client”). Maximus takes the below exceptions to Section 5 – Insurance Requirements and Section 10 – Sample Contract. It is our understanding that no contract shall form between Maximus and the University, as the result of the University’s selection of Maximus unless such contract contains mutually acceptable language, including, but not limited to a reasonable limit on our liability, termination, insurance, and indemnification obligations.

1. Section 5 –Insurance Requirement
 Please see our comments to Section 5 –Insurance Requirement, these changes are based on what is actually written in our insurance policies and in insurance policies in general and what insurance policies cover and do not cover. Our insurance policies cannot be changed.

The Contractor and Subcontractors will purchase and maintain the required insurance policies and limits for a minimum of three (3) years after completion of the Contract.

Upon notice of acceptance of Bid, the successful bidder shall, within fifteen (15) calendar days of said notice, furnish to the Purchasing Agent a certificate of Insurance and provide required policy endorsements evidencing specific coverage of the types of insurance in the amounts specified below. Such insurance policies shall be placed with a responsible company reasonably acceptable to DuPage County licensed to do business in the State of Illinois, and with a minimum insurance rating of A- (A, minus sign): VII or above as found in the current edition of A M Best’s Key Rating Guide. Contractor’s insurers shall, according to each insurance policy’s provisions, provide at least 30 days’ prior written notice of cancellation or non-renewal and 10 days’ prior written notice for non-payment of premium to the certificate holder on file with insurers. All required insurance policies shall be maintained by the contractor in full force and effect during the life of the contract, and until all work has been approved and accepted by DuPage County. The Proposer is responsible for all insurance deductibles and Self-Insured Retentions.

TYPE OF INSURANCE	MINIMUM LIMITS LIABILITY
1. Workers Compensation	Statutory
2. Employers Liability Bodily Injury by Accident Each Accident Bodily Injury by Disease Each Employee Bodily Injury by Disease Policy Limit	\$1,000,000 \$1,000,000 \$1,000,000
3. *Commercial General Liability	\$2,000,000 per occurrence \$4,000,000 annual aggregate
4. *Umbrella Excess Liability (over primary)	\$1,000,000
5. *Business Auto Liability	\$1,000,000
* ALSO Required in addition to a Certificate of Insurance 1) An Additional Insured Endorsement as well as endorsements for: 2) Waiver of Subrogation and 3) Insurance is Primary and Non-Contributory to additional insured insurance coverage	

If any policy is written as "claims made," then the insurance policy must be maintained for 4 years after project completion.

At all times during the term of the contract, the Proposer and any subcontractors shall maintain, at their sole expense, insurance policies and limits as required above for the Proposer, its employees, officers and independent contractors.

No work shall be started until receipt of Certificates of Insurance and required endorsements.

The County of DuPage shall be included as an additional insured on the commercial general, automobile, and umbrella liability insurance policies as evidenced on all certificates of insurance. Insurance certificates shall also reference project name and BID NUMBER. Insurance Certificates with required endorsements should be emailed to: donna.weidman@dupagecounty.gov.

Contractor's insurers shall, according to each insurance policy's provisions, provide at least 30 days' prior written notice of cancellation or non-renewal and 10 days' prior written notice for non-payment of premium to the certificate holder on file with insurers.

2. Copyright for Contractor's Proprietary Software (The County's Terms and Conditions do not contain this clause)

To ensure that Maximus' proprietary software and data is fully and appropriately protected, please see the proposed language we request to be included in any resulting contract.

To the extent that the Services provided by Contractor are generated by Contractor's proprietary software, nothing contained herein is intended nor shall it be construed to require Contractor to provide such software to the University. The University agrees that it has no claims of ownership, including copyright, patents or other intellectual property rights to Contractor software. Nothing in this Contract shall be construed to grant University any rights to Contractor's materials created prior to the execution of this Contract. All of the deliverables under this Contract are specifically set out herein.

3. Litigation Reimbursement (The County's Terms and Conditions do not contain this clause)

Maximus has been previously requested by the clients to assist in various stages of litigation without any guarantee of payment for those services. This provision is designed to ensure Maximus receives payment from the County in the event that Maximus provides assistance in unrelated third-party litigation brought against the County, please see the proposed language we request to be included in any resulting contract.

If Contractor is requested by the County to produce Contractor deliverables, documents, records, working papers, or personnel for testimony or interviews with respect to this Contract or any services provided hereunder for any third party matter unrelated to Contractor's performance of this Contract, litigation or otherwise, then the County and Contractor shall execute a change order or new services contract for the sole purpose of setting forth any payment and the terms associated with Contractor's response and related to the reasonable fees of Contractor in responding. The foregoing does not: (1) diminish or negate Contractor's obligation to negotiate and defend all cost allocation plans and State mandated cost claims as specifically provided for under this Contract; or (2) apply in the event Contractor is compelled by subpoena from a third party to provide Contractor deliverables, documents, records, working papers, or personnel for testimony or interviews.

4. Data Accuracy (The County's Terms and Conditions do not contain this clause)

It is Maximus' position that it does not have an obligation to audit the County's data and shall be entitled to assume that data provided by the County is accurate, please see the proposed language we request to be included in any resulting contract.

Contractor shall provide guidance to the County in determining the data required and shall promptly notify the County of any missing or inconsistent data provided. The County represents that all financial and statistical information provided to Contractor by the County, its employees and/or agents is accurate and complete to the best of the County's knowledge. The County further acknowledges and agrees that Contractor shall be entitled to rely upon the accuracy and completeness of the data to perform the services. The County shall provide all such data in a timely manner sufficient to allow Contractor to provide the services. The Contractor shall have no liability to the County whatsoever if the County provides incomplete or inaccurate data and fails to promptly notify Contractor to correct incomplete or inaccurate data submitted upon the County's discovery or provides data in an untimely manner.

5. Limitation of Liability (The County's Terms and Conditions do not contain this clause)

Placing a reasonable cap on our liability is a prudent business practice that we work with all of our clients to achieve in our contracts. It does not speak to our ability to, or confidence in, completing the services successfully, and limiting liability proportionally to the contract value does not create unreasonable risk for the County given

Maximus' extensive experience and success in providing similar services and its solid financial standing, please see the proposed language we request to be included in any resulting contract.

To the extent permissible by law, the County agrees that Contractor's total liability to the County, or any third party, for any and all damages whatsoever arising out of, or in any way related to, this Agreement from any cause, including but not limited to negligence, errors, omissions, strict liability, breach of contract or breach of warranty shall not, in the aggregate, exceed three times the contract value of \$76,500.

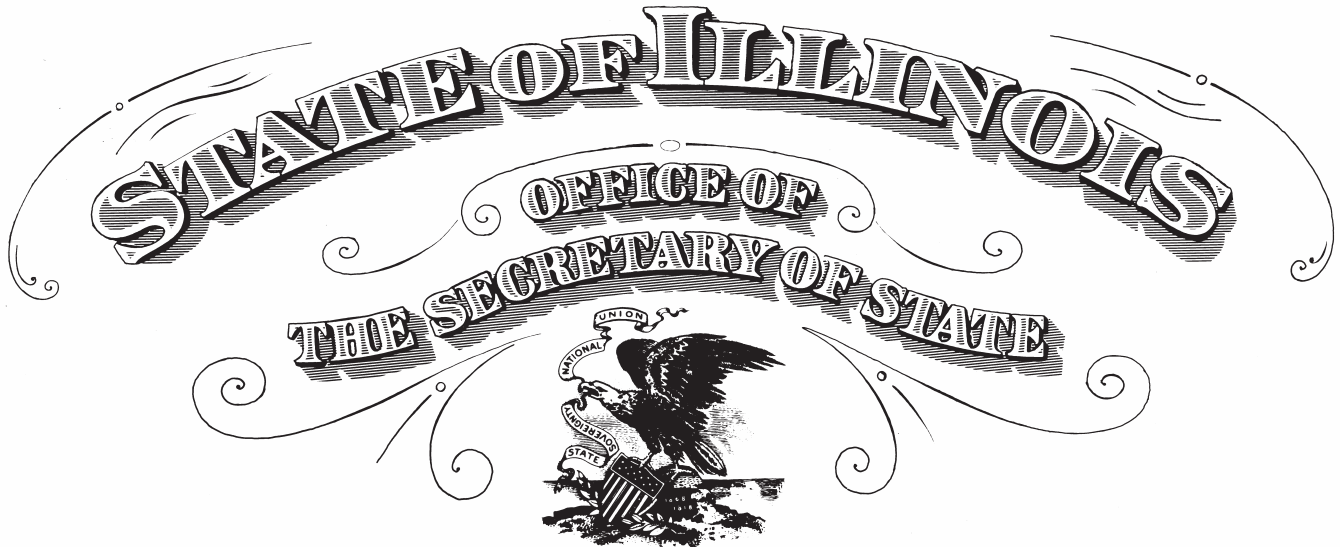
In no event shall Contractor be liable for indirect, special, incidental, economic, consequential or punitive damages, including but not limited to lost revenue, lost profits, replacement goods, loss of technology rights or services, loss of data, or interruption or loss of use of software or any portion thereof regardless of the legal theory under which such damages are sought even if Contractor has been advised of the likelihood of such damages, and notwithstanding any failure of essential purpose of any limited remedy.

6. Liability if Audited (The County's Terms and Conditions do not contain this clause)

Maximus has not been engaged to obtain a specific level of recoveries from the cost allocation plan. Rather, we have been hired to develop a plan that meets state and federal requirements and to defend that plan in any negotiation or audit. Similar to a tax attorney, Maximus cannot be responsible for an audit disallowance because Maximus has not promised a particular level of claims. Maximus requests that the below language be included in any resulting contract.

Contractor shall, upon notice of audit, make work papers and other records available to the auditors. Contractor's sole responsibility under an audit shall be to provide reasonable assistance to the County through the audit and to make changes to the work product required as a result of the audit. Contractor shall not be liable for any audit disallowances or any missed or lost revenue associated with, or related to, the Services, regardless of cause.

Appendix B: Business License

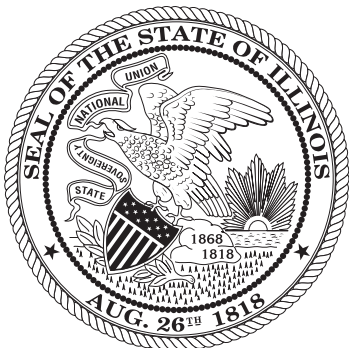


To all to whom these Presents Shall Come, Greeting:

I, Alexi Giannoulis, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that

MAXIMUS US SERVICES, INC., INCORPORATED IN INDIANA AND LICENSED TO TRANSACT BUSINESS IN THIS STATE ON MAY 11, 2012, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE BUSINESS CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS A FOREIGN CORPORATION IN GOOD STANDING AND AUTHORIZED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 22ND day of JULY A.D. 2024 .



Limitations on the Authority of the County of DuPage to Contract

The County of DuPage ("County") is a non-home rule unit of local government under the Constitution and laws of the State of Illinois. Pursuant to Section 7 of Article VII of the Illinois Constitution of 1970, counties and municipalities which are not home rule units have only the powers granted to them by law and the powers set forth in the state constitution. Accordingly, and unlike Cook County and many of Illinois's larger municipalities, every action DuPage County takes must be tied to a specific constitutional or statutory grant of authority or be necessarily inferred from that specifically granted authority. Any action the County takes in excess of that authority is *ultra vires* and void *ab initio* as a matter of law.

During the course of the procurement process, vendors frequently provide standard form contracts or propose exceptions that contain terms which, though commercially reasonable in a particular industry, are outside of the County's authority to agree to. The most common areas of conflict involve proposed provisions that require the County to provide a vendor with an indemnity, exclude the state's attorney's participation in the selection and control of outside counsel, or provide for more aggressive payment and interest terms than are permitted by law.

Indemnification

DuPage County has no authority to provide an indemnity to a vendor. As noted above, the County has only those powers conferred by the Illinois Constitution or state law or which can be necessarily inferred from those powers. While state law does require the County to indemnify its officers and employees and authorizes it to indemnify a limited number of other governmental entities, the legislature has not authorized counties to indemnify private vendors. Moreover, the Illinois Constitution requires that all expenditures of public funds be for public purposes. In an indemnity agreement, the indemnifying party agrees to be liable for the costs associated with the defense of the other party. If the indemnified party is not a public entity, then an indemnification agreement would impermissibly require an expenditure of public funds the benefit of that private party and not for the public. Finally, an indemnity contract is an extension of the public credit and an agreement to undertake a liability. Such an extension of credit requires an appropriation for that purpose sufficient to cover the obligation at the time of contract formation.

Choice of Counsel, Waiver of Defenses

Under Illinois law, the state's attorney shall "defend all actions and proceedings brought against his county." Historical and judicial precedents along with various opinions of Illinois's attorneys general, interpret this language to mean that **the state's attorney is the exclusive legal representative of his county**. The state's attorney will generally appoint any attorney recommended to him by an indemnifying party or its insurance carrier who meets his approval as a "special" assistant state's attorney for the purposes of the litigation. While the state's attorney must retain the right to approve outside counsel and control the litigation, he will not interfere unreasonably with the indemnifying party's attorney selection or legal strategy (or those of its insurance carrier). The County has no authority to retain or permit counsel to represent its interests nor can it contract away the duties of the state's attorney. For this reason, the County also cannot contractually waive any defenses, privileges or immunities which may be available to it in litigation.

Payment Terms

The provisions of the Local Government Prompt Payment Act, 50 ILCS 505/1 et. seq. apply to all purchases made by DuPage County. The Act provides that the County must approve or disapprove of an invoice for goods or services within 30 days of the presentation of the invoice or delivery of the goods or services – whichever is later. The County then has 30 days after approval to pay any portion of the invoice which it has not disapproved. Interest, when permitted under the Act, accrues on a monthly basis at 1%. While the County may not offer payment or interest terms which are more generous to the vendor than authorized by the Act, the parties may agree to provide an incentive for more rapid payments.

The above list is not exhaustive, but it does address the most common areas of concern during the contract negotiation phase. **Accordingly, all prospective offerors are on notice that the County is without the authority to accept nor will it respond to any exceptions which purport to impose a duty on the County to indemnify a vendor, abridge the duties of the state's attorney, waive any legal privilege, defense, or immunity available to it, or obligate it to payment and interest terms other than as permitted by the Local Government Prompt Payment Act. Further all prospective offerors are on notice that any such provision in any standard form contract is unenforceable and void as a matter of law whether or not approved by the County.**

Please acknowledge your Acceptance of the Limitations on the Authority of the County of DuPage to Contract as stated above. Your signature below shall establish your consent to a contract subject to such limitation on the County's authority to contract. This page must also be incorporated as an exhibit to any contract the County will be asked to sign.

ACCEPTANCE

Receipt of the above ACCEPTANCE is hereby acknowledged by:

Maximus US Services, Inc.

(Contractor)

This 29th day of July, 2024

By: _____

Title: Jennifer Galletta