



REQUEST FOR VENDOR CONTRACT UPDATE

Pursuant to the terms of your awarded vendor contract, all vendors must notify and receive approval from NCPA when there is an update to the contract. No request will be officially approved without the prior written authorization from NCPA. NCPA reserves the right to accept or reject any request.

McKinsey & Company, Inc. Washington D.C. (Vendor Name) hereby provides notice of the following update to NCPA contract number: 14-14 on this date 06 February 2024.

Instructions:

Vendors must check all that may apply and provide supporting documentation. Be sure to sign the signature page with all required signatures, prior to submitting your update for approval.

This form is not intended for use if there is a change in operations, which may adversely affect members, i.e. assignment, bankruptcy, change of ownership, merger, etc.

Authorized Affiliates/Dealers/Distributors/Resellers

- Additions
- Deletions

Products/Services (check all that apply)

- Additions
- Deletions
- Modifications
- Pricing Update

Other Vendor may include other notes regarding the contract update here: (attach another page if necessary).

Please find McKinsey's justification for the pricing update request attached on Page 3.

McKinsey & Company, Inc. Washington D.C.

Vendor Name

Tony D'Emidio

Submitted By



2/12/2024


Signature

Date

FOR USE BY NCPA ONLY:

Sarah Vavra, SVP Public Sector Contracting

DocuSigned by:



February 26, 2024

Signature

Date



Other (continued) – Pricing Update Justification Explanation

McKinsey & Company, Inc. Washington D.C. (McKinsey) is respectfully requesting pricing updates, and an addition to our Strategic Management Consulting MSA #14-14 as reflected in the corresponding price proposal revision dated February 2024. **Please note that McKinsey will provide a redacted version for publishing upon OMNIA’s acceptance of the pricing updates.**

The changes reflect the following:

- 1) Pricing Update: An update to Exhibit 4 McKinsey team bundle rates commensurate with McKinsey’s annual escalation which increases our public sector commercial pricing for these bundle rates. The original proposal included an assumption that our annual escalation per calendar year is estimated around 5%, and the annual escalation for 2024 averages to 4%. If taking into consideration the proposed 2% increase in the middle of 2023, McKinsey is proposing an overall increase of 6% to commercial pricing from December 2022.

For further explanation, McKinsey’s rates are based on our standard commercial rates, and effective January 12th, 2024, McKinsey has escalated our 2024 rates to account for inflation. This accounts for a 4% increase to our proposed prices from our mid-year 2023 rates. The Bureau of Labor Statistics CPI for Urban Wage Earners and Clerical Workers showed an increase of 3.2% from December 2022 to December 2023 based on the most recent data from December 2023. Additionally, the Bureau of Labor Statistics ECI for Total Compensation for Management, Professional, and related services cited a 4.4% increase in wages based on Fiscal Year 2023 data. These data points highlight that our increase is in line with market escalation.

- 2) Additions: Inclusion of a new Section 5.2 to add McKinsey’s fixed price hourly rate card. Assumptions related to this pricing structure have also been included within Section 6 which may be subject to change as appropriate per the engagement with end clients.

McKinsey
& Company

National Cooperative Purchasing Alliance
(NCPA) & OMNIA Partners (OMNIA)

Strategic Management Consulting Services MSA #14-14

Pricing Update #2

February 2024

Contract Number: 14-14

RFP Number: 44-22

Submitted to:

National Cooperative Purchasing Alliance & OMNIA Partners

Region 14 Education Service Center

1850 Highway 351

Abilene, Texas 79601

This proposal is the property of McKinsey & Company, Inc. Washington D.C. ("McKinsey") and must not be disclosed outside the Government or be duplicated, used, or disclosed—in whole or in part—for any purpose other than to evaluate this proposal. If a contract is awarded to McKinsey as a result of, or in connection with, the submission of this proposal, the Government shall have the right to duplicate, use, or disclose the data to the extent provided in the resulting contract and subject to the limitations of the Texas Public Information Act, Tex. Gov't Code § 552.110 et seq. ("Act") and other applicable law. This proposal contains confidential trade secret, commercial or financial, and personal private information that is exempt from disclosure under the Act and other applicable law. Accordingly, no portion of this proposal should be released without consulting McKinsey. This proposal is contingent on the Parties reaching mutually agreeable terms and conditions and upon acceptance of any limitations described herein.

Table of Contents

1.0	TAB 7 – PRICING	1
1.1	Executive summary	1
2.0	McKinsey’s Team-based client service model	2
2.1	McKinsey’s Team Structure.....	3
3.0	McKinsey’s best value pricing approach.....	4
3.1	Price Realism and Reasonableness	5
3.2	Best Value Proposition	5
4.0	Discounting & alternate pricing models	6
5.0	Master agreement price quotations	7
5.1	Master Agreement Price Quotation for Weekly Team Bundle Rates.....	7
5.2	Master Agreement Price Quotation for Specialized Offering: Organizational Health Index (OHI)	11
5.3	Master Agreement Price Quotation for Specialized Offering: OrgLab	13
5.4	Master Agreement Price Quotation for Specialized Offering: Agile360 Maturity Assessment.....	15
5.5	Master Agreement Price Quotation for Specialized Offering: Cloud Value Assessment..	16
5.6	Master Agreement Price Quotation for Specialized Offering: Digital Quotient.....	17
5.7	Master Agreement Price Quotation for Specialized Offering: Analytics Quotient.....	18
5.8	Master Agreement Price Quotation for Specialized Offering: McKinsey-Orpheus	19
5.9	Master Agreement Price Quotation for Specialized Offering: Wave	20
5.9.1	Wave license subscriptions	20
5.9.2	Wave services.....	21
5.10	Master Agreement Price Quotation for Specialized Offering: Healthcare Solutions & Assets	23
5.11	Master Agreement Price Quotation for Specialized Offering: Concept Sprint.....	29
5.12	Master Agreement Price Quotation for Specialized Offering: Change Leaders@Scale...30	
5.13	Master Agreement Price Quotation for Specialized Offering: McKinsey Academy Signature Offerings.....	31
5.14	Master Agreement Price Quotation for Specialized Offering: McKinsey Transformation Independent Diligence Phase.....	34
5.15	Master Agreement Price Quotation for Specialized Offering: Broadband Lab.....	37
5.16	Master Agreement Price Quotation for Specialized Offering: BIL Navigator.....	39
5.17	Master Agreement Price Quotation for Specialized Offering: Economic Development Analytics	40
5.18	Master Agreement Price Quotation for Specialized Offering: Tax and Customs Opportunity Assessments.....	41
5.19	Master Agreement Price Quotation for Specialized Offering: State of the States	42

National Cooperative Purchasing Alliance
Strategic Management Consulting Services

Contract #: 14-14
Price Update – February 2024

5.20	██████████ Price Quote	44
5.21	██████ Price Quote	45
5.22	██████████ Price Quote	46
6.0	Validity	47
7.0	Assumptions.....	47

Table of Exhibits

Exhibit 1: McKinsey team structure	2
Exhibit 2: McKinsey's client service model	3
Exhibit 3: High Value Consulting	6
Exhibit 4: McKinsey team bundle rates	8

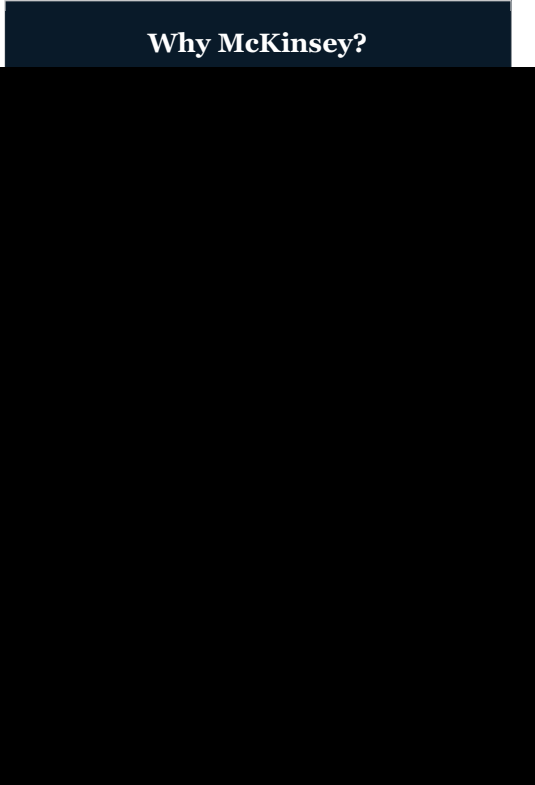
1.0 TAB 7 – PRICING

1.1 Executive summary

McKinsey & Company, Inc. Washington D.C. (McKinsey) maintains a client service approach that implies a true partnership and minimizes risk for our clients. As such, in both the public and private sectors, McKinsey works on a firm fixed-price basis, typically through its weekly team bundle rates. Weekly team bundle rates reflect the specific mix of skills, roles, and experience required for the project and are inclusive of full-time project staff; leadership and experts; research and administrative support, and travel expenses. We calculate the fixed price by aligning with clients on the team size(s) and duration needed to meet a specific scope of work, then use the weekly team bundle price, multiplied by the estimated number of weeks, to develop a firm fixed price. We also offer an array of specialized offerings, such as diagnostics, benchmarks, assessments and more, that we can pair with our weekly team bundle consulting services, where appropriate. Within that agreed total price, we commit to deliver the agreed services and deliverables – if necessary, adding resources or extending the duration of support at no additional cost to our clients – to ensure delivery of the work to which we have committed. Unlike many other consulting companies, our clients benefit from partnering with a firm willing to unilaterally assume all delivery risk associated with a firm fixed price contract.

Our approach to pricing reflects our commitment to putting clients’ interests ahead of ours and bringing the best of our firm to support each engagement by providing a flexible, integrated approach to supporting clients on issues that are invariably both important and complex. It ensures that our clients receive the high-quality support they need, and that we bear the risk rather than the clients of delivering the promised results at the quoted price.

We understand that labor hour contracts can be difficult to manage and present the inherent risk of unforeseen cost overages, which is a risk the client rather than the vendor has to bear. To demonstrate our dedication to public agency success and to shift the majority of the risk away from public agencies, McKinsey proposes to perform all the work under this contract on a firm fixed price basis based on each specific scope of work. Regardless of the time, energy, or resources needed, McKinsey assures public agencies that we will do whatever it takes to make this effort a success. We will bring our global experts to bear for as much time as is necessary to overcome the challenges, at no additional cost to you. We will customize our solutions to ensure that we are providing public agencies the best of McKinsey on all tasks.



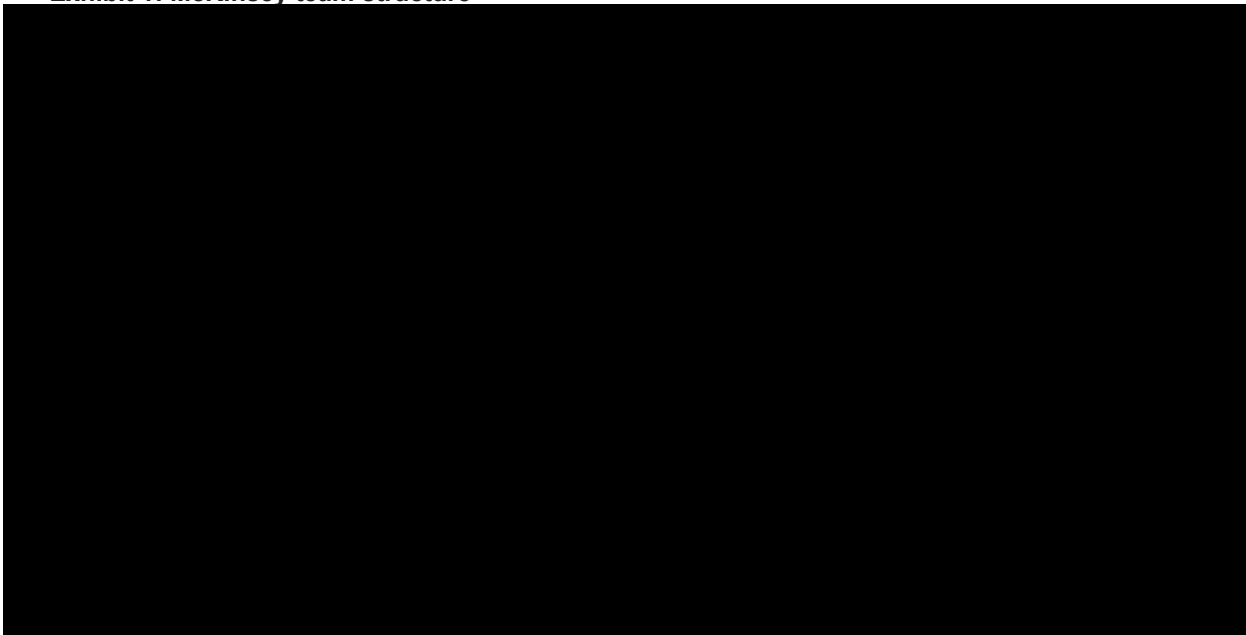
2.0 McKinsey’s Team-based client service model

McKinsey prices based on team weekly prices to ensure we bring the full set capabilities of our firm to our engagements. As described in this section, each weekly team rate covers an integrated set of resources, inclusive of travel, designed to provide public agencies with executive-level advice, in-depth expertise, unparalleled quantitative and qualitative analysis, training and capability building for their own personnel, and a wide range of support services.

Every engagement is led by a partner, who provides meaningful, ongoing counseling to clients, based on their experience in having served CEOs, Departmental Secretaries and/or Deputy Secretaries, and other senior government leaders. Engagement Managers manage the rest of the team, serve as the on-site point of contact for the client, and ensure execution of the work plan. Consultants perform analyses, lead client working teams, build client capabilities, and fulfill other tasks on the work plan. It is commonplace for our full-time team members to work in excess of full-time per week on their client engagement; they will spend as much time as necessary to ensure high impact and quality results for the effort.

Our integrated teams also include expert guidance and staff capacity building for public agencies. Within our 22 industry areas and 10 functional practices, we have 180 areas of specific expertise upon which our partner leads, engagement managers, or consultants draw. We also work with McKinsey’s extensive network of knowledge professionals globally, who provide relevant research, analytics and expertise to support our consultants around-the-clock. Finally, our teams include support from McKinsey’s communications, graphics, IT, and administrative specialists to support their work. The number of experts, knowledge professionals, data analytics specialists, and support personnel we use on any given engagement depends upon the complexity of issues involved in the work and the needs of the project. Regardless of the number of professionals whose support we draw in, we impose no additional charges to the client; full use of these resources is included in our firm fixed price.

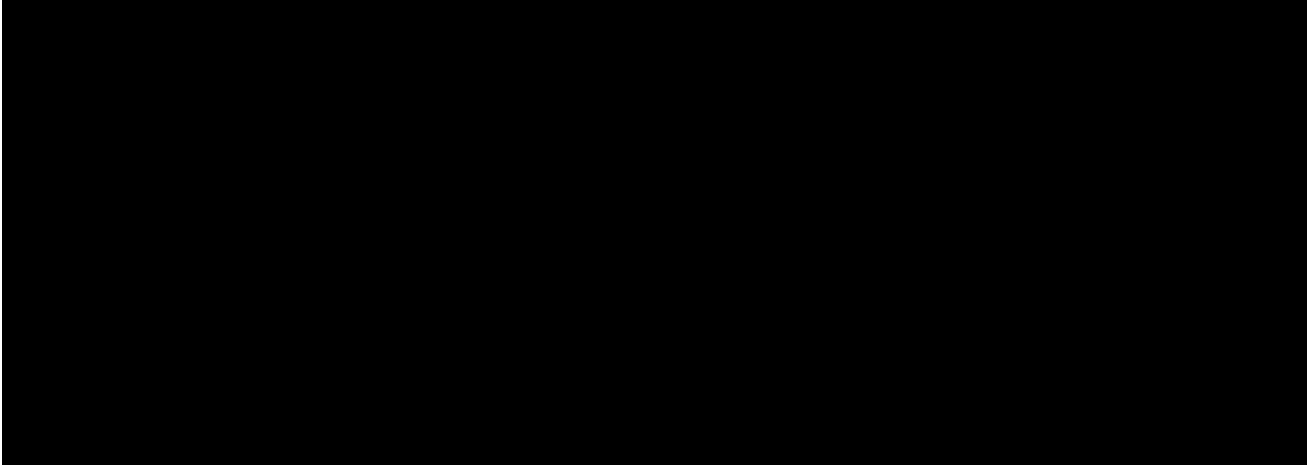
Exhibit 1: McKinsey team structure



The basic building block for our pricing is this full-time team bundle. We determine the size of the team and calculate the number of weeks appropriate based on the scope of work and our best estimate of the resources needed to fulfill the objectives. Each team size has a fixed

weekly price. We use the inputs of the team size, the associated weekly price, and the number of weeks to develop a firm fixed price for each engagement overall.

We work in teams to provide the most effective and efficient services possible to our clients and ensure that we bring the full set of capabilities of our firm—not just the capabilities of select individuals—to our engagements. When engaging our services, our client not only receives the dedicated support of a full-time team, but also accesses, inclusive in our total price:



We provide these resources at whatever level is necessary to fulfill the demands of the project. These services often account for several additional full-time equivalents (FTEs) per week of support, depending on the needs of the project. It is through this combination of team expertise and access to McKinsey's worldwide network of professionals that we deliver the maximum value to all our clients.

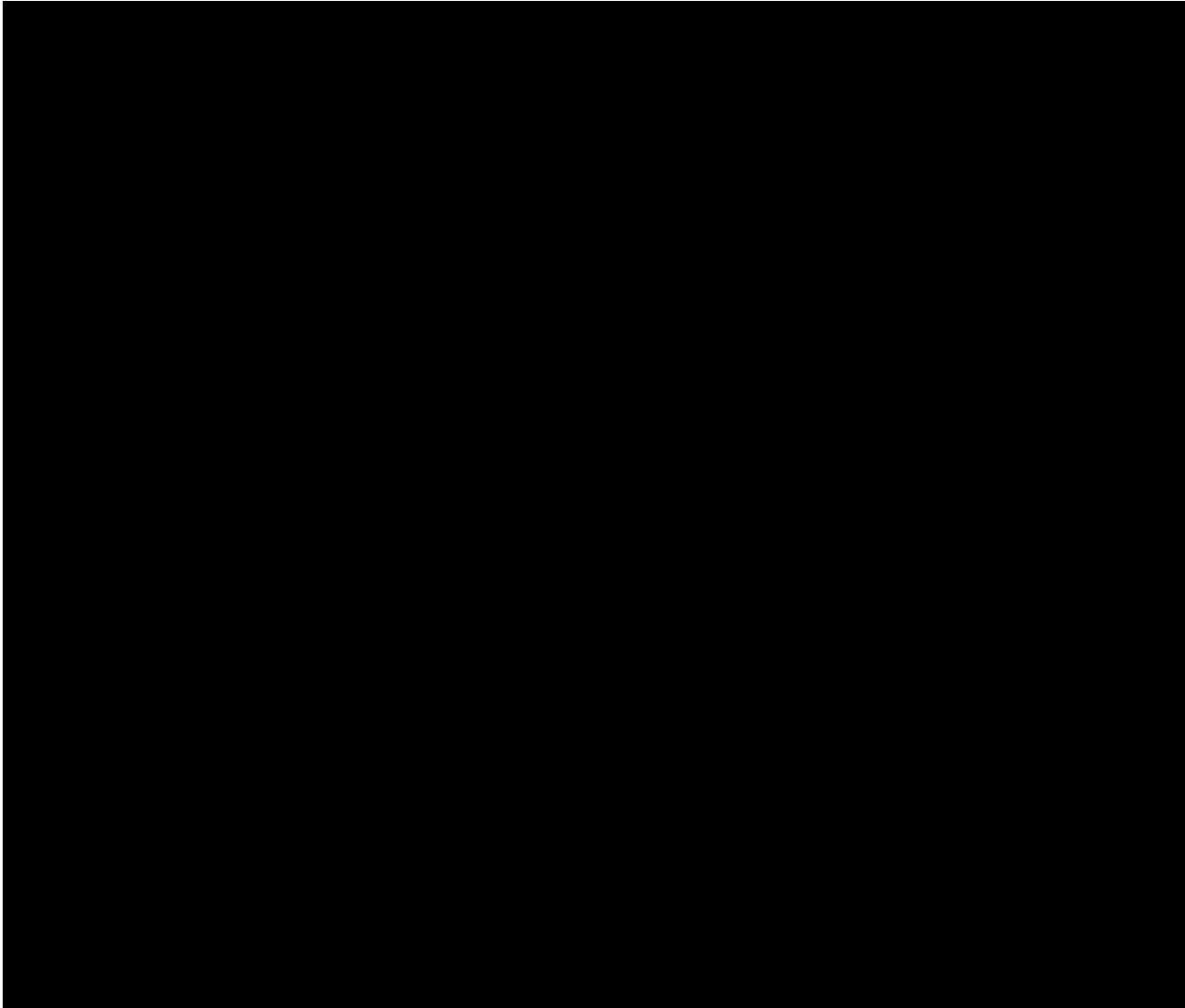
2.1 McKinsey's Team Structure

Although our full-time dedicated consultant teams illustrated below are only one component of our client service, they are often the most visible to our client since our core team members typically work on-site with clients. These team members are able to draw upon expert support, proprietary knowledge, and other resources described above, which increase the number of FTEs depicted in the team description supporting the engagement.

We vary the size of our core teams based on our clients' needs during a particular engagement. Our Engagement Manager leads the day-to-day work of the team and serves as the primary on-site point of contact for the client. Our consultants perform analysis, lead client teams, draft deliverables, and carry out the work plan. The leadership team and additional resources illustrated below are equally components of the team bundles. **Exhibit 2** illustrates our weekly team bundles that underpin our client service model, which includes both the core team options and the additional resources that we make available.

Exhibit 2: McKinsey's client service model





3.0 McKinsey’s best value pricing approach

We recognize and respect the fact that public agencies will assess the price realism and reasonableness of our proposal. In the spirit of collaboration and partnership, we respectfully submit here our rationale for each factor. Additionally, given the high level of expertise and skills needed for this effort, our pricing offer may represent a price premium. Our consulting model brings together a number of different capabilities into a seamless offer (e.g., capacity building, proprietary research and tools, advanced analytics, research personnel, world-class graphics support, and our hands-on consultants). This means that dividing the total cost by low assumptions of the number of consultant hours may result in a high apparent cost per hour. However, we believe the reality is that each McKinsey "hour worked" is far more efficient and effective than other vendors. For example, in 60 minutes one of our consultants could benchmark budget processes and performance against the performance of other academic institutions. Other firms would likely require weeks of effort to interview these, assemble the right data, and create the benchmarks. Thus, while rates may appear higher, our pricing is typically very competitive with other firms. Additionally, McKinsey presents best value to public

agencies, particularly considering the high level of expertise and skills needed for this effort. We strongly believe our offer presents Best Value to public agencies, and we outline our rationale in this section.

3.1 Price Realism and Reasonableness

Price Realism

Based on thousands of client engagements, McKinsey has developed rigorous methodologies, tools and frameworks, along with the expertise to calibrate the level of effort (and corresponding price) for a particular effort. For every client engagement, we analyze the contract requirements, and thoughtfully apply our unique methods of performance and tools to the effort. We are confident we can successfully perform the work needed to address the objectives of public agencies at our proposed price. Based on our firm fixed-price approach, the risk of performance is entirely transferred to McKinsey.

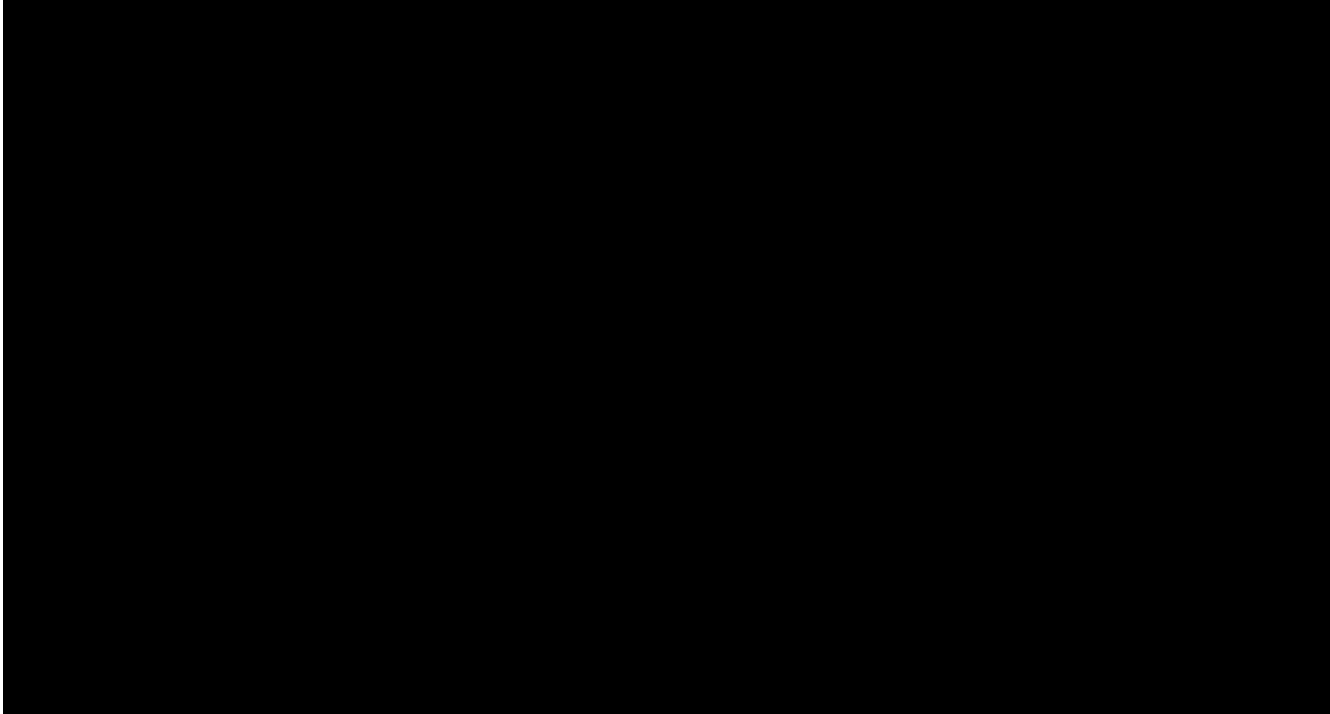
Price Reasonableness

McKinsey has served [REDACTED] the country using these same pricing methods. Our client service model enables us to provide the best value to our clients, including to public agencies. Regardless of the time, energy, or resources required, we commit that we will do whatever it takes to make this effort a success at the price we propose in this quote.

3.2 Best Value Proposition

We strongly believe our offer presents Best Value to public agencies, and we outline our rationale in this section. Given the high level of expertise and skills needed for a particular effort, our pricing offer may represent a price premium. However, a price premium may be warranted for specific scopes of work for the following reasons:

- **High value at stake and high complexity:** As demonstrated in **Exhibit 3**, the transformative nature of services and the integrated consulting services public agencies require to achieve their objectives presents a high “value at stake,” along with a high degree of complexity. The use of high value consulting is both warranted and critical for the success of engagements of this nature.



- **Public agencies receive the benefit of consultants that have both private and public sector experience.** Most consulting firms who serve the public sector create special public sector units, which prevent cross-pollination of expertise (e.g., public sector consultants gaining private sector expertise and vice-versa). When private sector expertise is needed on a public sector engagement, the different cost (and compensation) structures of these units present an internal structural barrier, preventing these firms from effectively deploying private sector expertise. This is in direct contrast to our approach. McKinsey operates as one firm, allowing us to seamlessly provide resources from across our organization. In addition, many of our resources, including our leadership teams, have both public and private sector expertise as individuals who have worked seamlessly across these sectors. With McKinsey, public agency leadership will benefit from an experienced and agile industry partner that is trusted to solve some of the world's most challenging problems. The firm can help to manage a complex set of stakeholders (often with different objectives), as well as provide expert counsel, based on real-life experiences from private, public and social sectors, to deal with ambiguity and complexity in performance and risk.
- **Our partners spend real time on engagements, and are active problem-solvers, not administrators.** Some other firms that serve the government have low partner to consultant ratios. Other firms may bring in senior resources (e.g., partners or retired senior government executives) only after something has gone wrong, or the engagement is deemed off-track. Our modus operandi is different. At McKinsey, the partner to consultant ratio is high. Simply stated, this different level of senior management consulting yields different and superior results.

4.0 Discounting & alternate pricing models

McKinsey would be excited to work with public agencies to evaluate best possible pricing scenarios at the task order / participating addendum level, based on the specific scope of work. We are confident in our ability to ensure public agencies achieve distinctive, lasting, and

substantial improvements in their performance and to help public agencies succeed in delivering on their mission objectives. We have deployed innovative pricing models such as outcomes-based pricing, to significantly improve outcomes in a number of public sector institutions. Most of these examples involve public sector entities looking to reduce spend – while also delivering improved service outcomes – and managing concerns about investing in consulting support. Some of these historical examples include:

If public agencies are interested in this approach, we are willing to develop a pricing model with fees tied to success defined as sustainable impact delivered. Some of these examples include (not exhaustive but illustrative):

5.0 Master agreement price quotations

In this section, we outline McKinsey's Master Agreement Price Quotations for our weekly team bundle rates, fixed price hourly rates, as well as specialized offerings. This array of specialized offerings, such as diagnostics, benchmarks, assessments and more, can be paired with our weekly team bundle, or hourly consulting services, where appropriate.

Price quotations for specialized offerings do not include consulting services except as otherwise identified. Consulting services for the offering will be priced in accordance with the weekly team bundle rates or hourly rates as may be required for the specific agreed upon scope with the client.

5.1 Master Agreement Price Quotation for Weekly Team Bundle Rates

One important consideration in viewing McKinsey's commercial weekly team bundle rates is our operational tempo and ability to achieve results. Our clients find that our high level of partner and expert-level participation and client services structure enable us to achieve results faster than other advisory firms in the market (less time for required deliverables) and it allows us to get it right the first-time. This is a critical point; when we are hired to perform requirements and achieve deliverables, we do not require more funds to be contracted months after award in order to achieve the results we committed to generating for our clients.

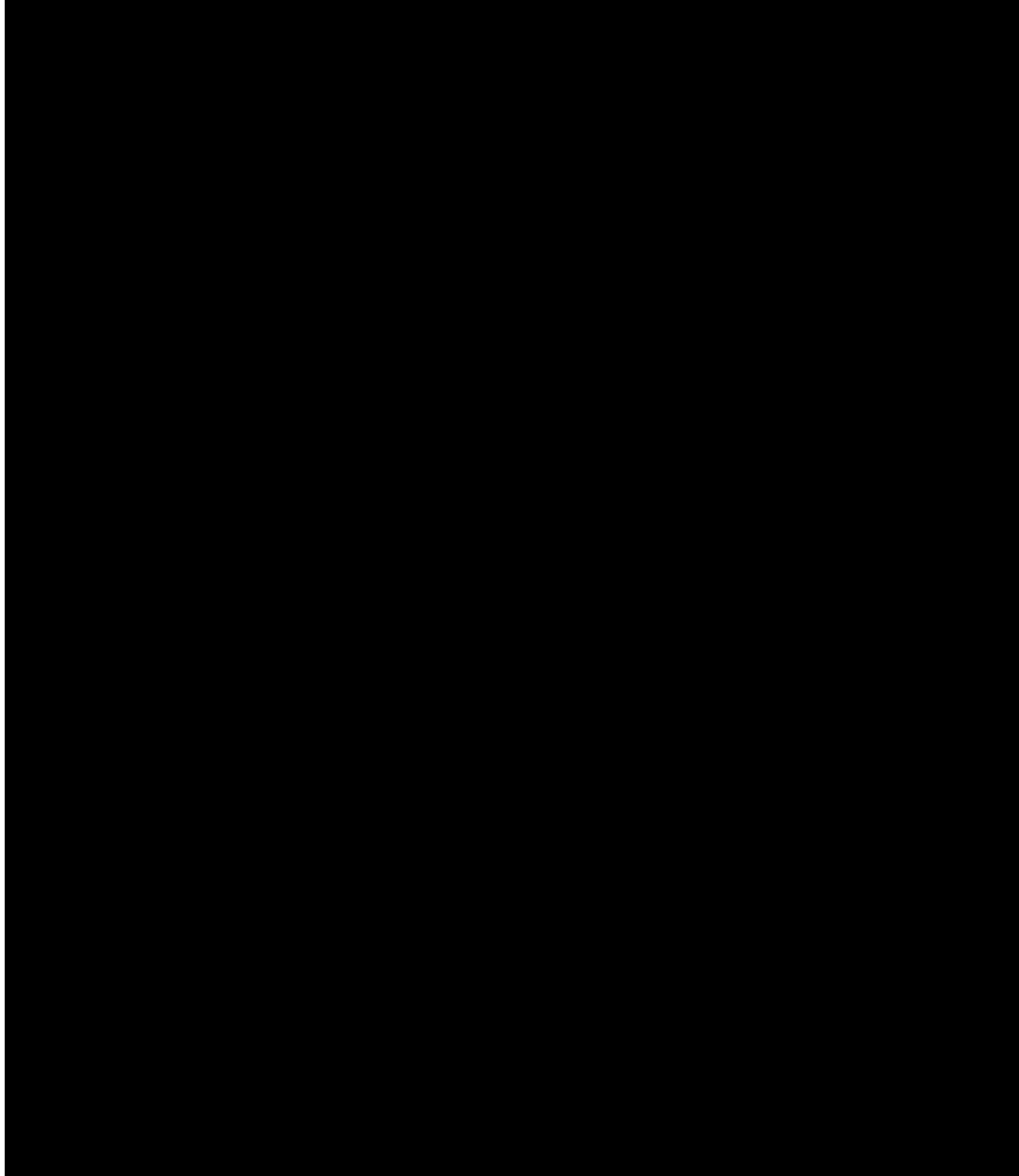
McKinsey's proposed commercial weekly team bundles rates for the master agreement are provided in **Exhibit 4**. for all purchase orders under the master agreement.

National Cooperative Purchasing Alliance
Strategic Management Consulting Services

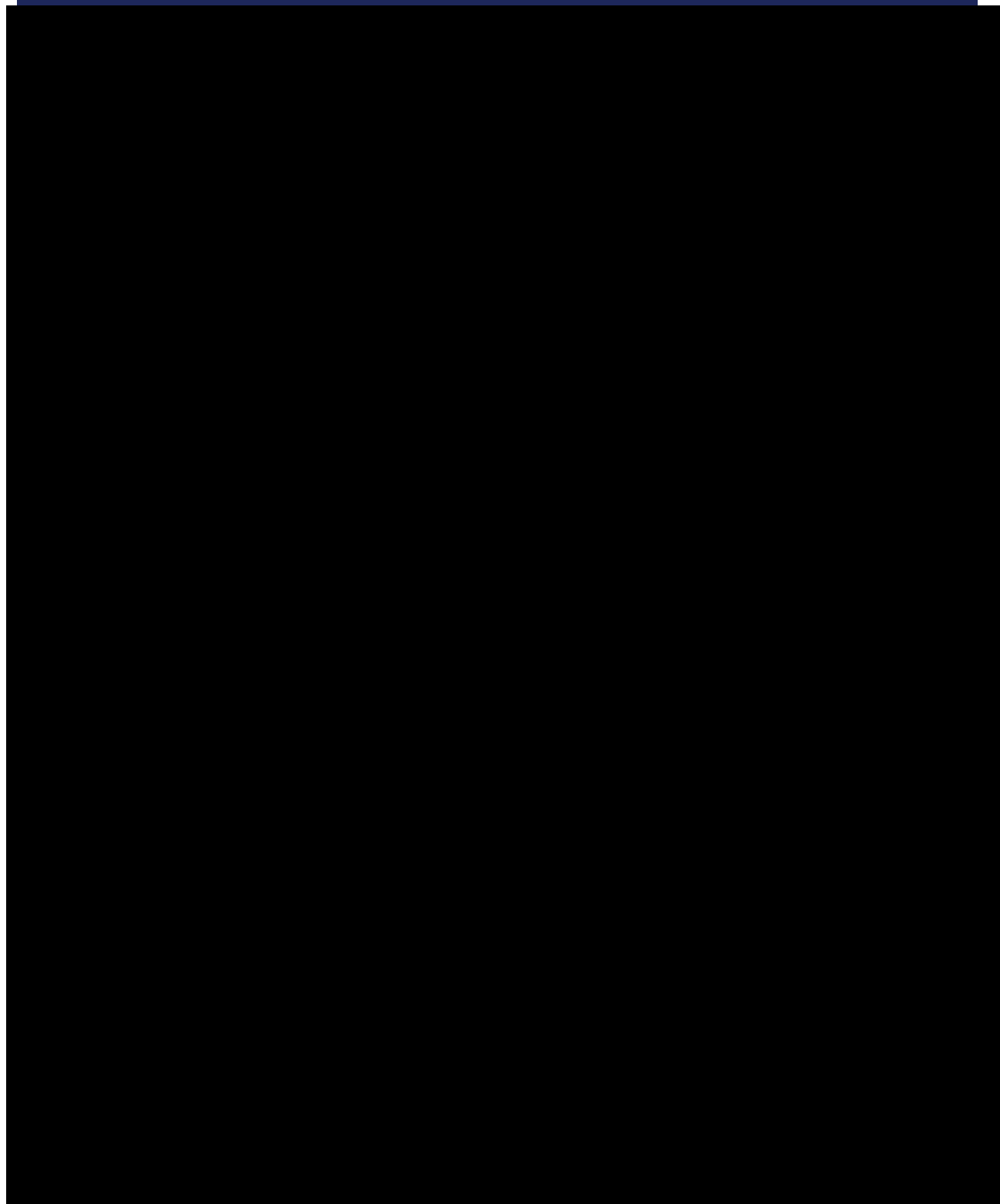
Contract #: 14-14
Price Update – February 2024

Exhibit 4: McKinsey team bundle rates

**Year 1 NCPA
Pricelist
(inclusive of
NCPA admin**



**Year 1 NCPA
Pricelist
(inclusive of
NCPA admin**



Service Name	Service Description	Year 1 NCPA Pricelist (inclusive of NCPA admin fee)*

**Rates includes the specific mix of skills, roles, and experience required for the project and is inclusive of full-time project staff; leadership and experts; analytics, tools & research; administrative and graphics support, travel expenses, other costs, and 2% NCPA administration fee.*

5.2 Master Agreement: Fixed Price Hourly Rates

McKinsey continues to perform on a firm-fixed-price (FFP) basis with the creation of hourly rates. Our delivery and staffing approach reflect the specific mix of skills, roles, and experience

required for engagements and are inclusive of full-time project staff; leadership and experts; and research and administrative support. This integrated set of resources is designed to provide clients with technical expertise and offer executive-level advice, in-depth private and public sector expertise, quantitative and qualitative analysis, and capability-building for client personnel.

For each specific project or engagement, we calculate our fixed price using hourly rates for each labor category that comprises the proposed team for the project, multiplied by the estimated number of hours. Within that agreed price, we commit to deliver the agreed services and deliverables—adding resources, if necessary, at no additional cost—to ensure delivery of the work. McKinsey’s invoices to clients will be based upon completion of deliverables, tasks, or milestones and not specific hours worked, or costs incurred.

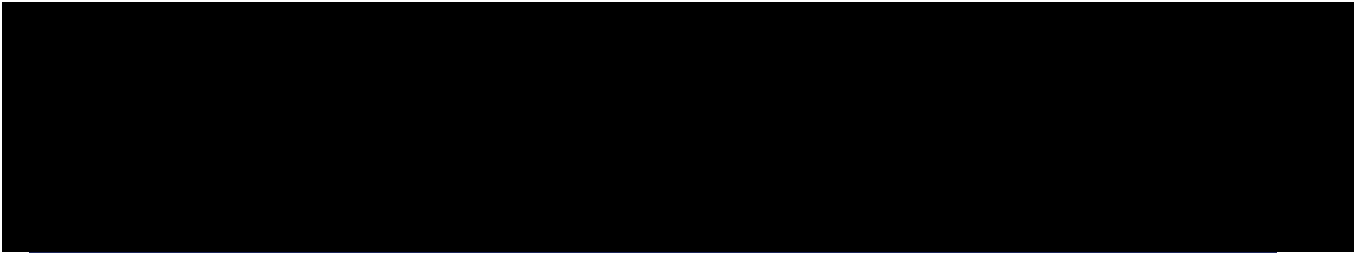
Exhibit 5: McKinsey's Hourly Rate Card

McKinsey Labor Category	2024 Hourly Rates*	
[Redacted content]		

5.3 Master Agreement Price Quotation for Specialized Offering: Organizational Health Index (OHI)

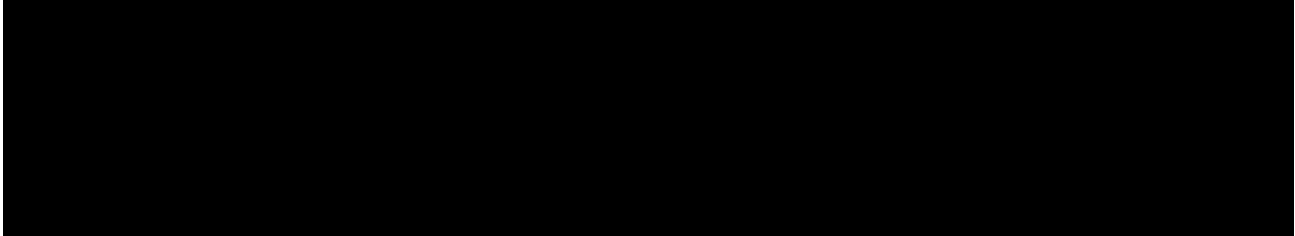
The Organizational Health Index (OHI) is a leading diagnostic tool that provides leaders with a detailed picture of their organizations' health compared to peers. With over 1 billion data points across geographies and industries, it provides insights on underlying mindsets and behaviors, offers a global standard to measure and manage organizational health, and informs targeted actions on organizational health. The OHI survey and benchmarking data explain up to 50% of performance variations within organizations.

The price quotation for a standard OHI is based upon the following assumptions:



Size of Organization Assessed

Year 1 NCPA Pricelist (inclusive of NCPA admin fee)

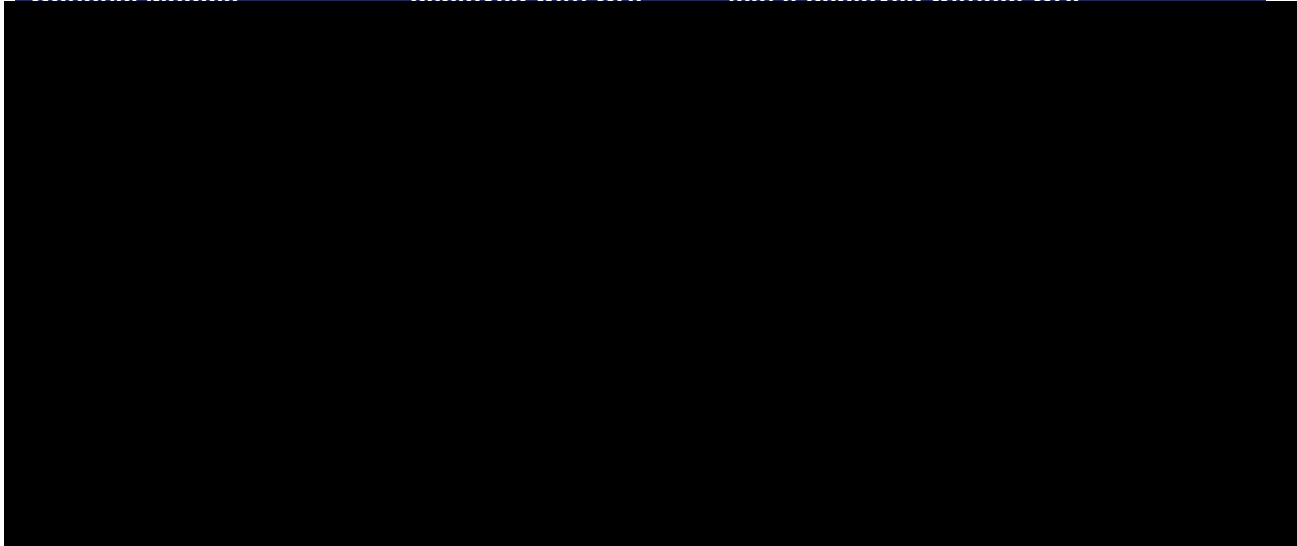


We offer these optional modules to complement the OHI:

Optional Module

Year 1 Price (inclusive of NCPA admin fee) If deployed with OHI

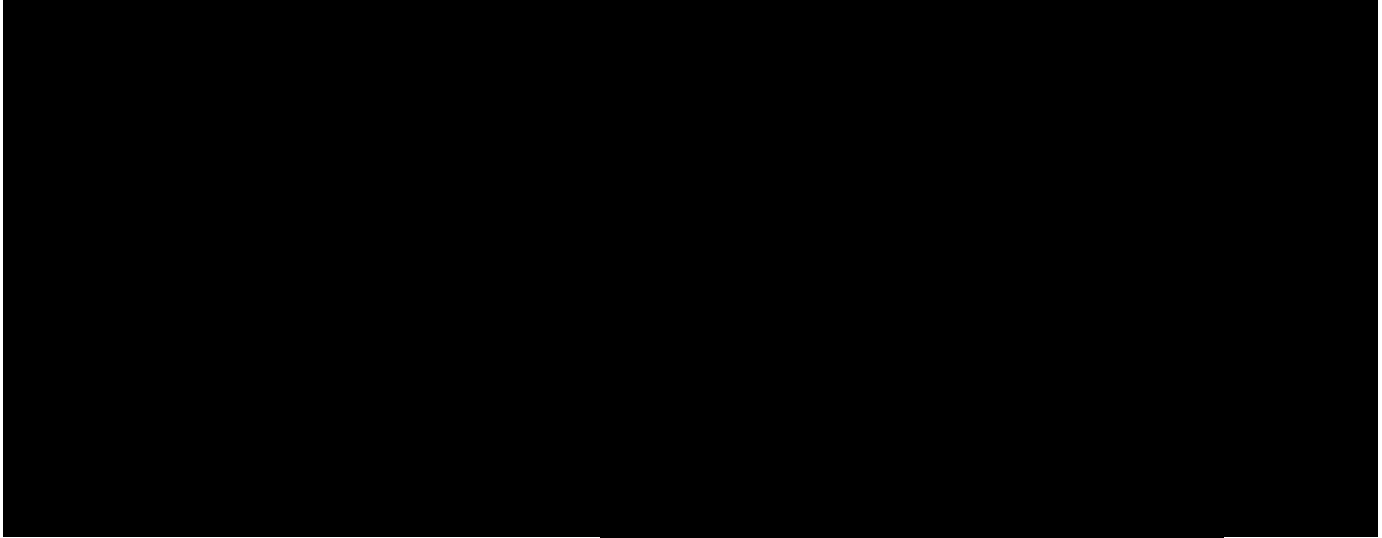
Year 1 Price (inclusive of NCPA admin fee) If deployed without OHI



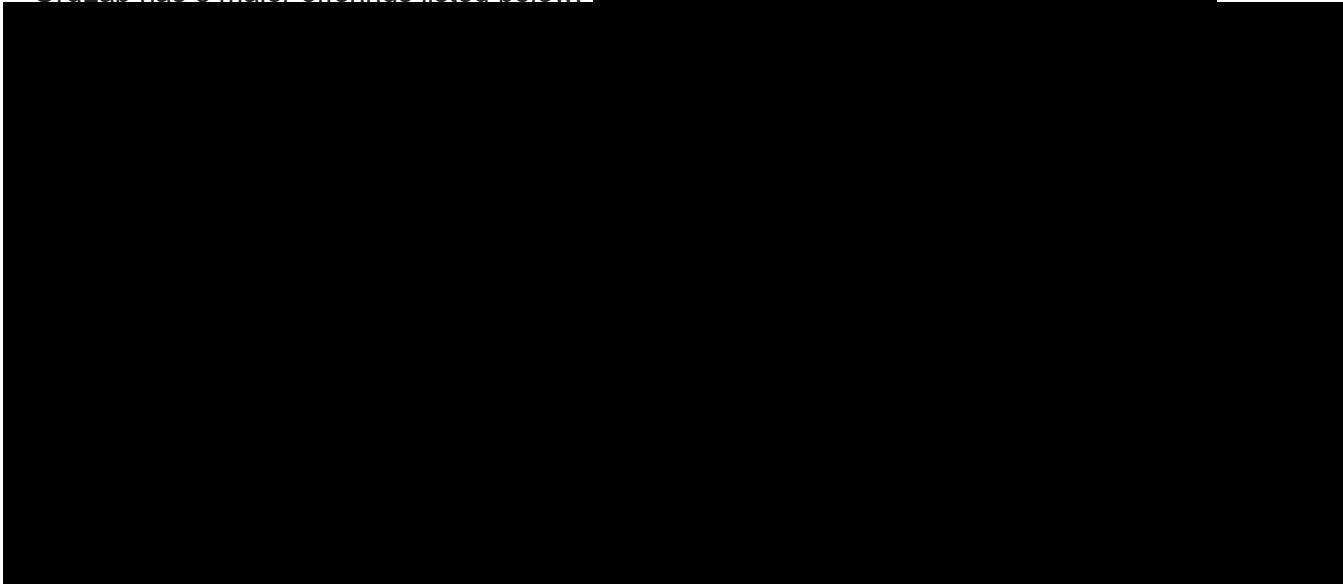
5.4 Master Agreement Price Quotation for Specialized Offering: OrgLab

OrgLab is McKinsey’s proprietary solution to help organizations reorganize faster, more efficiently, and with a higher rate of success. Designing an effective, high-performing organizations requires an integrated, accurate view of its structure, processes and people, the ability to visualize your organization’s data, and a way to collaborate across silos from individual roles down to the individual job description. OrgLab solves this problem with a cutting-edge blend of data management, visualization technology, and design expertise.

OrgLab helps answer the following questions:

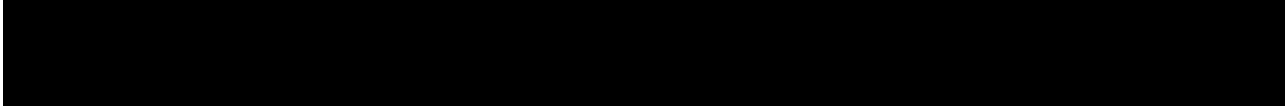


OrgLab has 3 major offerings listed below:



Size of Organization Assessed

Year 1 NCPA Pricelist (inclusive of NCPA admin fee)



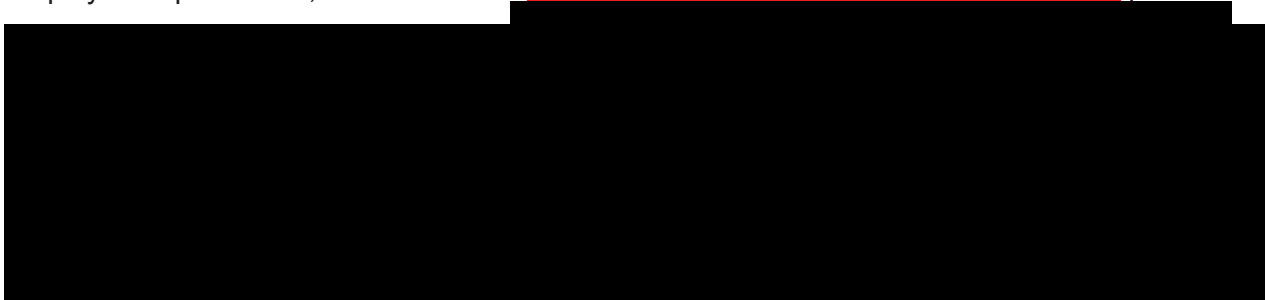
Size of Organization Assessed	Year 1 NCPA Pricelist (inclusive of NCPA admin fee)
[Redacted]	

Size of Organization Assessed	Year 1 NCPA Pricelist (inclusive of NCPA admin fee)
[Redacted]	

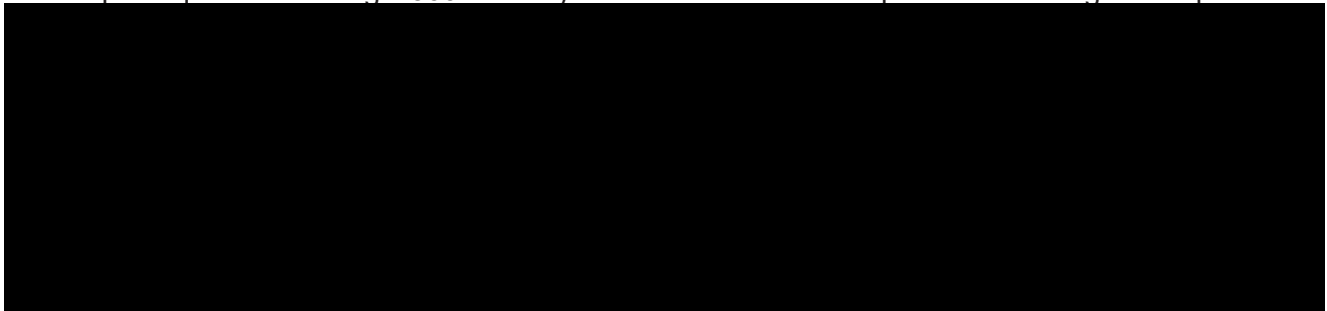
Size of Organization
[Redacted]

5.5 Master Agreement Price Quotation for Specialized Offering: Agile360 Maturity Assessment

Organizations executing agile transformations may need to improve their agile development and deployment processes, accelerate the adoption of agile within teams, and track the impact of

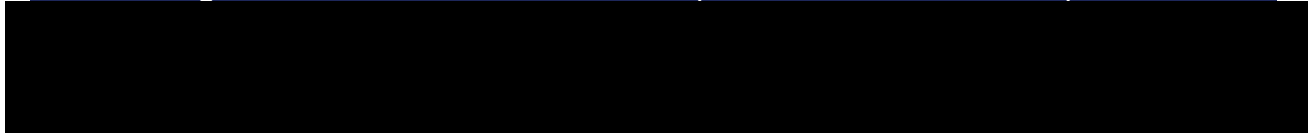


The price quotation for Agile360 Maturity Assessment is based upon the following assumptions:



Name of Diagnostic

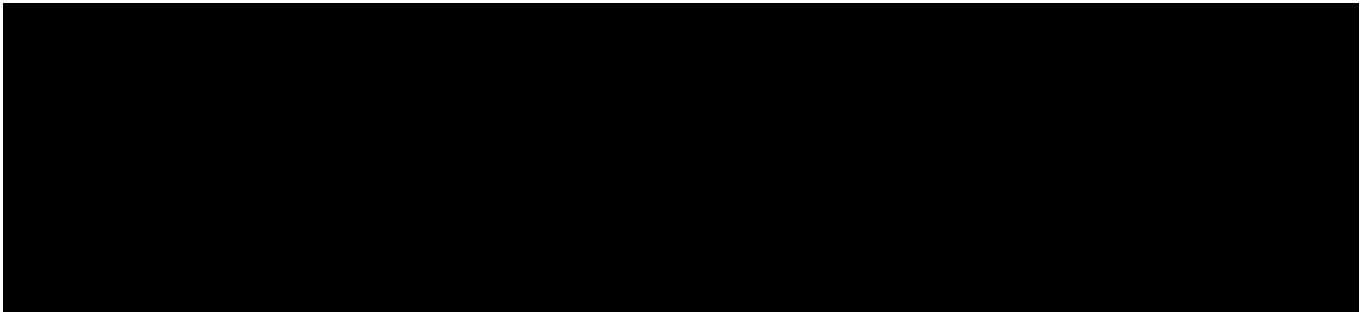
Year 1 NCPA Pricelist (inclusive of NCPA admin fee)



5.6 Master Agreement Price Quotation for Specialized Offering: Cloud Value Assessment



The price quotation for CVA is based upon the following assumptions:



5.7 Master Agreement Price Quotation for Specialized Offering: Digital Quotient

The Comprehensive Digital Quotient (DQ) Assessment is

The price quotation for the Comprehensive DQ Assessment is based upon the following assumptions:

Offering

Year 1 NCPA Pricelist (inclusive of NCPA admin fee)

5.8 Master Agreement Price Quotation for Specialized Offering: Analytics Quotient

[Redacted content]

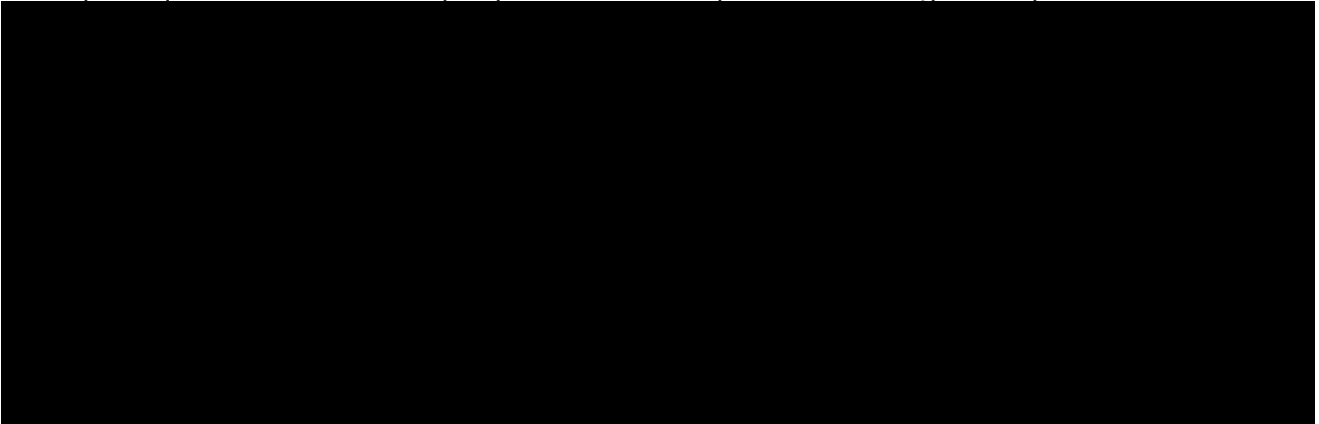
The price quotation for the Comprehensive AQ Assessment is based upon the following assumptions:

[Redacted content]

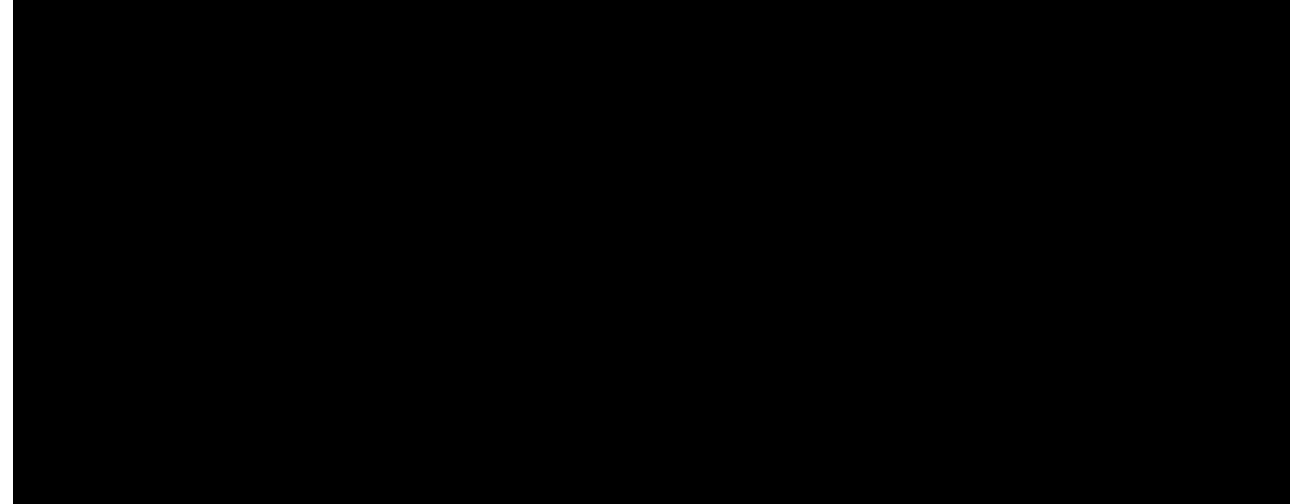
Offering	Year 1 NCPA Pricelist (inclusive of NCPA admin fee)
Comprehensive AQ Assessment	\$51,000

5.9 Master Agreement Price Quotation for Specialized Offering: McKinsey-Orpheus

The price quotation for McKinsey-Orpheus is based upon the following assumptions:



External Spend to be Integrated into Orpheus Platform	Number of Data Source Systems	Year 1 NCPA Pricelist (inclusive of NCPA admin fee). Cost of initial implementation	Year 1 NCPA Pricelist (inclusive of NCPA admin fee). Recurring subscription cost (annual)
---	-------------------------------	---	---

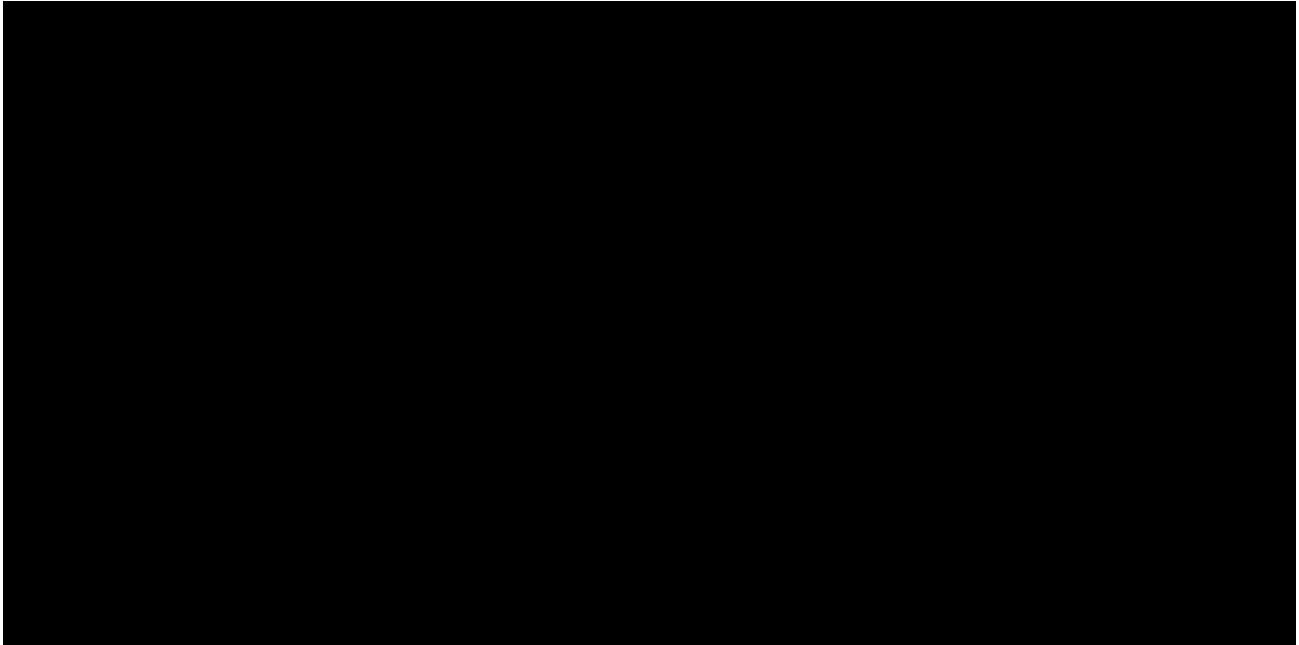


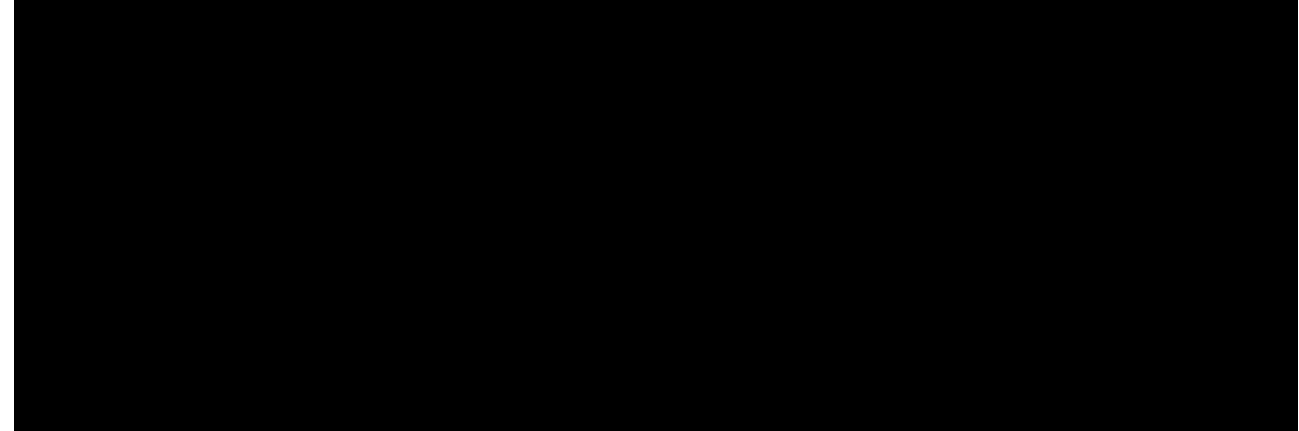
5.10 Master Agreement Price Quotation for Specialized Offering: Wave

Wave is

5.10.1 Wave license subscriptions

Use of Wave requires a license subscription. The license subscription price quotations for Wave listed below are based upon the following assumptions:



Offering Type	User Commitment	Year 1 NCPA Pricelist (inclusive of NCPA admin fee). Annual Subscription Charge	Year 1 NCPA Pricelist (inclusive of NCPA admin fee). Charge per Additional User per Month
			

Offering Type	User Commitment	Year 1 NCPA Pricelist (inclusive of NCPA admin fee). Annual Subscription Charge	Year 1 NCPA Pricelist (inclusive of NCPA admin fee). Charge per Additional User per Month
[Redacted]			

5.10.2 Wave services

Services provided by the Wave team include:

[Redacted]	
------------	--

Offering Type	Example service configurations	Year 1 NCPA Pricelist (inclusive of NCPA admin fee). Services fee
[Redacted]		

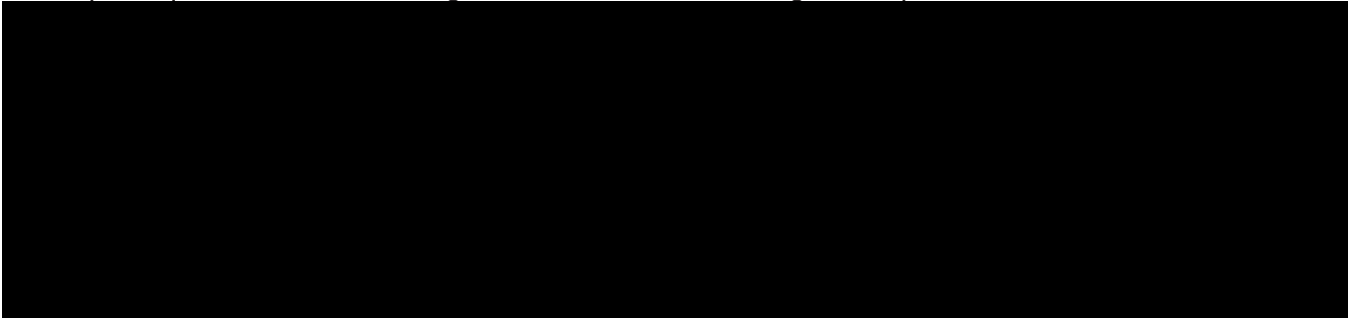
Offering Type	Example service configurations	Year 1 NCPA Pricelist (inclusive of NCPA admin fee). Services fee
		

5.11 Master Agreement Price Quotation for Specialized Offering: Healthcare Solutions & Assets

McKinsey's Healthcare Solutions & Assets help



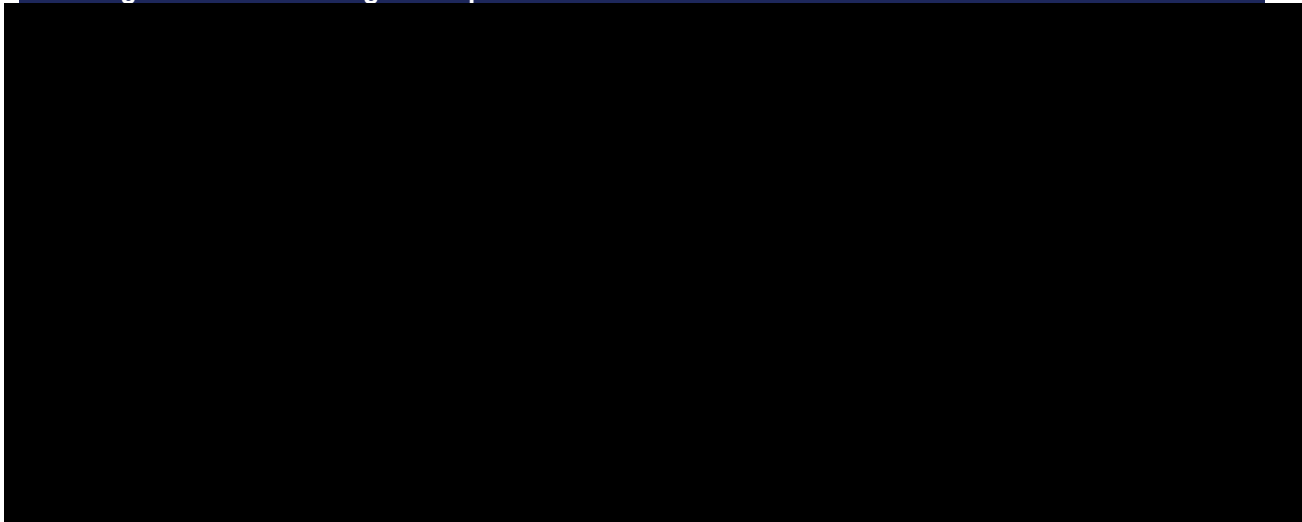
The price quote for these offerings is based on the following assumptions:



Year 1 NCPA Pricelist (inclusive of NCPA admin fee)

Price based on Level of Complexity

Offering Name	Offering Description	Level 1	Level 2	Level 3
---------------	----------------------	---------	---------	---------

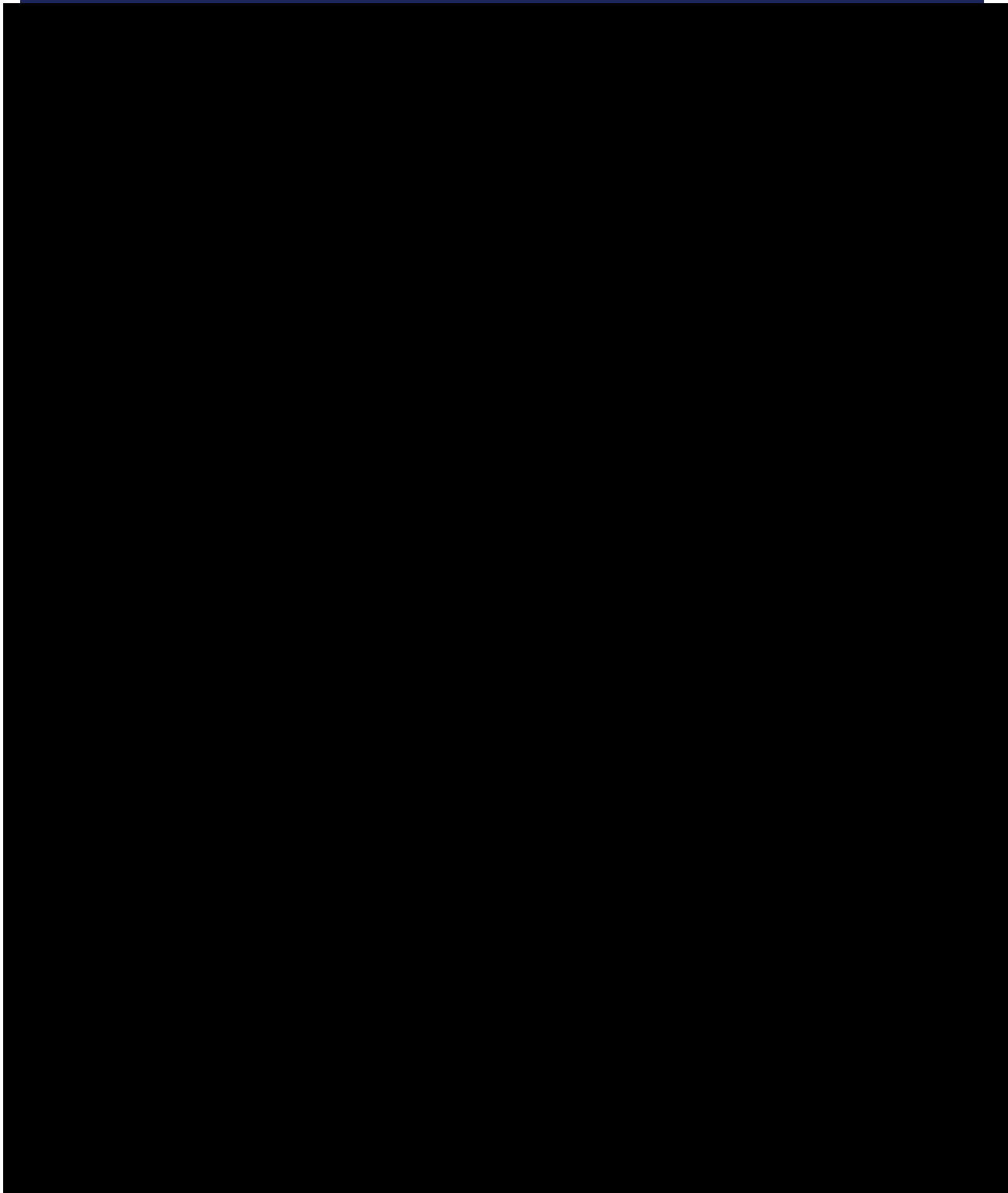


Year 1 NCPA Pricelist (inclusive of NCPA admin fee)				
Price based on Level of Complexity				
Offering Name	Offering Description	Level 1	Level 2	Level 3

Year 1 NCPA Pricelist (inclusive of NCPA admin fee)				
Price based on Level of Complexity				
Offering Name	Offering Description	Level 1	Level 2	Level 3

Year 1 NCPA Pricelist (inclusive of NCPA admin fee)

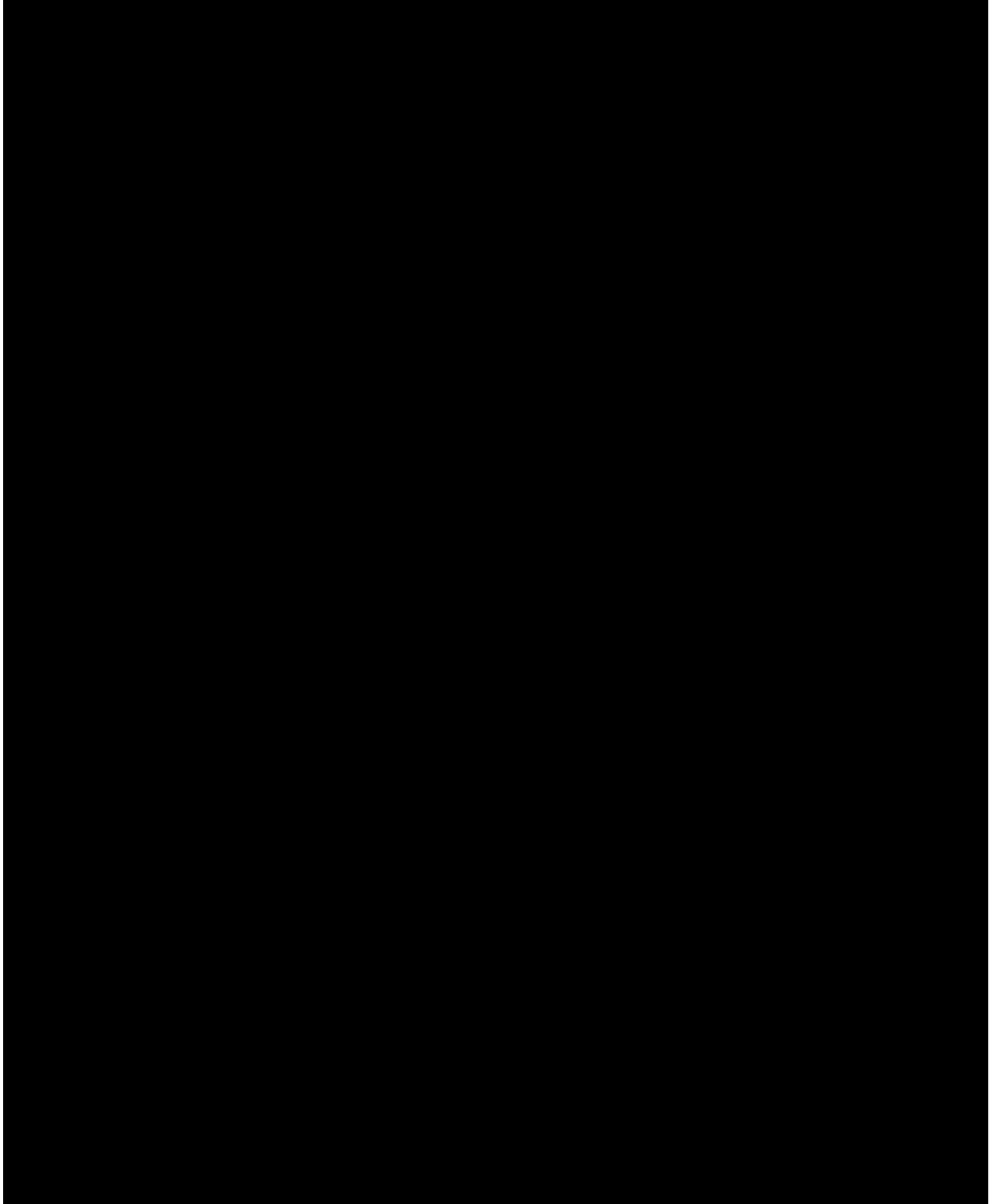
Price based on Level of Complexity



Year 1 NCPA Pricelist (inclusive of NCPA admin fee)

Price based on Level of Complexity

Offering Name	Offering Description	Level 1	Level 2	Level 3
----------------------	-----------------------------	----------------	----------------	----------------



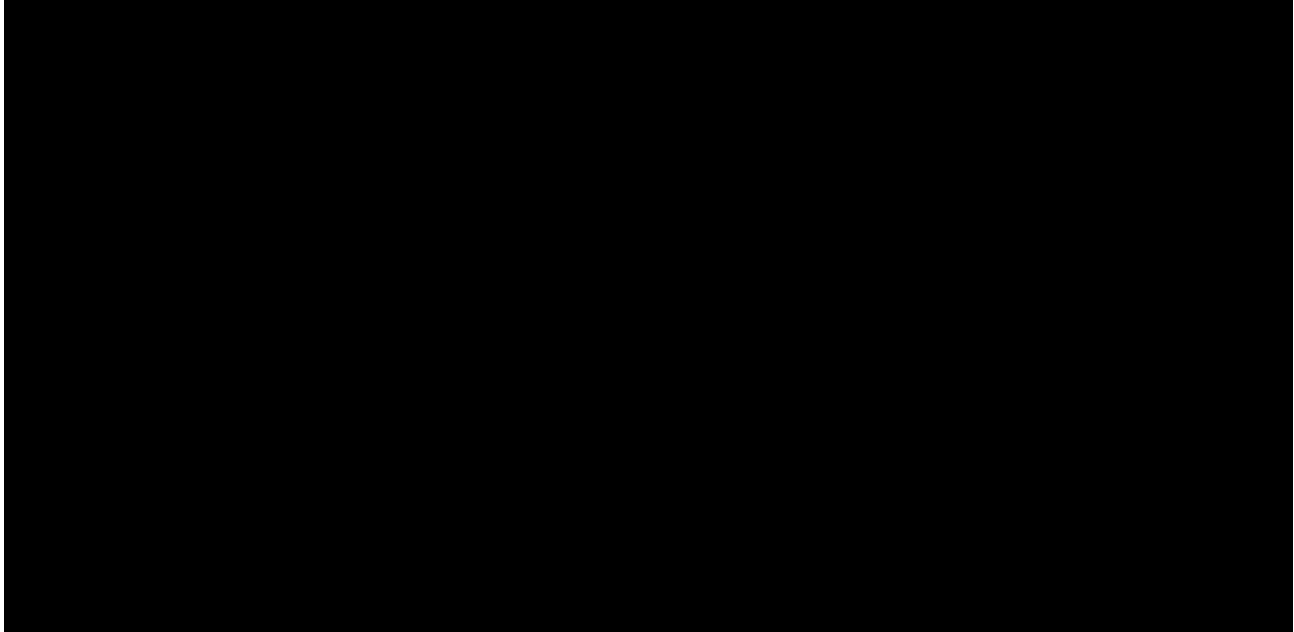
National Cooperative Purchasing Alliance
Strategic Management Consulting Services

Contract #: 14-14
Price Update – February 2024

Year 1 NCPA Pricelist (inclusive of NCPA admin fee)

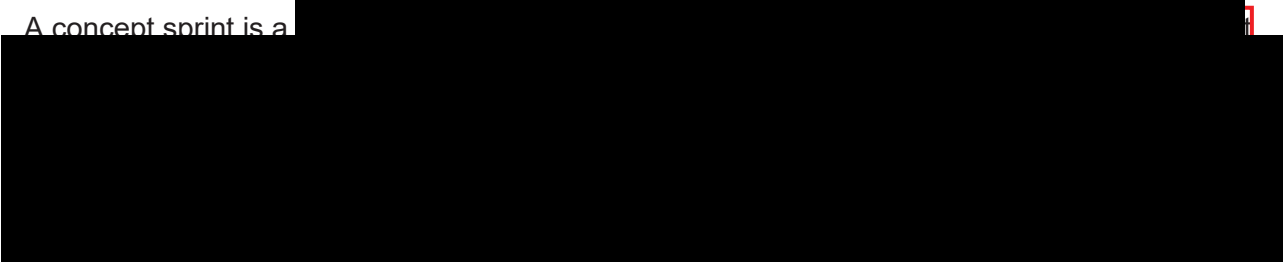
Price based on Level of Complexity

Offering Name	Offering Description	Level 1	Level 2	Level 3
----------------------	-----------------------------	----------------	----------------	----------------

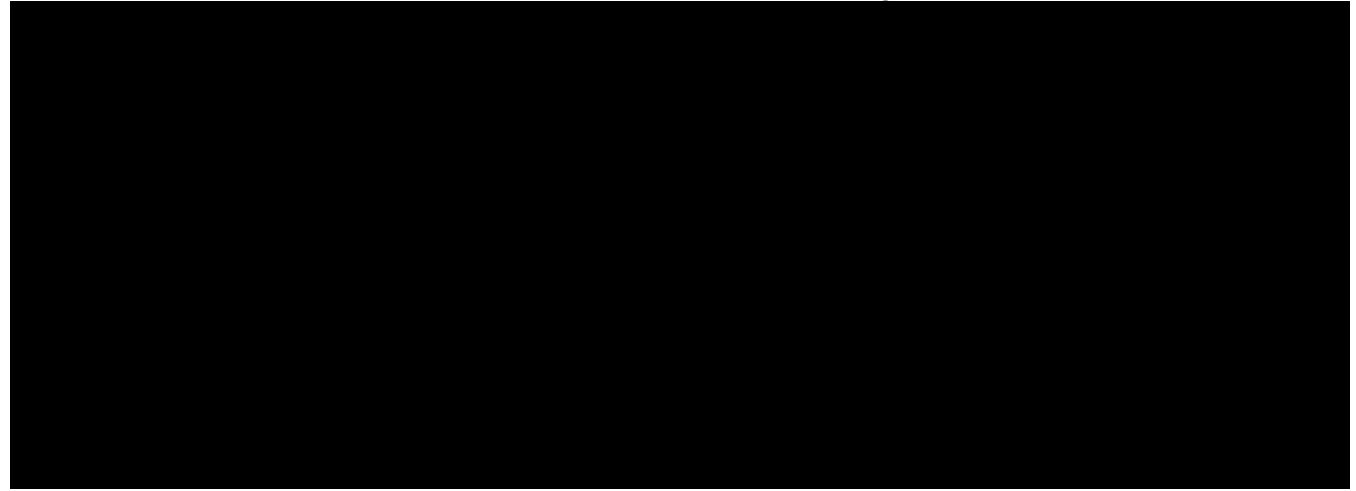


5.12 Master Agreement Price Quotation for Specialized Offering: Concept Sprint

A concept sprint is a



The price quotation for a concept sprint is based upon the following assumptions:



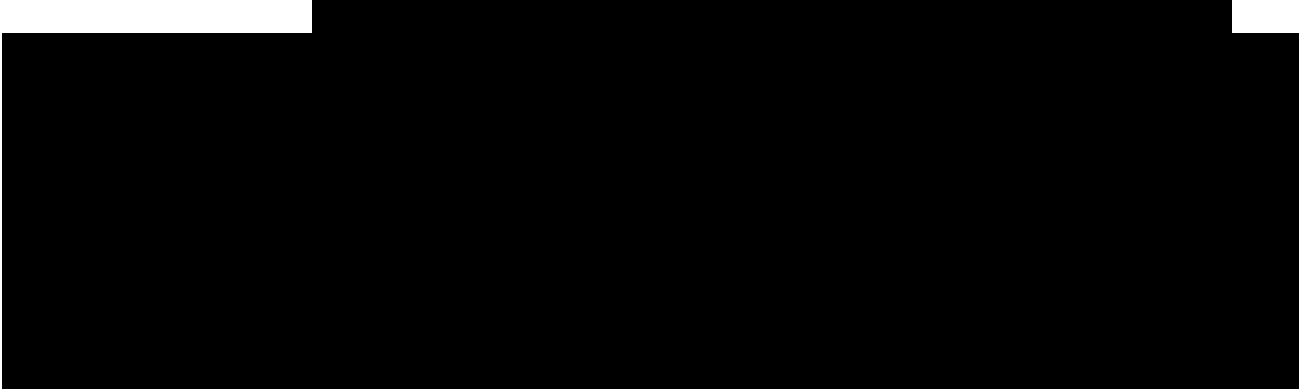
5.13 Master Agreement Price Quotation for Specialized Offering: Change Leaders@Scale

Change Leaders@Scale is an [REDACTED]

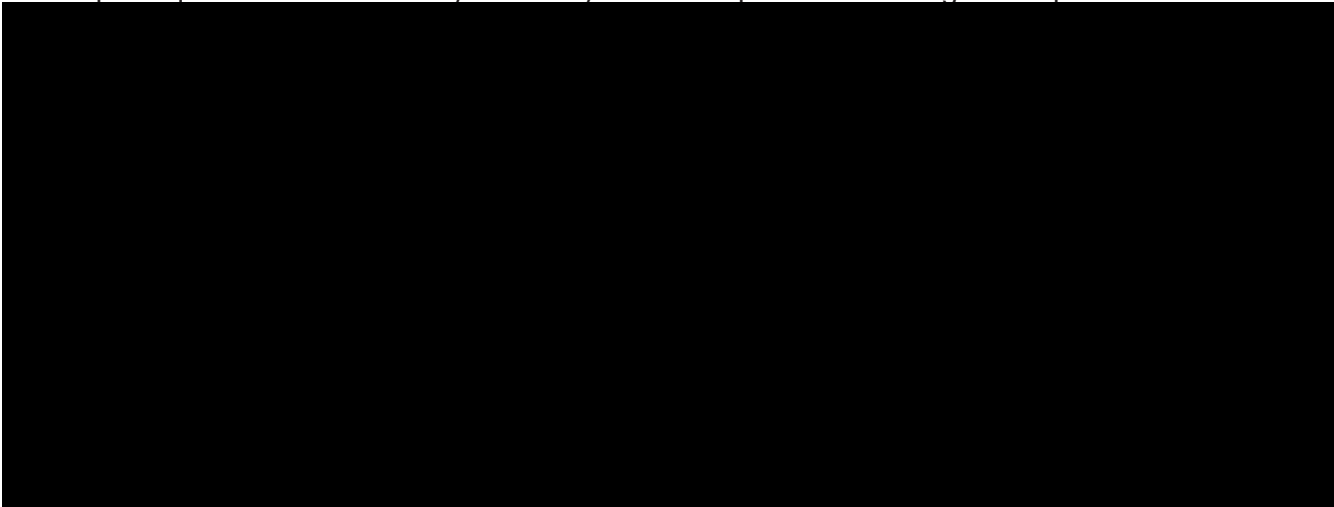
The price quotation for Change Leaders@Scale is based upon the following assumptions:

Support Model Type	Support Model Description	Year 1 NCPA Pricelist (inclusive of NCPA admin fee)*
[REDACTED]	[REDACTED]	[REDACTED]

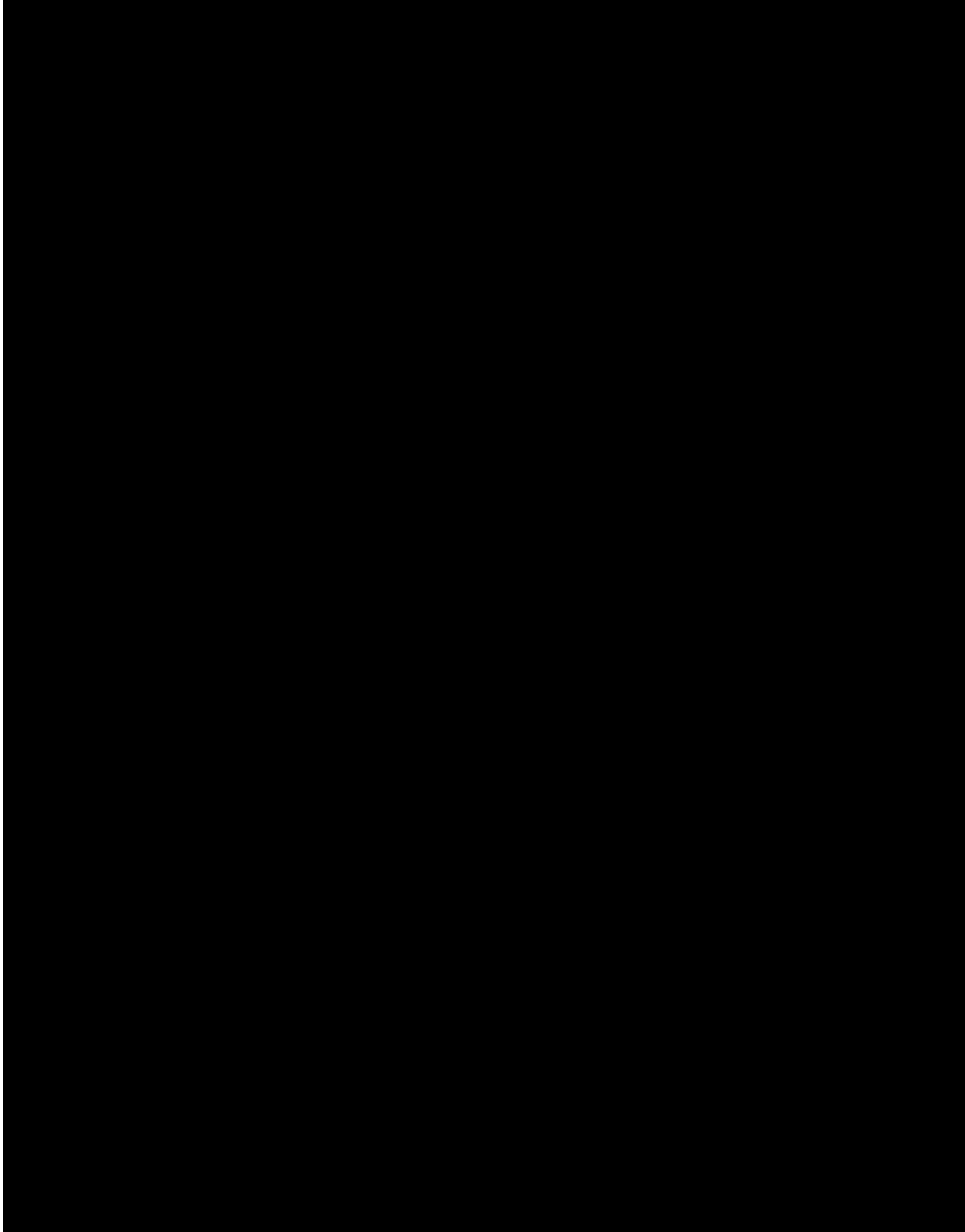
5.14 Master Agreement Price Quotation for Specialized Offering: McKinsey Academy Signature Offerings



The price quotation for McKinsey Academy is based upon the following assumptions:



Academy	Signature Program	Learning Objectives	Year 1 NCPA Pricelist (inclusive of NCPA admin fee)*
[Redacted Table Content]			

Academy	Signature Program	Learning Objectives	Year 1 NCPA Pricelist (inclusive of NCPA admin fee)*
			

Academy	Signature Program	Learning Objectives	Year 1 NCPA Pricelist (inclusive of NCPA admin fee)*

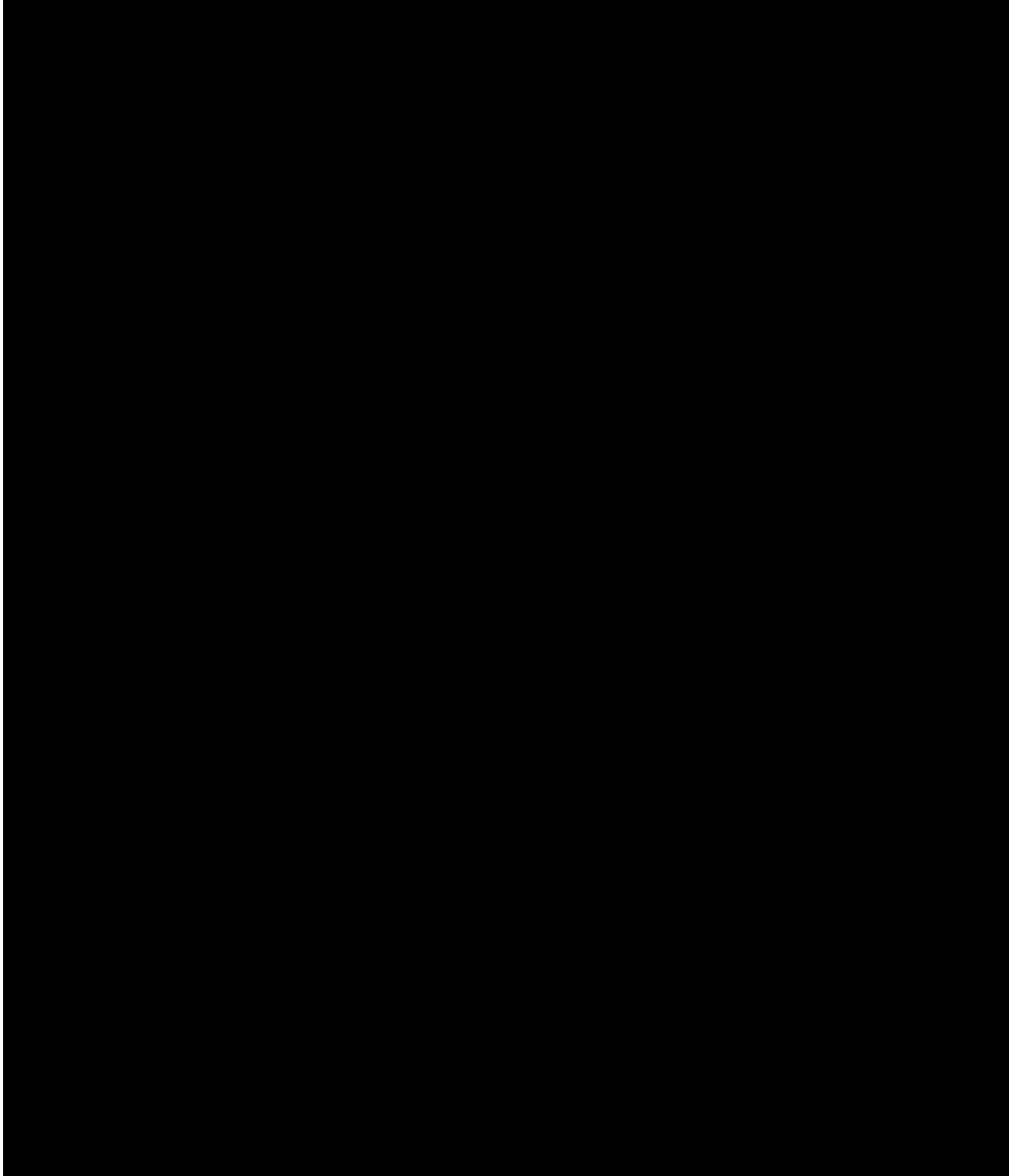
5.15 Master Agreement Price Quotation for Specialized Offering: McKinsey Transformation Independent Diligence Phase

A McKinsey Transformation Independent Diligence Phase (IDP) is



Typical outputs, phase length, and financial impact of the IDP are included in table below. The price quotation for the IDP is based upon the following assumptions:

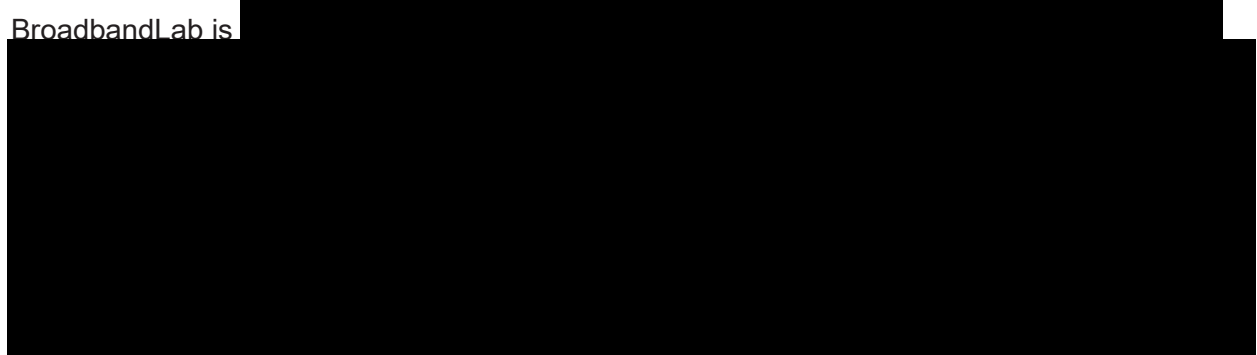


Offering	Example clients with sample complexity factors to determine size and scale of IDP	Typical duration and deliverables	Year 1 NCPA Pricelist (inclusive of NCPA admin fee)*
			

Offering	Example clients with sample complexity factors to determine size and scale of IDP	Typical duration and deliverables	Year 1 NCPA Pricelist (inclusive of NCPA admin fee)*

5.16 Master Agreement Price Quotation for Specialized Offering: Broadband Lab

Broadband Lab is



Broadband Lab Offering	Components of Offering	Year 1 NCPA Pricelist (inclusive of NCPA admin fee)
[Redacted]		

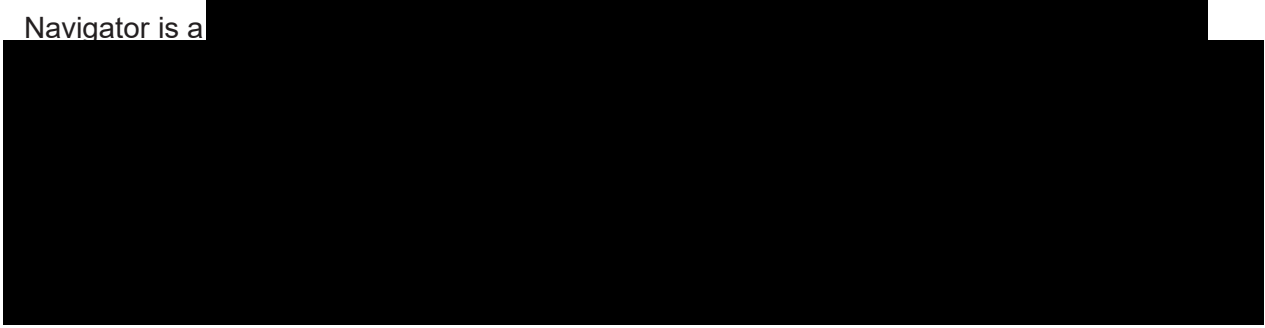
All offerings can be paired with additional value-added support, including data ingestion, analytical support, and strategic advisory support.

Example BBL Reports	Goal of Report	Example Analytics
[Redacted]		

Example BBL Reports	Goal of Report	Example Analytics
		

5.17 Master Agreement Price Quotation for Specialized Offering: BIL Navigator

Navigator is a

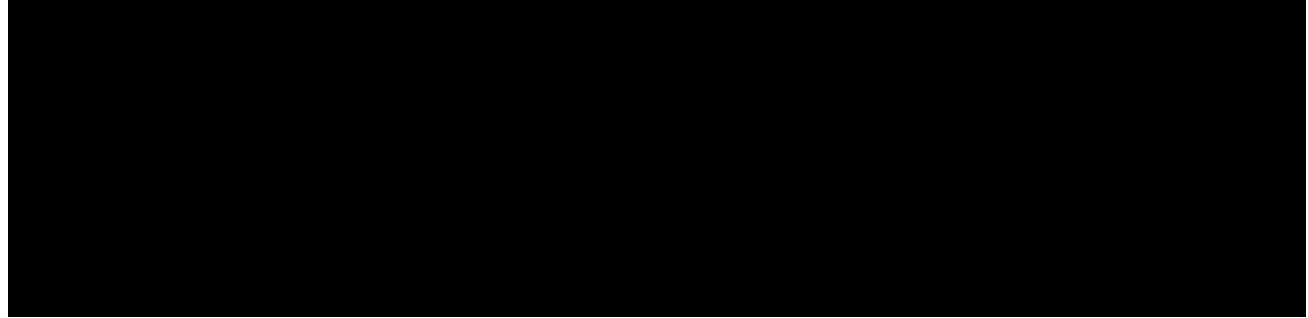


Offering	Duration and Deliverables	Year 1 NCPA Pricelist (inclusive of NCPA admin fee)
[Redacted content]		

5.18 Master Agreement Price Quotation for Specialized Offering: Economic Development Analytics

Economic Development Analytics is a suite of assets that supports three main needs: Investment attraction programs, sector development programs, and export and trade strategies.

Our assets include:



Offering	Year 1 NCPA Pricelist (inclusive of NCPA admin fee)
	

5.19 Master Agreement Price Quotation for Specialized Offering: Tax and Customs Opportunity Assessments

The Tax Opportunity Assessment is

[Redacted]

[Redacted]

Offering

Year 1 NCPA Pricelist (inclusive of NCPA admin fee)

[Redacted]

5.20 Master Agreement Price Quotation for Specialized Offering: State of the States

The State of the States specialized offering provides

[Redacted]

[Redacted]

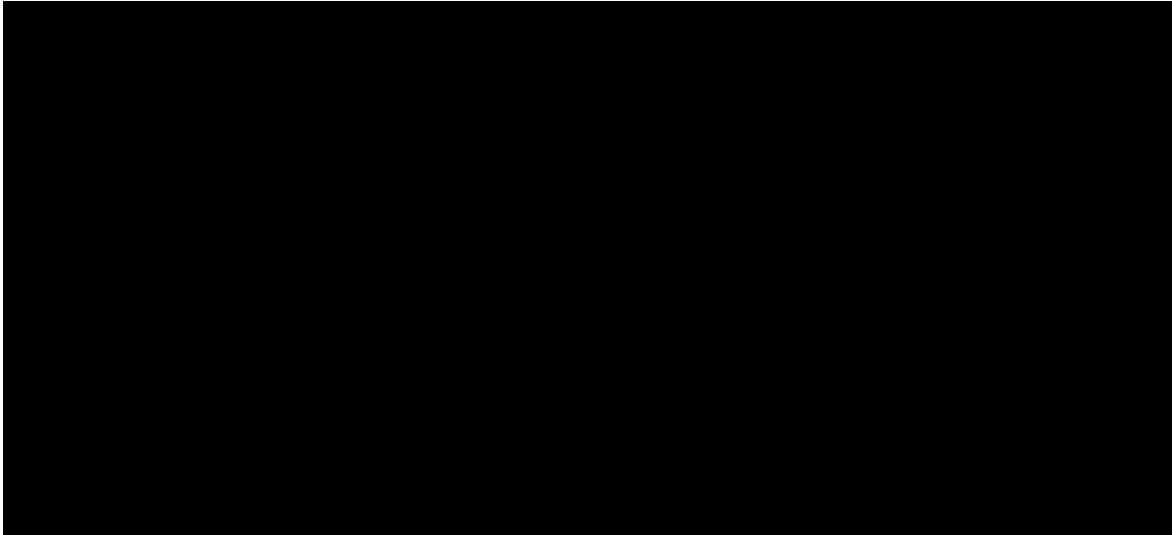
The State of the States Tool base offering can be paired with additional value-added support, including data ingestion, analytical support, and strategic advisory support.

Additional Value-Added Offerings: provided as required, and could include support such as state-specific data integration beyond what is included, ad-hoc analysis, and other support that complements the outputs of the tool.

State of the States Offering	Components of Offering	12-month Pricelist (inclusive of NCPA admin)
[Redacted]		

National Cooperative Purchasing Alliance
Strategic Management Consulting Services

Contract #: 14-14
Price Update – February 2024



5.21 [REDACTED] Price Quote

For this contract, McKinsey is partnering with [REDACTED] a women-owned small business. On specific orders, McKinsey will lead an integrated team that provides the skills needed to meet the complex requirements of those orders. [REDACTED] prices stand-alone deliverables based on scope for areas such a

[REDACTED]

The table below contains the proposed weekly rates for [REDACTED]. These rates are inclusive of travel expenses and other costs, support from their core team, including partnership for integration with prime/partner team, personalized PS, and other project support as needed, and the NCPA administrative fee. Senior experts, advisors and other specialized skill sets (e.g., writer) are available based on project-specific details.

Integrated teams	Weekly Service Price (inclusive of NCPA admin fee)*
[REDACTED]	

Flexibility in rates:


[REDACTED]

5.22 [REDACTED] Price Quote

McKinsey is partnering with [REDACTED] to leverage support on specific Participating Addendums where Indelible will serve as [REDACTED] contractor to McKinsey. On these specific orders, McKinsey will lead an integrated team that provides the skills needed to meet the complex requirements of those engagements.

[REDACTED] is a management consulting firm providing regulatory compliance, emergency [REDACTED] ment, health & human services, transportation, and technology solutions to public & private sector organizations.

The table below contains the proposed hourly rates for [REDACTED]. These rates are exclusive of travel expenses and other costs which shall be addressed [REDACTED] vidual engagements as relevant to the services being provided. Indelible is also able to convert the hourly rates into daily rates to provide additional cost certainty in the event flexibility is necessary for the engagement.



5.23 [REDACTED] Price Quote

McKinsey is partnering with [REDACTED] to leverage support on specific Participating Addendums where [REDACTED] will serve as a subcontractor to McKinsey. On these specific orders, McKinsey will lead an integrated team that provides the skills needed to meet the complex requirements of those engagements.

[REDACTED] is a strategic-advisory firm providing integrated expertise across business, finance, public policy, and engineering in the context of converging communications technologies.

The table below contains the proposed rates for [REDACTED]. These rates are inclusive of travel expenses and other costs, anything additional shall be addressed on individual engagements as relevant to the services being provided.

[REDACTED]	Offering	Offering Description	OMNIA Rate
[REDACTED]			

6.0 Validity

Pricing provided will remain valid for 120 days following proposal submission.

7.0 Assumptions

McKinsey's approach and corresponding price proposal are based on the following assumptions.

- Price quotations for specialized offerings do not include consulting services except as otherwise identified. Consulting services for the offering will be priced in accordance with the weekly team bundle rates as may be required for the specific agreed upon scope with the client.
- If McKinsey's specialized offerings are to be provided to public agencies, McKinsey assumes that the public agency will enter into reasonable negotiations for a commercial license ("Solutions Agreement") permitting the public agency to use the services and tools that constitute McKinsey's background intellectual property in the Specialized Offerings.
- McKinsey's commercial rates escalate in January of each calendar year. McKinsey estimates a 5% escalation to each bundle in each year. In the event that McKinsey's commercial rates escalate at a different rate, McKinsey's commercial weekly team bundle rates for the master agreement will escalate commensurately.
- Should client(s) request the use of hourly rates per Section 5.2, as appropriate for the bespoke engagement with the client(s), McKinsey's proposal assumptions may include but are not limited to:
 - McKinsey has proposed a total firm fixed price, comprised of estimated hours by labor category, based on its understanding of the estimated level of effort required in order to meet requirements of the RFP and any additional assumptions as stated in McKinsey's proposal. During performance, McKinsey may make changes to its staffing as far as total number of resources, labor category mix, and hours performed to successfully accomplish the statement of work. Accordingly, the estimated hours and labor categories that form the basis of estimate for McKinsey's firm-fixed price proposal are an estimation only and for the purpose of deriving a fair and reasonable total firm-fixed price.
 - McKinsey only has commercial rates available for this [Task Order, Contract, Purchase Order]. McKinsey's commercial rates are market-based rates, and they are neither based on a cost build-up nor the application of indirect costs to McKinsey's direct labor costs. McKinsey does not bid on nor perform any cost-type (or other flexibly priced) contracts. McKinsey does not have any contracts subject to FAR Part 31 cost principles or the Cost Accounting Standards, and does not have, and has never been required to provide, a CAS disclosure statement, Forward Pricing Rate Agreement or Recommendation, or rate breakdown based on costs.
 - McKinsey will invoice in accordance with the proposed invoicing schedule agreed upon with the client. McKinsey's invoices will be based upon completion of deliverables, tasks, or deliverables and not specific hours worked, or costs incurred.
- McKinsey & Company, Inc. Washington D.C. ("McKinsey DC") primarily serves public sector clients, with some social sector and commercial client work. For additional transparency, we note that McKinsey & Company, Inc. United States ("McKinsey US"), an affiliate, provides or

National Cooperative Purchasing Alliance
Strategic Management Consulting Services

Contract #: 14-14
Price Update – February 2024

has provided consulting services in the US to commercial institutions across all industries, including banking and private financial institutions, healthcare systems and services, automotive, transportation, machinery & industrial automation, engineering, construction & building materials, travel and transportation providers (including airlines, airports, logistics providers, rail, travel distribution, urban transit, parcel & express, ride sharing), technology, telecommunications & network infrastructure. McKinsey US's consulting services include analysis, advice, and implementation support across many areas of business, including marketing and commercial growth, operations, strategy, corporate finance, organization, risk, technology, transformation (including helping companies significantly change their performance trajectory by reducing costs (e.g., procurement, labor, fixed costs, and footprint) and/or driving growth (e.g., acquisitions, divestitures, new investments, and footprint), mergers & acquisitions topics and sustainability. McKinsey DC and McKinsey US do not generally hold ownership interests in their clients, but we note that other affiliates may hold ownership interests in clients across various industries. McKinsey DC recognizes that this request for proposals will result in a Master Service Agreement with no defined scope of work to be performed by McKinsey DC, so conflicts will be monitored per Participating Addendum. Please let us know if you have any questions or concerns.