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Header 2

General Information

Contact

Default Values

Discount

Document Information

Procurement Folder: 594937

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SO Dept: 0209

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Legal Name: MAXIMUS CONSULTING SVCS INC

Published Date: 7/12/19

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Close Date: 7/30/19

Total Bid: \$0.00

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Status: Closed

Response Time: 18:11

Solicitation Description: FARS Statewide Cost Allocation Plan (SWCAP) 2019-2022



Total of Header Attachments: 2

Total of All Attachments: 2

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
1	SWCAP Cost Proposal for Fiscal Year 2019	0.00000	LS	\$23,000.000000	\$0.00

Comm Code	Manufacturer	Specification	Model #
80100000			

Extended Description : SWCAP Cost Proposal (each item is an All-Inclusive Cost)

Comments: flat fee for 2019

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
2	SWCAP Cost Proposal for Fiscal Year 2020	0.00000	LS	\$23,000.000000	\$0.00

Comm Code	Manufacturer	Specification	Model #
80100000			

Extended Description : SWCAP Cost Proposal (each item is an All-Inclusive Cost)

Comments: flat annual fee 2020

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
3	SWCAP Cost Proposal for Fiscal Year 2021	0.00000	LS	\$24,000.000000	\$0.00

Comm Code	Manufacturer	Specification	Model #
80100000			

Extended Description : SWCAP Cost Proposal (each item is an All-Inclusive Cost)

Comments: flat annual fee 2021

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
4	SWCAP Cost Proposal for Fiscal Year 2022	0.00000	LS	\$24,000.000000	\$0.00

Comm Code	Manufacturer	Specification	Model #
80100000			

Extended Description : SWCAP Cost Proposal (each item is an All-Inclusive Cost)

Comments: flat annual fee 2022



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Proposal to Provide

FARS Statewide Cost Allocation Plan (SWCAP) 2019- 2022

Prepared for

State of West Virginia

Request for Quote (RFQ): FAR00000001
COST PROPOSAL

July 30, 2019
1:30 p.m.

Cost Proposal

REQUEST FOR QUOTATION
State of West Virginia – FARS SWCAP

Exhibit A: Cost Sheet

Cost information below as detailed in the Request for Quotation.

- **Cost Proposal for Fiscal Year 2019** (each item is an All-Inclusive Cost):

FY2019 SWCAP \$ 23,000

- **Cost Proposal for Fiscal Year 2020** (each item is an All-Inclusive Cost):

FY2020 SWCAP \$ 23,000

- **Cost Proposal for Fiscal Year 2021** (each item is an All-Inclusive Cost):

FY2021 SWCAP \$ 24,000

- **Cost Proposal for Fiscal Year 2022** (each item is an All-Inclusive Cost):

FY2022 SWCAP \$ 24,000

- **Grand Total of Cost Proposal for Fiscal Year 2019, 2020, 2021 and 2022:**

Total \$ 94,000



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Proposal to Provide

FARS Statewide Cost Allocation Plan (SWCAP) 2019- 2022

Prepared for

State of West Virginia

Request for Quote (RFQ): FAR000000001

TECHNICAL PROPOSAL

July 30, 2019
1:30 p.m.

July 29, 2019

Melissa Pettrey, Senior Buyer
Department of Administration, Purchasing Division
2019 Washington Street, East
Charleston, WV 25305

RE: Request for Quote (RFQ): FARS Statewide Cost Allocation Plan (SWCAP) 2019-2022

Dear Ms. Pettrey:

MAXIMUS Consulting Services, Inc. (MAXIMUS), a wholly-owned subsidiary of MAXIMUS, Inc., is pleased to present our proposal to provide professional cost allocation services to prepare the Statewide Cost Allocation Plan (SWCAP) for the State of West Virginia (State). We are confident that you will find our proposal fully compliant with the requirements outlined in the RFQ. More importantly, we believe the State will find that we have submitted a proposal that presents the very best approach to meeting your cost allocation needs in a thorough and cost-effective manner.

The State is seeking a contractor to provide cost allocation services to assist in both optimizing allowable recoveries based on the U.S. Office of Management and Budget (OMB) cost principles and developing a complete understanding of the State's indirect costs. These services will allow the State to make critical management decisions based on accurate and reliable cost data.

Furthermore, MAXIMUS submits its proposal based on certain assumptions. That is, MAXIMUS assumes that the State will negotiate in good faith certain terms and conditions upon award of the contract, and we respectfully request an opportunity to discuss and clarify contract terms and conditions as detailed in *Appendix A: Exceptions*.

As the MAXIMUS official with the power to submit this proposal, I want to express how honored we are to have this opportunity to serve the State. Should you have any questions regarding this proposal, please contact Nelson Clugston at 804.823.8131 or NelsonClugston@maximus.com.

Sincerely,

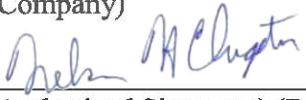


Lauren Fujioka
Sr. Director & Legal Counsel
MAXIMUS Consulting Services, Inc.

DESIGNATED CONTACT: Vendor appoints the individual identified in this Section as the Contract Administrator and the initial point of contact for matters relating to this Contract.

Nelson Clugston, Vice President
(Name, Title)
Nelson Clugston, Vice President
(Printed Name and Title)
808 Moorefield Park Drive Richmond, VA 23236
(Address)
804.823.8131 / 804.323.3536
(Phone Number) / (Fax Number)
NelsonClugston@maximus.com
(email address)

CERTIFICATION AND SIGNATURE: By signing below, or submitting documentation through wvOASIS, I certify that I have reviewed this Solicitation in its entirety; that I understand the requirements, terms and conditions, and other information contained herein; that this bid, offer or proposal constitutes an offer to the State that cannot be unilaterally withdrawn; that the product or service proposed meets the mandatory requirements contained in the Solicitation for that product or service, unless otherwise stated herein; that the Vendor accepts the terms and conditions contained in the Solicitation, unless otherwise stated herein; that I am submitting this bid, offer or proposal for review and consideration; that I am authorized by the vendor to execute and submit this bid, offer, or proposal, or any documents related thereto on vendor's behalf; that I am authorized to bind the vendor in a contractual relationship; and that to the best of my knowledge, the vendor has properly registered with any State agency that may require registration.

MAXIMUS Consulting Services, Inc.
(Company)

(Authorized Signature) (Representative Name, Title)

Nelson Clugston, Vice President
(Printed Name and Title of Authorized Representative)

7.29.19
(Date)

804.823.8131 / 804.323.3536
(Phone Number) (Fax Number)

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APPENDIX A: EXCEPTIONS

APPENDIX B: CERTIFICATES OF INSURANCE

1. Scope of Services

In today's economic environment, recovering federal money for state and local programs is a critical component of the State of West Virginia's (State's) budget process. MAXIMUS Consulting Services, Inc. (MAXIMUS)¹ understands the current Statewide Cost Allocation Plan (SWCAP) landscape as well as the recent regulation changes, and we can review your internal process with a perspective honed from years of cost allocation experience across the United States. We bring a structured methodology, state-of-the-art tools, and a financially strong corporation – with the resources to support the State in any contingency – standing behind our work. Further, our skilled and seasoned staff has years of experience working with the U.S. Department of Health and Human Services (HHS), Cost Allocation Services (CAS) negotiators and will develop defensible recommendations that can improve your process and resulting recoveries.

State governments across the U.S. spend a considerable amount of money to provide such services as accounting, auditing, facilities management, information technology (IT), purchasing, personnel, and legal to support federal grant programs. The federal government recognizes the increasing burden that federal programs place on the administrative operations of state governments and has developed a mechanism to ensure that state governments are reimbursed for a fair (proportionate) share of these costs. To ensure that all federal agencies use common procedures for determining the proper allocation of these costs, the U.S. Office of Management and Budget (OMB) outlines a specific cost methodology that state and local governments must follow in determining the administrative costs of federal programs. The OMB provides direction to state and local agencies regarding processes and procedures for allocating their administrative costs when seeking reimbursement of those costs from the federal government.

The federal government revised the guidelines for developing Cost Allocation Plans (CAPs). On December 19, 2014, OMB issued in the Code of Federal Regulations (CFR) Title 2: Grants and Agreements Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. With the issuance of Part 200 referred to as the Uniform Guidance, the former Part 225 (OMB Circular A-87) was superseded effective December 26, 2014. Specifically, the guidelines define acceptable methods of allocating costs for central service administration and indirect costs which may include central accounting services, IT services, human resources functions, and general program management and oversight. Generally, the costs of these central functions are shared by several programs, and localities must develop a CAP to show how those costs will be shared among the various programs.

The guidelines identify allowable indirect costs and policies and procedures that must be complied with in order to recover costs on federally-funded programs; and they acknowledge that the total cost of administering a program comprises allowable direct costs of the program,

¹ MAXIMUS Consulting Services, Inc., formerly known as MAXIMUS Financial Services, Inc., was established as a wholly-owned subsidiary of MAXIMUS, Inc. in 2006. At the time MAXIMUS Consulting Services, Inc. was formed, all financial services operations were transferred to this entity. The State 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 Financial Services, Inc. and MAXIMUS Consulting Services, Inc.

plus its allocable portion of allowable indirect costs. Direct costs are costs that can be specifically identified with a particular program. Indirect costs are those incurred for a common purpose benefiting more than one program, and not readily assignable to programs specifically benefited without effort disproportionate to results achieved.

1.1 Project Understanding

The State delivers a variety of services to a population of more than 1.8 million people. As such, the State administers multiple programs financed from multiple sources. The State must develop and maintain a SWCAP for the purposes of charging administrative costs to the appropriate federally-financed programs. The State's Finance Division is responsible for developing the SWCAP and its related documents on an annual basis.

HHS holds the responsibility for approving and overseeing the SWCAP process. States that have submitted plans under the OMB provisions have recovered millions of administrative dollars that are unavailable to them without an approved SWCAP.

A SWCAP comprises two sections:

- **Section I** provides an annual summary of the State's allocated indirect (overhead) costs, based on one State Fiscal Year (FY) of cost and activities. Section I is used to identify additional costs incurred in the administration of federal grants and enterprise funds.
- **Section II** identifies services that are direct billed to state agencies that may be reimbursed by the federal government. The State must provide necessary documentation to the federal government to permit approval of the state's methods used to directly bill certain costs to agencies. The objective of the Section II federal requirements is to ensure that billing rates are tied to the actual cost of providing the services.

Annually, each state is required to file a SWCAP with HHS/CAS, the cognizant Federal agency, to recover allocated (Section I) costs and reconcile over/under recovery for Direct Billed (Section II) costs. Assistant Secretary of Management and Budget (ASMB) C-10, in addition to the new Uniform Guidance, outline the requirements of these submissions which must be documented, reconciled, and negotiated. The State is seeking a contractor to prepare the SWCAP Section I and Section II Reports. In addition, the State is seeking assistance in the resulting negotiations of the Section I costs with the federal government. The allocated costs from the SWCAP will be used by West Virginia agencies as the basis for developing the Indirect Cost Rates (ICRs) that are applied to Federal grants and programs for cost reimbursement purposes.

MAXIMUS experience is unparalleled in the cost allocation services field. We bring our corporate experience and staff qualifications directly to the benefit of the State, allowing us to provide unrivaled levels of support to the State during audit. 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. The MAXIMUS project team is especially knowledgeable in the negotiation and settlement of the SWCAP Section II agreements. We have over 20 years of experience assisting states in developing cost recovery models and

helping states reduce the level of over/under charges for Section II service level reporting. We also have been actively involved in assisting states address large statewide IT consolidations.

The State is seeking a contractor to provide an annual SWCAP based on actual expenditures for the State Fiscal Year (FY) ending June 30, 2019, with an option to extend the scope of work to FYs ending June 30, 2020, 2023, and 2022 (RFQ: 4.1.1).

1.2 MAXIMUS Methodology and Tools

A cornerstone of our continued success in providing professional services to government clients is our commitment to finding innovative cost allocation techniques that can be used to optimize federal and state reimbursements. MAXIMUS employs the latest cost accounting techniques to justify user fee charges and other chargeback systems. We believe that to maintain our competitive edge and best serve our clients, we must continue to be at the forefront of innovative approaches to assist government officials with the complicated issues that they face today. As a result, our national network of practitioners is constantly researching new ways to generate greater recoveries for our clients and sharing strategies with each other to benefit our clients.

The MAXIMUS approach to cost allocation is based on the best practices learned during the past 44 years of providing government cost accounting services, including preparing more than 300 SWCAPs, as well as 12,000 CAPs at all levels of government. Our expertise and experience gained preparing SWCAPs for other state clients provides us with the knowledge and insights necessary to develop meaningful and actionable recommendations, as well as the required skills to implement and negotiate those changes.

Highlights of best practices that we use when preparing SWCAPs for our clients and that will be utilized during this engagement include:

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

MAXIMUS works very closely with HHS/CAS on behalf of numerous clients and we have satisfactorily resolved issues involving cost allocation and indirect cost claims. We have maintained historically strong relationships with federal negotiators. Furthermore, one of our project team members is a former HHS negotiator who is thoroughly familiar with and understands the OMB regulations and the current interpretation of the guidelines.

MAXIMUS has assisted thousands of state and local governments and public entities to recover millions of dollars through CAPs. We continually strive to perfect our methodology, illustrated in *Exhibit 1.2-1: MAXIMUS Cost Allocation Methodology*, to deliver the best results to our clients.

The methodology is flexible and can be customized to meet the specific needs of our clients. For this engagement, we will use this methodology as the roadmap for developing the SWCAP.

We Secure and Protect Your Data

We take very seriously our responsibility to protect your data. In many of our engagements we take custody of data that is confidential and must be secured. To protect your data we take the following steps:

- We have a full-time privacy officer who monitors our privacy and confidentiality processes and procedures.
- Our hard drives and email are encrypted.
- If a laptop is lost or stolen and someone tries to access the data, the encryption software will make the computer unusable.
- If someone is able to access the hard drive, the encryption software will wipe the hard drive clean as soon as someone attempts to access the Internet.
- Our Internet usage is monitored.
- Our data is backed up to the cloud and encrypted.

A lower-cost vendor may not be able to afford this level of security and may not take these steps to protect your sensitive data. Many of our competitors simply do not maintain an infrastructure that includes sophisticated firewalls like ours. This could result in significant hidden costs. A very real value to contracting with a large sophisticated company like MAXIMUS is that we have the infrastructure and capacity to make sure that we properly protect your valuable and sensitive data.

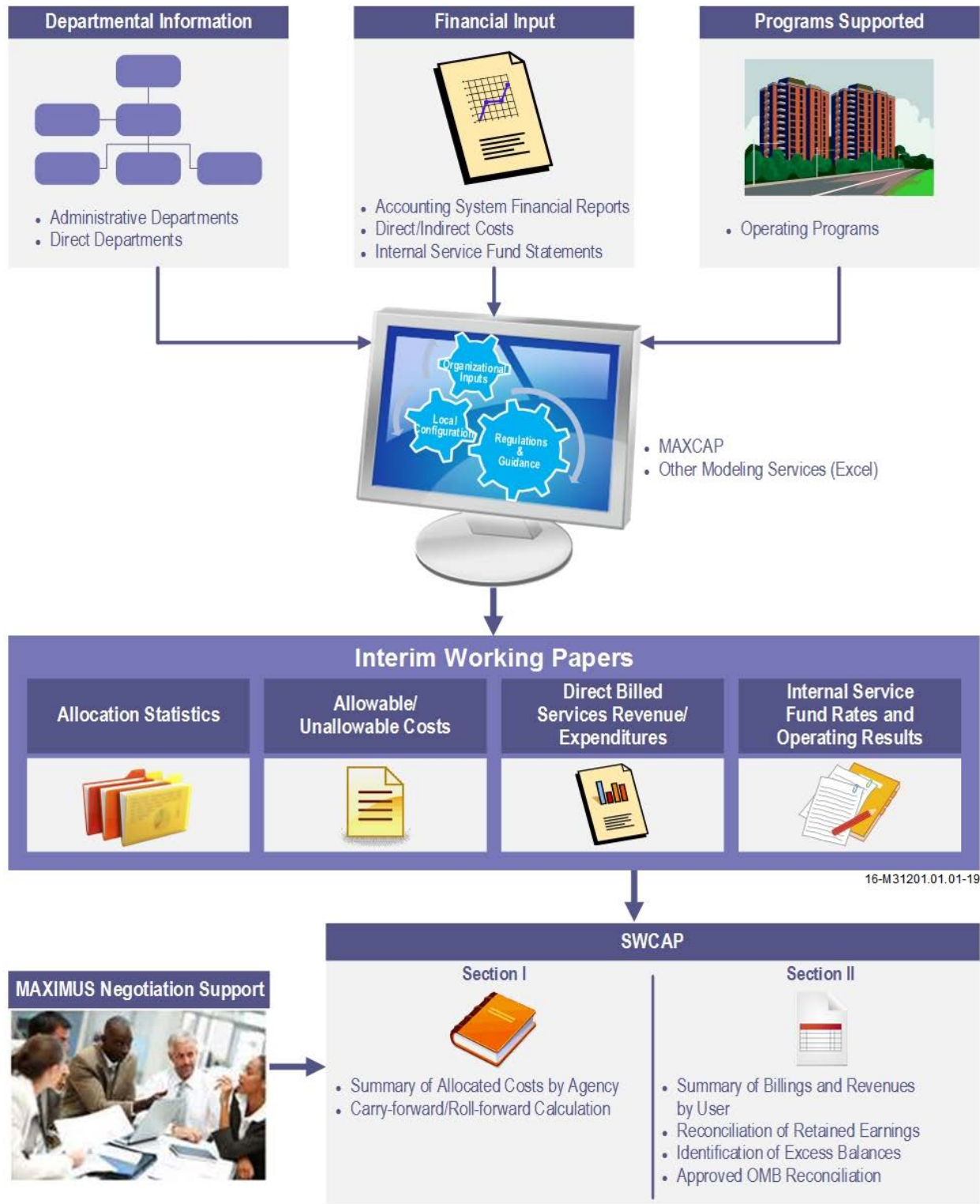


Exhibit 1.2-1: MAXIMUS Cost Allocation Methodology. MAXIMUS uses a structured approach and sophisticated tools to guide our development of the State's SWCAP.

1.2.1 MAXCAP™ Software Tool

A reliable software application is a critical component of this engagement as accurate cost allocation is the cornerstone to the State's realization of expected revenue. MAXIMUS invested company resources in developing 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. The software application needs to be designed to eliminate the guesswork that often results when spreadsheets are used to perform financial cost allocation. In order to deliver CAPs that are tailored to our clients' unique requirements and circumstances, we need a tool that is powerful enough to quickly evaluate different scenarios with multiple variables and parameters.



To ensure that we meet these criteria, MAXIMUS uses MAXCAP™, our proprietary cost allocation solution that simplifies and streamlines the process of developing CAPs and provides our clients with a CAP that is both optimized and defensible. MAXCAP is the result of more than 30 years of continuous development and refinement. 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 assess quickly the impact of changes during the negotiation process, providing the State with the mechanisms to develop viable alternatives. 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.

MAXCAP Features

MAXCAP is backed by an industry-standard relational database system making the process of exporting data simple and easy. It has strong integration with Microsoft Excel for easy and intuitive data entry and editing, and it produces crisp, easy-to-read, highly-transferrable PDF reports as output. This program is versatile enough to run both a statewide or local government CAP.

MAXCAP offers significant advantages over a spreadsheet application such as Excel:

- With MAXCAP, there is no guessing at formulas and links between formulas; linked formulas do not get lost in extensive calculations between cells.
- Multiple “step-downs” that redirect costs allocated to administrative units onward to direct service units are routine; in Excel, this is difficult. **Many vendors that use Excel only perform only a single step-down.**

- MAXCAP provides a clear paper trail of documentation and narratives for auditors.
- As a database, MAXCAP maintains multiple models so that year-to-year comparisons and trends can be analyzed.

MAXCAP comes with a spreadsheet interface for easy importing and editing of financial data which allows us to quickly and easily use the State's data without any timely conversion process. This interface can be used with standard cut and paste functions for editing and quick importing. The interface can also be used to design import templates for large volumes of data. Further, MAXCAP produces reports in Excel and PDF format, making it fully available and useable by all appropriate government personnel.

In addition, MAXCAP comes with more than 40 standard reports. Among the many standard reports are comparative reports which provide for the comparison of up to four separate CAPs for several attributes, including allocated costs, detailed allocated costs, pre-allocated expenses, and allocation statistics. These reports are pivotal as management tools in reviewing the CAPs and verifying the consistency and quality of the results. Additional custom reports can be developed with standard query editors.

Our software has been successfully used to develop more than 12,000 cost plans for more than 4,000 governmental clients throughout the United States.

Double Step-Down Cost Methodology

MAXIMUS applies a double step-down methodology in its cost allocation procedures. Our proprietary software is the tool with which the step-down methodology is accomplished. 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 departments receives from another.

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

Similarly, Accounting provides services to Purchasing. If Accounting allocates its costs after Purchasing allocates its costs using a single step-down, then the costs that are attributable to the services provided to Purchasing will be prorated to the other departments served by Accounting. Again this method can allocate costs to departments disproportionate to the benefit received from those costs.

The double step-down methodology is supported by the federal cost principles consistency of allocation requirement and has for over thirty years been widely accepted by federal cognizant agencies.

1.3 MAXIMUS Project Approach

To successfully prepare the required deliverables for the State, a structured approach is necessary to ensure that every aspect and complexity of the plan is satisfactorily addressed, completed in a methodical and quality manner, compliant with all relevant federal and state regulations, and defensible with federal negotiators. To meet the State's requirements, we have defined our work through a series of tasks, described in the following subsections.

Task 1 – Initiate 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 conduct a kickoff meeting with key stakeholders to enable us to solidify a partnership around the project, gain commitment to a common objective, gauge expectations of various participants, and gain input for our work. Given MAXIMUS prior experience developing the State's SWCAP, we anticipate a smooth transition of duties from the previous vendor to our Project Team. During the kickoff, we will discuss our overall Project Management Plan (PMP) for development of the SWCAP and present the State with a list of data requirements necessary to complete the work.
- **Step 2: Update Project Schedule.** After the kickoff meeting, based on your feedback, we will document any agreements as well as the finalized project schedule.
- **Step 3: Create Project Repository.** During this task, we will also create a centralized repository for all completed work related to the engagement. Work papers created during the course of the contract will be filed in this repository, facilitating an audit trail for work performed.

At the beginning of each contract year, we will repeat this task to discuss any changes to our approach and to verify that expectations have not changed.

Task 2 – Gather Financial Information

In order to provide meaningful results, we must first gain understanding of the State's operations for the year under review, including accounting and cost systems, and financial records (RFQ: 4.1.2). We will work with the Finance Division to determine the relevant documentation and coordinate these efforts. MAXIMUS will provide guidance to the State 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 State to perform the work. To accomplish this task, we will conduct the following steps:

- **Step 1: Develop information requirements.** At the outset, we will prepare an initial list of expected information needs. As necessary, we will schedule a review to discuss the initial information requests and develop agreed upon data gathering methods as well as a schedule. This process will not only reduce the burden on State personnel, but will also help to ensure that the information provided is at the required level of detail. Follow-up data gathering activities may be required. If it becomes necessary, we will document any such additional needs and schedule a review to discuss with the State (RFQ: 4.1.2).
- **Step 2: Gather available financial information.** The data gathered from the State agencies may either be in electronic or hard copy format. During the planning phase discussed in *Task 1- Initiate Project*, we will work with all parties to determine the appropriate format for their data. We will use our proprietary MAXCAP software to support the data gathering and analysis. For more information about MAXCAP, please refer to *Section 1.2.1: MAXCAP™ Software Tool*. Once the information has been received, we will consult with the appropriate State staff to confirm that the information is what was requested, as well as accurate and complete. If necessary, we will follow-up with the State to obtain additional information (RFQ: 4.1.2). The following is a list of the financial information that we plan to collect:
 - Allocation statistics
 - Fixed asset depreciation schedules
 - Audit reports and correspondence
 - Organization charts
 - Financial reports from the statewide accounting system
 - Annual billings for all direct billed services

We will work with the State to determine any additional information necessary to perform a complete review (RFQ: 4.1.2).

Task 3 – Review Collected Financial Information

During this task, we will review the information collected during *Task 2* with an eye toward completeness and compliance with recently implemented modifications, as well as changes in regulations (Uniform Guidance). To accomplish this task, we will conduct the following steps:

- **Step 1: Verify that previous year's CAS-negotiated modifications have been implemented.** We will review the correspondence from the previous year or most current negotiations to determine if there were any required changes to the State's SWCAP methodology. If applicable, we will review the current year's SWCAP methodology to verify that these changes were implemented. This may involve interviews with relevant State personnel as well as documentation review (RFQ: 4.1.3).
- **Step 2: Verify previous year's single audit modifications have been implemented.** As in the first activity of this task, if any methodology modifications were identified during the

previous fiscal year's single audit, we will verify that these changes have been implemented. This may involve interviews with State personnel as well as documentation review.

- **Step 3: Determine Uniform Guidance impact on State's SWCAP.** As the Uniform Guidance will affect the work we do for all of our cost allocation clients, we have been proactive in analyzing the effects of the CAS negotiator's interpretation of these regulations. We will review the State's SWCAP to determine the specific impacts on the development of the plans.

Task 4 - Analyze Expenditures and Classify Costs

During this task, we will use the information gathered during *Task 3 - Review Collected Financial Information* to gain a complete understanding of your organizational structure, as well as to identify non-departmental cost centers. This allows us to determine whether costs have been correctly categorized and assigned. This task includes reviewing source documents and may require follow-up interviews with State staff for the purposes of clarification. To accomplish this task, we will conduct the following steps:

- **Step 1: Review and classify all Department units and associated costs.** Since the costs of certain activities, such as legislative costs, are not allowable for recovery of federal grants, this is a critical step during the development of the SWCAP. After updating the latest organization charts, we will classify all organizational units as indirect (overhead) units or direct units. The direct units (Agencies) are the defined "final cost objectives" that will receive the allocated indirect costs. This process is required to determine which overhead costs should be identified for inclusion in the allocable indirect cost pools. We will group the State's organizational accounts into the indirect and direct cost pools. We will use OMB regulations as a guide in determining allocable activities.
- **Step 2: Inventory State, Federal, and Internal Service Funds.** All funds will be analyzed with an eye toward identifying those that qualify for inclusion in SWCAP Section I or require specific reporting under Section II. We will focus on efficient recovery efforts that will yield the State enhanced allowable recoveries. This may involve conducting a review of programs and federal funds being received by the State, especially those that may reimburse indirect costs.
- **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, payroll and personnel administration, and purchasing. This classification will allow us to review the SWCAP to uncover any missing or incorrectly identified administrative costs.

Task 5 - Analyze Cost Allocation Processes

An annual review and analysis of allocation statistics (bases) collected for the SWCAP is critical to help ensure that administrative costs are allocated fairly and accurately to benefiting departments and services. While the OMB regulations provide some leeway in selecting allocation bases, they must be defensible during negotiations with CAS. During this task, we will

review the structure of the SWCAP and the statistical bases. To accomplish this task, we will conduct the following steps:

- **Step 1: Determine the indirect cost pools and allocation statistics.** Based on the information gathered during *Task 3 – Review Collected Financial Information*, we will conduct a detailed analysis of the indirect pools to be allocated. The services that are provided by each overhead unit must be measurable in specific units of service. For example, a payroll section provides payroll services to all other State departments. Therefore, the number of employees in each State department could be an allocation basis used to allocate the cost of payroll services.
- **Step 2: Eliminate unallowable costs and determine cost allocation adjustments.** We will review the SWCAP and confirm that the State has excluded all unallowable costs (such as capital outlays and costs related to legislative activities). We will also determine if any allowable costs should be included in the report such as depreciation expense and other costs not shown on the financials.
- **Step 3: Document changes in cost allocations.** For each change in allocation of cost or determination of costs, the impact of each change will be fully documented in a separate report for the Department's review and approval.

Task 6 – Prepare a Draft SWCAP Section I Report

In this task, we will prepare the draft SWCAP Section I Report. For each State agency that receives services from Statewide central service agencies, we will summarize costs. The SWCAP Section I document will include a narrative description of all functions, activities, and allocation bases, including any alternative allocation methods. We will conduct a thorough internal Quality Assurance (QA) review cycle before submitting our deliverable to the State. This will include a peer review by the team, followed by independent quality reviews by both the Project Manager and Project Director. This multi-level review helps to ensure a quality deliverable that meets the State's objectives.

Task 7 – Prepare Fixed Cost Summary Schedule

We will produce a Fixed Cost Summary Schedule that, when approved by HHS, is disseminated to the appropriate State agencies. To accomplish this task, we will conduct the followings steps:

- **Step 1: Summarize the carry-forward computation.** One major component of this schedule is the carry-forward computation. We will prepare a report summarizing the roll-forward calculations on a service-by-service basis for each State agency (RFQ: 4.1.7).
- **Step 2: Summarize proposed fixed cost allocations.** We will also prepare a report summarizing the proposed fixed allocations for each State agency, including carry-forwards, to be submitted to the federal government (RFQ: 4.1.8).
- **Step 3: Develop projection of next FY allocated central services cost.** Section I Plans must include a projection of the next FY's allocated central services cost. This projection is usually based on the actual costs of the most recently completed year. Plans must also include a reconciliation of actual allocated central service costs to the estimated costs used for the most recently completed year. The reconciliation differences are rolled forward to the

projected plan year. For example, in the first year of this engagement, the actual statewide indirect costs from FY 2019 will be analyzed. Added to the resulting amounts for each agency is the roll-forward, calculated as the difference between the allocated costs from the current FY 2019 costs and the allocated costs from two years' prior – FY 2017 costs. These differences are computed and carried forward to the FY 2021 fixed costs amounts.

Task 8 – Review Draft Section I SWCAP Report with the State

MAXIMUS will review the draft materials with the State and assess for completeness, accuracy, and consistency (RFQ: 4.1.2). This ensures that all necessary issues are addressed in the SWCAP, all questions are answered, and that the SWCAP Section I ultimately delivered addresses federal reporting requirements.

Task 9 – Finalize and Submit SWCAP Section I Report

Once draft documentation has been reviewed and discussed with State representatives, we will incorporate comments and prepare final copies. Following an internal QA review, we will provide presentation ready copies as well as all supporting documentation that may be required for audit or negotiation purposes (RFQ: 4.1.6). To accomplish this task, we will conduct the following steps:

- **Step 1: Document Section I in a formal report.** We will document the Section I materials in formal reports for submission to HHS. The MAXCAP detail schedules provide cost information for each allocated central service. The detail schedules for each central service department include:
 - A schedule of the costs to be allocated, including adjustments and cross-allocated indirect costs
 - A schedule of activities (functions) and the distribution of the costs to the various functions prior to the allocation. The schedule also provides for a reallocation of the general administrative function, and identifies specific costs or functions that are unallowable or are otherwise not allocated.
 - An allocation schedule for each of the allocated functions. The schedule briefly describes the chosen allocation statistic and shows the detail allocation of the functional costs to each department/agency.
 - A final summary schedule of the costs for each central service

The MAXCAP software also produces a number of summary schedules, which typically include:

- **Schedule A:** The final summary of allocated costs by department
- **Schedule C:** The Summary of Allocated Expenses, which shows the expenses included within the Plan for each central service and any associated cost adjustments or disallowances. This schedule also delineates the total allocated costs to each department/agency.
- **Schedule E:** The Summary of Allocation Basis, which shows the chosen allocation statistics used in the allocation of costs

- **Schedule H:** The Summary of Fixed Costs, which shows the total allocated costs by department inclusive of all roll-forward adjustments
- **Step 2: Prepare analysis comparing indirect cost to prior FY indirect cost.** After the SWCAP Section I Report is complete, MAXIMUS will prepare a written analysis comparing the amount of the indirect cost of the FY19 plan to the allocated amounts in the plan for the prior fiscal year, explaining in detail the reasons by agency for any significant differences. This analysis will assist State staff with explaining variances to the receiving State agencies.

We will deliver associated work papers, and one electronic and three hard copies of each plan to the agency for each Fiscal Year throughout the contract.

Task 10 – Analyze Section II Special Reporting Requirements

During this task, we will focus on the special reporting requirements for direct billed services. HHS/CAS has increased its level of review for direct billed services as states decrease their Section I allocated costs and increase their direct billings to agencies. Our proposed project team has extensive experience in negotiating paybacks for the federal portion of excess Uniform Guidance Retained Earnings balance and will incorporate contractually required data for Section II costs into the Uniform Guidance document filing with the cognizant federal agency. We will analyze the financial reports to determine if the State is at risk for developing excess OMB balances in its billed services and offer solutions that have been effective for other states in reducing or eliminating federal paybacks. To accomplish this task, we will conduct the following steps:

- **Step 1: Determine if billed services are reporting at the Fund or Service level.** For Funds with operating budgets of more than \$5 million, HHS/CAS has required many states to develop reconciliation schedules for each billing rate or service reporting category. This is required because an overall fund level report may not be appropriate as excess charges may occur in one billed service but undercharges may occur in other billed services. In addition, various users do not utilize each billed service to the same extent. In this initial activity, we will review the reporting level for billed services in the State's Section II report. During our review, we will identify the services that have large excess or negative OMB retained earnings balances.
- **Step 2: Review the operating schedules for each billed service.** For each billed service, we will review the operating reports for the most recent FY. We will review the revenues (actual and imputed); expenses (allowable, unallowable, and allocated); working capital reserve; contributed capital; and the retained earnings balance. We will assess the cost allocation models in use for each billed service to determine if the operating results are misrepresenting each service level's profit or loss. MAXIMUS will prepare any additional schedules that are required to track fund balances and compile the schedules into a Uniform Guidance-compliant Section II report.
- **Step 3: Review and assess previous Section II negotiated settlements.** We will review any recent Section II negotiated settlements to assess if the methods utilized by the State and CAS were fair and equitable. Using our experience in negotiating settlements for other states, we will evaluate and offer suggestions for the State to use in future negotiations. Our

extensive experience negotiating Section II settlements with the various CAS regions allows us to propose methods that may have been accepted in other regions that could save the State significant payback amounts in the future.

Task 11 - Prepare Section II Reports and Supporting Schedules

During this task, we will focus on preparing the Section II Uniform Guidance reports and supporting schedules for submission to the cognizant agency. We will prepare and reconcile the information necessary for submission of data and reconciliation of Section II costs in accordance with 2 CFR Part 200 and the prior year's indirect cost rate agreements. To accomplish this task, we will conduct the following steps:

- **Step 1: Prepare Draft SWCAP Section II.** We will prepare draft Section II reports and their supporting schedules for FY2019 and subsequent FYs. This step involves gathering the financial information in the steps above and preparing reconciliations (RFQ: 4.1.4). Listed below are the SWCAP reporting requirements for all billed service funds with an operating budget of \$5 million or more, as outlined in the Uniform Guidance:
 - Brief description of each service
 - Balance sheet for each fund based on individual accounts contained in the governmental unit's accounting system
 - Revenue/expense statement with revenues broken out by source
 - List of non-operating transfers (as defined by GAAP) into and out of the fund
 - Description of the methodology used to charge the costs of each service to users, including how billing rates are determined
 - Schedule of current rates
 - Schedule comparing total revenues (including imputed revenues) generated by the service to the allowable costs of the service under OMB regulations, with an explanation of how variances will be handled

We will conduct a thorough internal QA review cycle to ensure these requirements are met before submitting a deliverable to the State.

- **Step 2: Review Draft SWCAP Section II Reports with Finance Division** MAXIMUS will review the draft materials with the State and assess for completeness, accuracy, and consistency. This confirms that all necessary issues are addressed in the SWCAP Section II Reports, all questions are answered, and the SWCAP Section II Reports ultimately delivered address federal reporting requirements.
- **Step 3: Assess potential federal payback/review impact with management.** During this step, we will review the results of reconciliations that identify each service with a balance in excess of the 60-day working capital allowance. We will use this report and the summary of agency billings by service to assess any potential Federal Payback requirements. We will also assess alternative strategies to avoid/minimize potential federal paybacks.
- **Step 4: Finalize SWCAP Section II report.** Once draft documentation has been reviewed and discussed with State representatives, we will incorporate comments and prepare final

copies. Following an internal QA review, we will provide presentation ready copies as well as all supporting documentation that may be required for audit or negotiation purposes.

Task 12 - Assist State in Negotiating SWCAP with Federal Government

After federal negotiators have reviewed the submitted SWCAP, negotiations on certain classifications of costs may be required. MAXIMUS will act as your advocate to secure the fairest plan to all concerned, consistent with the principles defined in the Uniform Guidance (RFQ: 4.1.5).

Upon notice of federal audit, MAXIMUS shall make work papers and other records available to auditors. Our responsibility under audit shall be to provide audit assistance to the State and to make those changes to the work product as required as a result of an audit. It is understood that MAXIMUS shall not be liable for any audit disallowances or any missed or lost revenue associated with provided services. In the course of auditing, the federal auditor may conclude that:

- **An expense is ineligible for reimbursement.** The State, with MAXIMUS assistance, may then be able to appeal the finding.
- **An expense is not documented with sufficient detail to prove that it is eligible for reimbursement.** The State, with MAXIMUS assistance, may then submit the documentation, which, if adequate, should overcome the initial finding.
- **There is a mathematical error in the calculation.** In this case, MAXIMUS will correct the calculation and resubmit the report.

In rare circumstances, such an audit may result in the disallowance of funding or, if the funding has already been disbursed, a request to return such funds obtained through federal recoveries (usually in the form of a future claim reduction). If there are costs questioned by federal negotiators, we will conduct the following steps (RFQ: 4.1.19):

- **Step 1: Meet with the State to review the federal agency's position and concerns.** To begin, we will review the correspondence between the negotiating agency and the State to understand the issues and concerns. This will form the basis for our subsequent research and appeal arguments.
- **Step 2: Research appropriate federal regulations and OMB guidance.** We will review current regulations and guidance specific to the expressed concerns being negotiated to understand the issues raised and to identify appropriate responses to those issues for the negotiations.
- **Step 3: Research similar appeals of cost allocations.** In concert with our research on federal regulations, we will also research appeals case history to identify situations that are similar to the issue at hand. We will identify precedents that may be appropriate to the negotiation.
- **Step 4: Prepare a negotiation strategy and review it with the State.** Based on our analysis, we will develop a strategy for approaching negotiations; identifying our logic, appropriate guidance, and associated precedence. We will review this strategy with the State and adjust, where necessary, based on the discussion.

- **Step 5: Finalize the strategy and prepare draft language for the negotiation.** We will assist the State in developing language for inclusion in the State’s response to the federal entity during negotiation that defines our position regarding the claimed costs.
- **Step 6: Provide functional and technical expertise to the State’s negotiating team.** We will continue to support the negotiation by furnishing functional and technical expertise, as required, throughout the process. When necessary, we will provide the State with written documentation to use in the negotiation process.

1.4 Project Management

The success of our engagement for the State is dependent not only on our ability to identify and resolve issues and mitigate risks, both during and subsequent to the development of the SWCAP, but also on our ability to successfully manage the project to ensure punctual, high-quality deliverables and results. This includes coordinating the work of a multi-disciplinary team; collaborating with the State’s relevant divisions/offices; leveraging MAXIMUS corporate tools, technologies, and methodologies to support our activities; and managing our tasks to our proposed schedule and budget while at the same time, delivering products of superior quality. To that end, we incorporate into our projects the principles of project management and quality assurance that are proven success factors in leading a project to its successful conclusion.

We manage our 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 our extensive experience managing both large and small engagements for a wide array of federal, state, and local government clients, MAXIMUS has crafted a unique, successful project management approach, which covers the entirety of a project, from project initiation to closeout, proactively working toward on-schedule, high-quality products. The approach incorporates the practices described in *Exhibit 1.4-1: MAXIMUS Project Management Practices* and helps to ensure that activities related to the CAP occur as scheduled, risks are averted or managed to reduce their impact, 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"> ■ SWCAP 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 State 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 State and MAXIMUS Documentation procedures ensure agreement on meeting proceedings and follow-up action items
Risk Management	<ul style="list-style-type: none"> Risk Management Plan defines the process for addressing varying levels and types of risk items Risk mitigation is tracked to support management of identified project risks

Exhibit 1.4-1: 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.*

1.5 Quality Assurance

We apply our MAX-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 help ensure that the conduct of each task is consistent, comprehensive, and in compliance with the scope of the contract.

For example, all deliverables are passed through an internal review process before they are submitted in draft format to the State. Further, we employ a series of guidelines for quality reviews throughout our company for each engagement, no matter how large or small, as illustrated in *Exhibit 1.5-1: MAXIMUS Levels of Quality Review*.

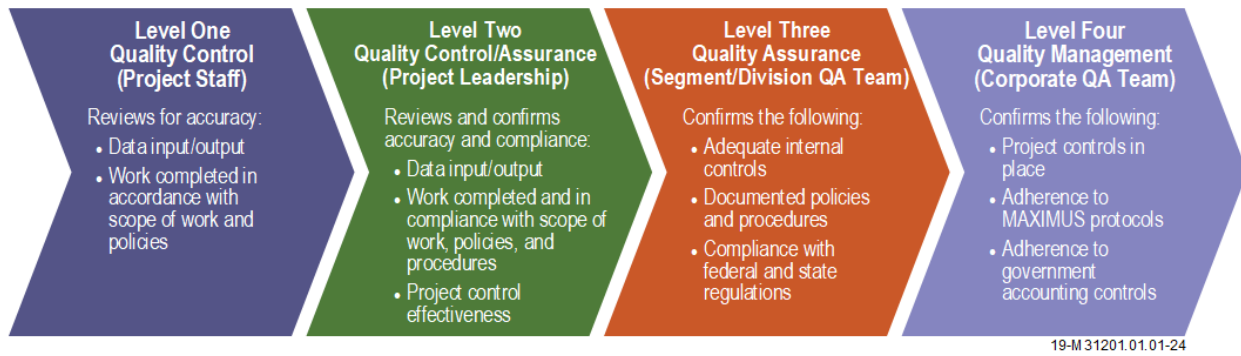


Exhibit 1.5-1: MAXIMUS Levels of Quality Review. To promote across-the-board quality on all of our contracts, corporate guidelines define the levels of quality reviews to be carried out.

1.6 Project Schedule

As the State evaluates potential partners to prepare its SWCAP, you must consider your contractor’s ability to manage both resources and the schedule should be a critical evaluation factor. MAXIMUS is prepared to deliver those 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 thousands of similar SWCAPS for state governments over the past four decades.

The Project Schedule illustrates how MAXIMUS services will be finalized and delivered by the MAXIMUS Team. *Exhibit 1.6-1: MAXIMUS Work Plan* presents a preliminary Project Gantt Chart including a detailed project Work Breakdown Structure (WBS) and schedule (in Microsoft Project format) for the SWCAP during the first year of the contract. The schedule 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 State’s requirements.

We are available to begin our fieldwork for this engagement within four weeks of your authorization to proceed and mutually successful contract negotiations. All services, with the exception of those related to negotiations or audit defense of the SWCAP, should be completed within an eight-week period. The project start date is contingent upon when the State decides to award the contract, and any subsequent negotiations that occur. Additionally, the schedule is dependent upon the prompt availability of data and the cooperation of State personnel.

Please note that the schedule for *Task 6: Defend OMB CAP* is dependent upon the State and federal review cycle, if applicable, and is not depicted in the preliminary timeline with assigned dates.

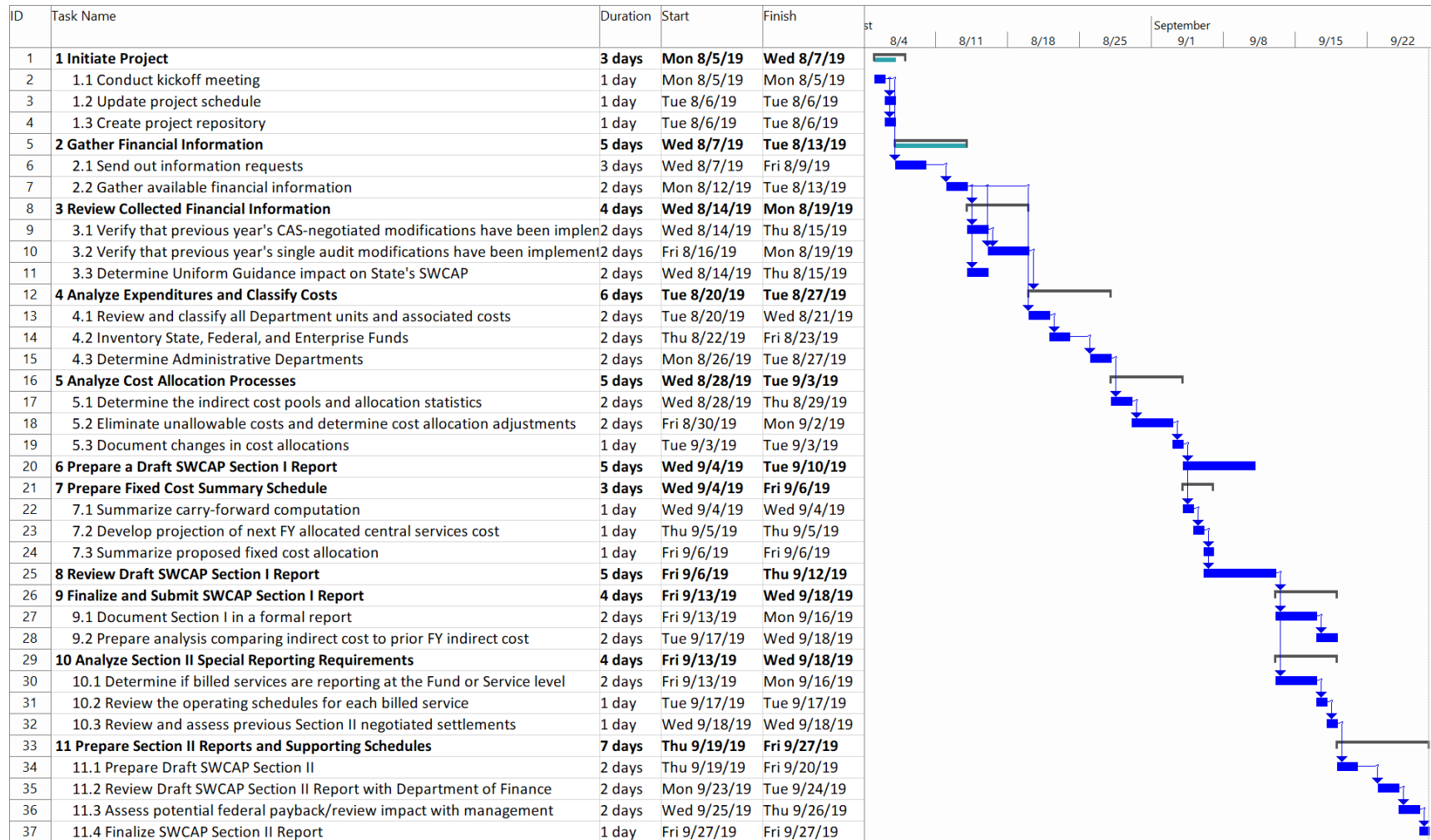


Exhibit 1.6-1: MAXIMUS Work Plan. MAXIMUS has a detailed delivery plan to meet State's requirements.

2. Company Overview and Experience

For over four decades, cost accounting of government services has been a principal line of business for MAXIMUS Consulting Services, Inc. (MAXIMUS). We offer the State of West Virginia (State) both a national perspective and in-depth knowledge of West Virginia 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, financially stable company, deep bench of resources, and successful history of working with the State makes MAXIMUS the best choice for this engagement.

MAXIMUS is pleased to present this proposal to provide statewide cost allocation plan (SWCAP) services for the State. We know how important it is for you to have reliable cost information in order to make critical management decisions for administering your programs. We bring you a strong team with extensive experience working through the cost allocation processes not only in West Virginia but in many other states across the country.

- As will be demonstrated in this proposal, MAXIMUS possesses all of the attributes important to the State in its SWCAP Contractor, including:
- A proven methodology for performing this work that is tailored to the needs of the State
- A successful history and experience record providing services of comparable scope and complexity
- Project references that 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 State has a financially sound partner in this effort

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 successfully prepared the West Virginia 2014-2018 based SWCAPs.
- MAXIMUS has developed CAPs for multiple state and local governments across 44 states and the District of Columbia, including SWCAPs for 32 states, with no significant disallowances.
- More than 90% of our Cost Allocation Plan (CAP) service clients renew with us year after year, we have worked with many of our clients for more than 20 years.

In the following sections, we address the Request for Quotation (RFQ) Primary Contact requirement and respond to the *Exhibit B: Vendor Response Sheet*, as well as provide further evidence of our qualifications and experience performing the requested services.

2.1 Corporate Background

MAXIMUS, Inc., our parent company, provides services to federal, state, and local government agencies across all 50 states, Canada, the United Kingdom, and Australia with a variety of administrative support and case management services for Child Support Enforcement (CSE),

welfare-to-work programs, Children’s Health Insurance Program (CHIP), Medicaid, Integrated Eligibility, as well as other program support. Our services include:

- Program consulting services including cost allocation services, Independent Verification and Validation (IV&V)/Quality Assurance (QA), and repeatable management services
- Business Process Reengineering (BPR) and program and project management
- Call Center support for various health and human services programs
- Comprehensive welfare-to-work services to help disadvantaged individuals transition from government assistance programs to sustainable employment and economic independence
- Full and specialized child support case management services, customer contact center operations, and program and systems consulting services

The firm’s corporate structure allows the State the advantages that come with our vast array of experience across our core health and human services business lines. Every aspect of our corporate organization — including substantial corporate personnel, financial, quality and risk management, human capital, and administrative resources — supports the projects we operate. This allows us to focus on quality and best practices for the type of opportunities we seek, constantly monitoring our current projects to anticipate needs and helping projects meet the expectations of our clients. Our ability to draw on company-wide expertise and knowledge results in better project outcomes and reduced risk for our clients.

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 \$2.4 billion (as of September 30, 2018), representing approximately 3,500 contracts. During our 44-year history, we have experienced steady growth and workforce expansion as demonstrated in *Exhibit 2.1-1*:

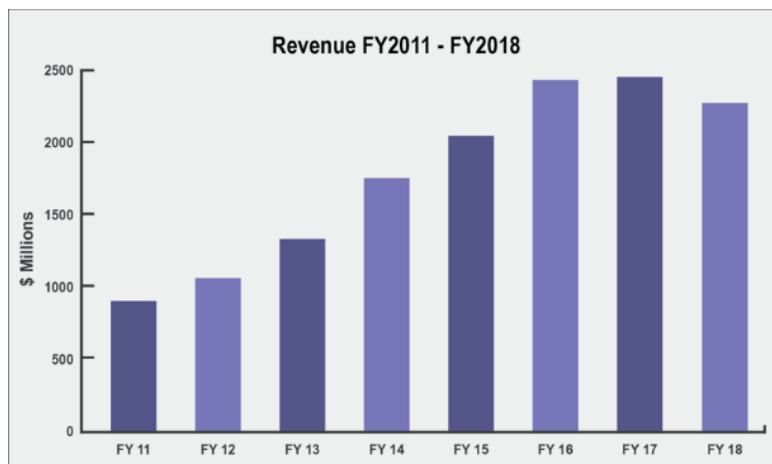


Exhibit 2.1-1: MAXIMUS Revenue FY2011–FY2018. MAXIMUS, Inc. has been profitable for more than 44 years and enjoys a very strong balance sheet.

MAXIMUS Revenue FY2011 - FY2018.

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 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. The firm's Federal Employer Identification Number (FEIN) is 26-155-7956.

As proof of our financial solvency and long-term staying power, please see our financial documents in *Section 4: Required Forms* of this proposal (as required in *Section 3, Subsection 3.3* of the State-provided *Attachment B* form). Therein you will find *MAXIMUS Fiscal Year (FY) 2018 Standalone Financials* provided (as required in *Attachment B: Section 3, Subsection 3.3*).

MAXIMUS Consulting Services, Inc. is an operating unit of MAXIMUS, Inc. As a wholly-owned subsidiary, MAXIMUS Consulting Services, Inc. does not maintain publically available, separately audited financials. MAXIMUS Consulting Services, Inc. relies upon MAXIMUS, Inc. and other MAXIMUS, Inc. subsidiaries to supplement its workforce and to provide corporate resources such as technology resources and support, finance, tax, accounting, auditing, real estate and facility management, human resource, treasury, and legal advisory services. These expenses are internally allocated to MAXIMUS Consulting Services, Inc. based upon a consistent methodology. MAXIMUS, Inc. believes the methodology used reflects a reasonable and rational approach to the allocation of costs across MAXIMUS, Inc. and all its subsidiaries.

2.2 MAXIMUS Consulting Services, Inc.

This project will be led by the experienced consultants of MAXIMUS Consulting Services, Inc. (MAXIMUS), a wholly owned subsidiary of MAXIMUS, Inc. As a publicly traded company on the New York Stock Exchange (NYSE symbol: MMS), MAXIMUS, Inc. is owned by the shareholders and governed by a Board of Directors. MAXIMUS, Inc. was incorporated in Virginia on September 18, 1975. MAXIMUS Consulting Services, Inc. (MAXIMUS) was incorporated in the Commonwealth of Virginia on August 8, 2006.

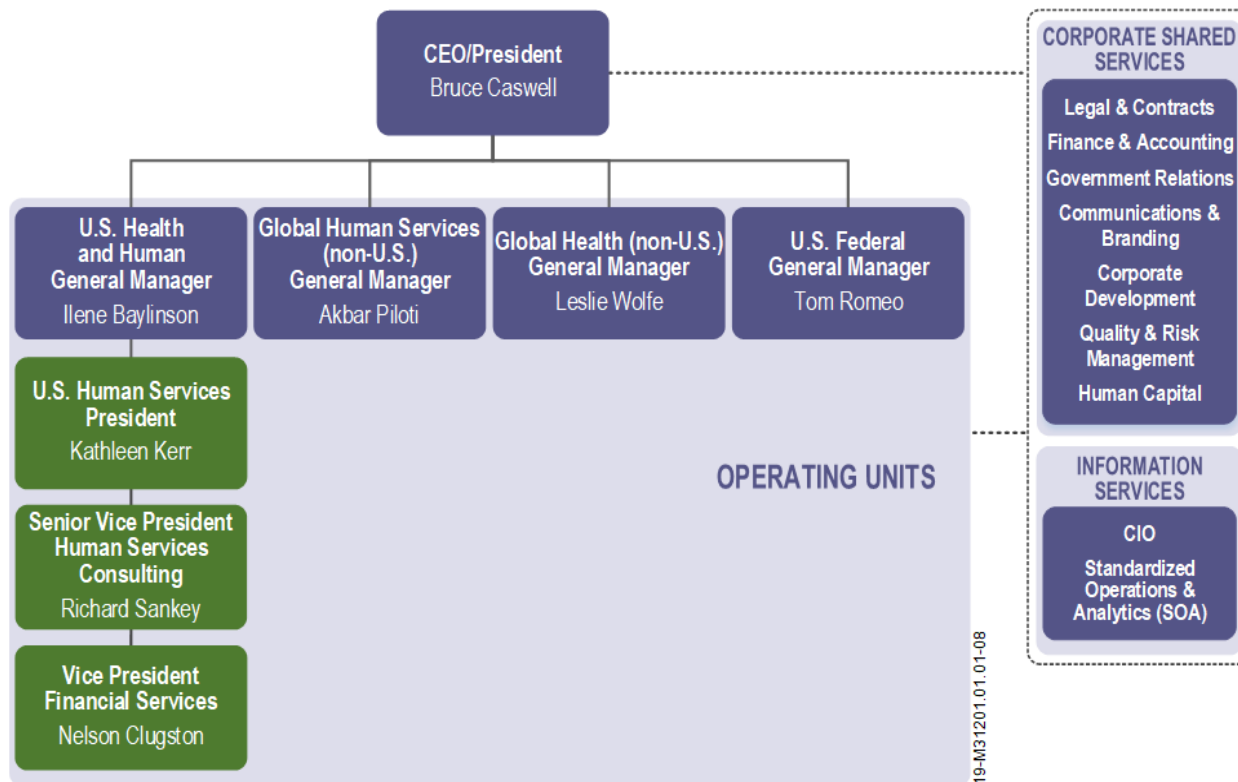


Exhibit 2.2-1: MAXIMUS, Inc. Corporate Organization. *Our corporate-wide organizational infrastructure was established to enable project staff to focus on the needs of our clients and presents a clear line of authority to our proposed project team led by Nelson Clugston.*

2.3 MAXIMUS Employees

MAXIMUS, Inc. has established a wholly owned subsidiary MAXIMUS Services, LLC to employ its 30,000 employees. This was done to simplify payroll administration and tax filing requirements. These employees are allocated and shared by MAXIMUS and all of its affiliates as appropriate, including MAXIMUS Consulting Services, Inc. Our Human Services Group oversees 182 consultants, 765 child support experts, and 535 workforce services professionals.

MAXIMUS also maintains a cadre of over 40 professionals focused solely on cost accounting consulting projects. This gives us the resources to successfully complete this and future engagements.

Please see the *MAXIMUS Head Count* form located in *Section 4: Required Forms* section of this proposal for documentation proving our official number of employees. This shall address the requirement in *Section 3, Subsection 3.1* of the State-provided *Attachment B* form.

2.3.1 Primary Contact

MAXIMUS will provide the State with a designated contact with whom you can direct all questions and discuss any issues that arise. Your contact will provide prompt responses to any communications, lead all problem-solving efforts, and disseminate to relevant MAXIMUS staff all messages from the State.

Project Manager: Nelson H. Clugston, Vice President

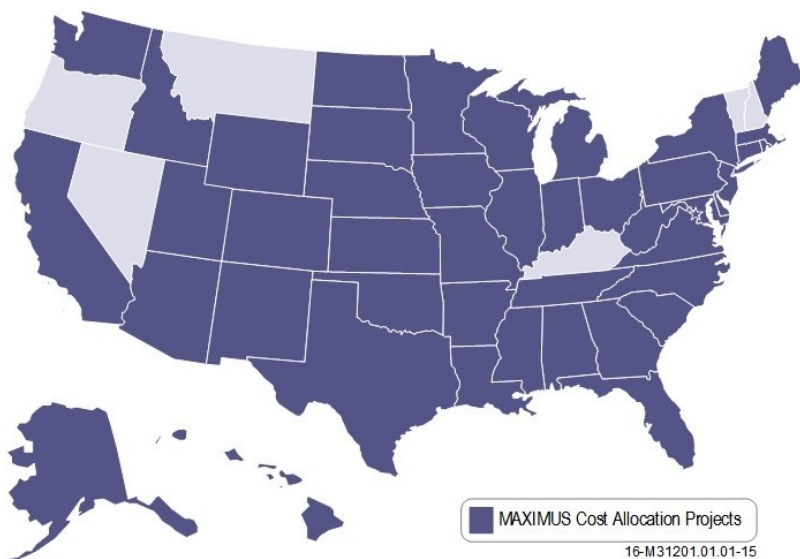
Telephone Number: 804.823.8131

Fax Number: 804.323.3536

Email Address: nelsonclugston@maximus.com

2.4 MAXIMUS Experience

With over four decades of experience, MAXIMUS Consulting Services, Inc. is a national market leader in the analysis and preparation of complex CAPs, SWCAPs, and Public Assistance Cost Allocation Plans (PACAPs). The knowledgeable members of our Cost Allocation Team have committed their careers to working with states to ensure compliance with federal cost principles and applicable implementation guidance issued by the U.S.



Department of Health and Human

Services (HHS), Cost Allocation Services (CAS) formerly the Division of Cost Allocation (DCA).

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.

MAXIMUS is the nation’s leader in cost allocation services to state and local governments. Our approach to supporting the State throughout the entire CAP process has been continuously refined as we worked with 44 states and thousands of local government agencies across the country preparing, negotiating, and ultimately receiving formal federal cognizant approval of CAPs, as illustrated in *Exhibit 2.4-1: MAXIMUS Cost Allocation Projects*.

Each year, we work with nearly 1,000 clients to assist them in developing and negotiating their CAPs. These documents are used primarily for:

- Supporting overhead allocations to departments that administer federal grants and contracts
- Documenting allocations that are used in developing agency Indirect Cost Rate Proposals (ICRPs)

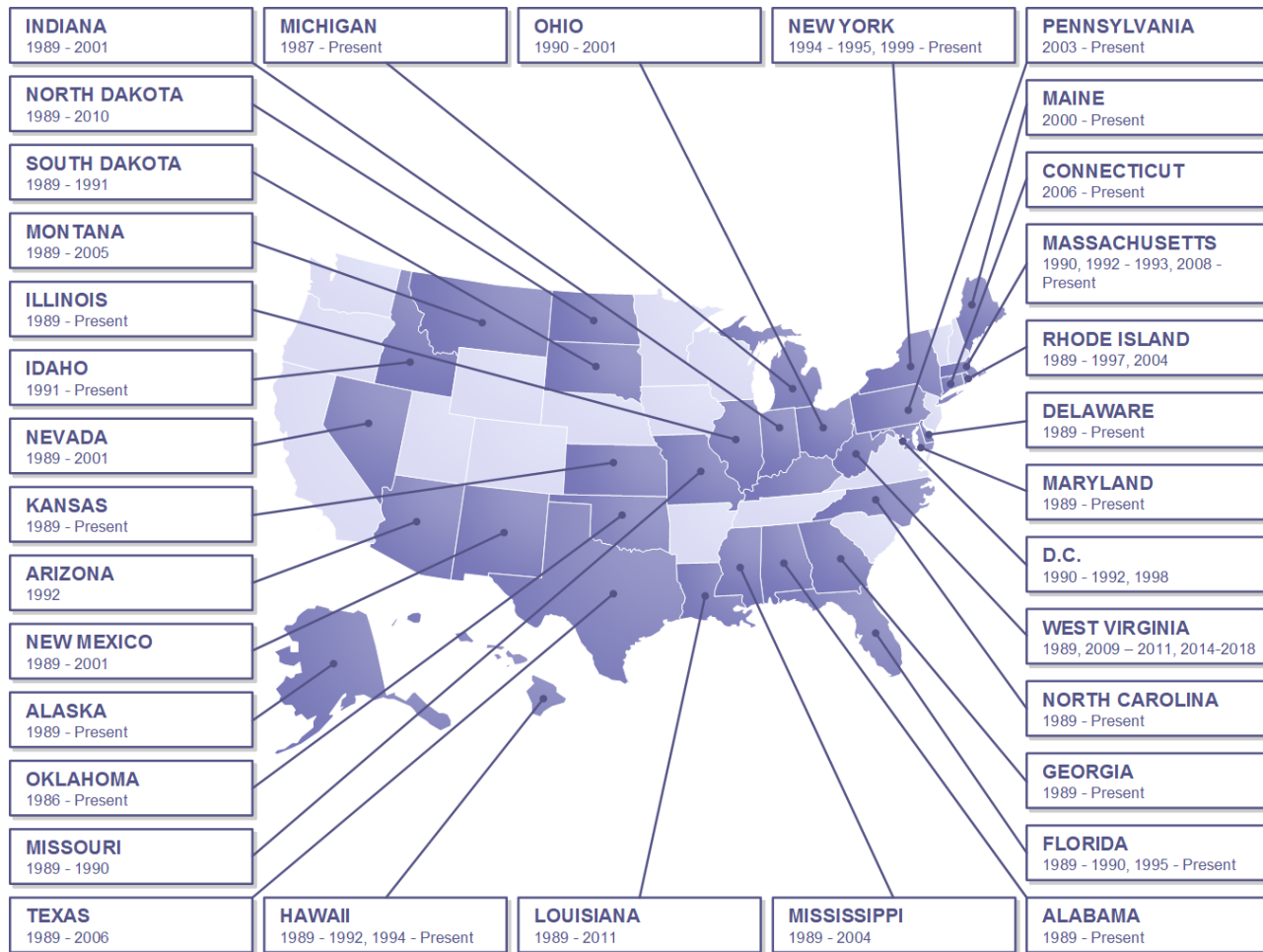
- Setting billing rates for enterprise and Internal Service Funds (ISFs)
- Negotiating grant audit disallowances

It should be noted that MAXIMUS invented most of the methodologies in use by other consultants today and created the computerized cost allocation tools and methodologies that many firms try to copy. MAXIMUS continues 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.

Further, the federal government revised the guidelines for developing CAPs. These new OMB cost principles, referred to as the Uniform Guidance, went into effect on December 26, 2014. The new guidelines include major policy reforms with the objective of reducing both administrative burden and risk of waste, fraud, and abuse. Principally, the regulations require governments to evaluate costs for allowability under the new cost principles and to ensure they are compliant with time and cost documentation requirements. Since the issuance of the Uniform Guidance, MAXIMUS has been proactive in analyzing the effects of this regulation change as it affects all of our cost allocation clients. As an acknowledgement of our efforts, the National Association of State Auditors, Comptrollers, and Treasurers (NASACT) requested MAXIMUS assistance in training its members on the Uniform Guidance requirements and regulations. MAXIMUS provided training in February 2014 along with federal representatives from HHS, the U.S. Department of Housing and Urban Development (HUD), and the National Science Foundation (NSF)

2.4.1 MAXIMUS SWCAP Experience

MAXIMUS is the leading firm in preparing and negotiating SWCAPs, having prepared more than all other firms combined during the last 44 years. Our national experience in this area allows us to compare positions of the various HHS/CAS regional negotiators in order to advise our clients about negotiating strategies. As shown in *Exhibit 2.4.1-1: Overview of SWCAPs Prepared*, MAXIMUS has assisted 32 states and the District of Columbia with SWCAP services. In the last three years alone, we have provided SWCAP services to 18 states, including West Virginia.



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Exhibit 2.4.1-1: Overview of SWCAPs Prepared. *MAXIMUS has prepared more SWCAPs than any other firm in the country.*

2.4.2 State Agency ICRPs

SWCAPs involve the allocation of cost for centrally-administered services to the agencies that benefit from the services. If the receiving agencies administer federal funds, they should prepare an ICRP as the first step in claiming the funds. Human service agencies may prepare a PACAP instead of an ICRP. Without an agency ICRP or PACAP, the SWCAP would be of little or no benefit to the Commonwealth. Therefore, the SWCAP and agency indirect cost rates go hand-in-hand.

MAXIMUS prepares hundreds of agency ICRPs each year. The range of agencies that we have worked with includes: human services, economic development, law enforcement, infrastructure, environmental, and agricultural agencies. We have subject matter experts available throughout MAXIMUS who can advise clients on claiming issues related to their particular type of program. *Exhibit 2.4.2-1: MAXIMUS ICRP Experience* identifies states in which we have prepared agency ICRPs.

ICRP Experience		
Alabama	Indiana	Missouri
Alaska	Kansas	Montana
Arizona	Kentucky	North Carolina
California	Louisiana	Ohio
Colorado	Maine	Pennsylvania
Connecticut	Maryland	Rhode Island
Delaware	Massachusetts	Texas
Florida	Michigan	Utah
Hawaii	Minnesota	Virginia
Illinois	Mississippi	

Exhibit 2.4.2-1: MAXIMUS ICRP Experience. *We have prepared indirect cost rate proposals in 28 states.*

2.4.3 Billing Rates for Direct Bill Services (Section II)

While states are usually most concerned about timely submission of their annual SWCAPs, federal negotiators have started to place more emphasis on Section II requirements. Section II relates to the supplemental information required that describes how fringe benefit and internal services are billed. In the 1980s, HHS/DCA observed that states recovered more federal funds from direct billed versus indirect charged costs. DCA then began requiring each state to submit, as an addendum to its SWCAP, financial statements and billing procedures for each billed service. Billed services are often created for computer services, telecommunications, facility occupation, fringe benefits, supplies, etc.

CAS has developed an ever-growing set of rules to guide its review of billed service charges. These started with targets for “working capital balances” and have expanded to include settlement procedures for over- or under-billings. The settlement procedures are extremely onerous for states. A grant appeals decision (New Mexico v. HHS) no longer allows states to offset over- and under-billings. This prohibition makes it incumbent on states to carefully review their billed service rates and make timely adjustments for any discrepancies.

No other consulting firm has the depth of skills as MAXIMUS in statewide cost allocation; department cost allocation and rate setting; billed services rate setting, reporting, and negotiation; and specifically Information Technology (IT) rate setting and cost recovery. *Exhibit 2.4.3-1: MAXIMUS Billed Services Experience* lists the states we have assisted with Billed Services related rate setting.

Billed Services Experience			
Alabama	Georgia	Michigan	Ohio
Alaska	Hawaii	Minnesota	Oklahoma
Arizona	Idaho	Mississippi	Pennsylvania
Arkansas	Illinois	Montana	Rhode Island
California	Indiana	Nevada	Utah
Colorado	Louisiana	New Mexico	Vermont
Delaware	Maryland	New York	West Virginia
Florida	Maine	North Carolina	Wyoming

Exhibit 2.4.3-1: MAXIMUS Billed Services Experience. *We have assisted 32 states with Billed Services-related rate setting.*

2.4.4 Experience Negotiating and Resolving Issues

MAXIMUS also has considerable experience with resolving audit findings with federal and state negotiators. We work with our clients to resolve questioned costs and improve cost allocation methodologies. MAXIMUS draws on our national experience and reputation to find workable solutions with negotiators.

In 2003, MAXIMUS prepared the SWCAP for the Commonwealth of Pennsylvania for the first time. The first MAXIMUS cost plan increased allocated costs by 34 percent. The federal negotiator questioned the inclusion of new costs and new overhead pools. MAXIMUS and Pennsylvania staff defended the plan by explaining why the costs were allowable and bringing in technical experts on the new cost pools to explain what services were provided. We also provided volumes of invoice copies and contracts. MAXIMUS now has completed negotiation on the eighth SWCAP for Pennsylvania and has had no material disallowances.

As an example of the type of expertise we bring on behalf of our clients is our work with the State of Maine. During negotiations on the 2011 SWCAP, HHS questioned \$2 million in costs that MAXIMUS had included in a new overhead department called OIT unbilled costs. The costs included in the new cost pool were either new costs to the state, much higher costs for some services, or costs that were direct billed to departments by OIT, and in 2011 the State decided not to bill any longer. The negotiator questioned the costs' inclusion in the roll forward. His reasoning was that they were not in the original costs projected for FY 2011 two years earlier. The costs were not projected since MAXIMUS and the State Controller did not know these changes would take place when the projected plan was developed. MAXIMUS had included all the costs since they were allowable and not billed in FY 2011. The negotiator's position was the costs not projected cannot get a roll forward adjustment. This US HHS rule is not always enforced. MAXIMUS was able to analyze the FY 2011 projected plan and convince the negotiator that small pieces of OIT costs for the Treasury system, the HR system and the Budget system were included in other departments in the projected plan. MAXIMUS was able to negotiate for inclusion all but \$600,000 of the \$2 million in questioned costs.

In another example, the HHS negotiator for the Delaware SWCAP questioned the methodology that the State uses to charge workers' compensation costs to departments. MAXIMUS and the client defended the State's method arguing that the method used (percentage of salary costs) is reasonable and fair. MAXIMUS also argued that several states have fringe benefit rates that are

calculated as a percentage of salaries, therefore, percent of salaries is a reasonable allocation basis for any fringe benefit.

The following two examples from the State of Illinois demonstrate MAXIMUS ability to assist a billed service in maintaining compliance with A-87 requirements and also with settling overcharges with the federal CAS.

MAXIMUS has been assisting the State of Illinois in the negotiation of SWCAP Section II excess A-87 balances since the early 1990s for their Telecommunication and Information Technology billed services. For the period between 2002 and 2011, MAXIMUS negotiated paybacks to the federal government totaling more than \$41 million on excess balances greater than \$99 million. The annual operating cost of the two funds was nearly \$300 million per year, and Illinois chose to repay the federal excess balances rather than disrupt several hundred agency budgets. This situation allowed MAXIMUS staff to develop an unmatched experience in the negotiation of SWCAP Section II submissions.

Beginning in 2005, MAXIMUS developed the initial direct bill rates for the Illinois Facilities Management Revolving Fund (FMRF), which was responsible for managing more than 700 State-owned or leased buildings with annual operating costs in excess of \$200 million. MAXIMUS was also responsible for the development of the SWCAP Section II reporting for FMRF. Since MAXIMUS was able to implement the cost recovery model for FMRF, we established annual adjustments for over and under charges on direct billed space. The FMRF has had no paybacks to the federal government for excess A-87 balances since the direct billings began in 2005.

We know the OMB regulations and current interpretations in the field. We have the experience and knowledge to develop cost allocation methodologies that properly allocate cost to benefitting programs and that are fully compliant with Uniform Guidance.

2.5 References

The project references provided in *Exhibit 2.5-1: MAXIMUS Project References* were selected based on similarity to that of the State's project, as well as to demonstrate the broad capabilities of our team. Each of the SWCAPs prepared for these representative clients was successfully negotiated and accepted by their federal cognizant agency. Our references will attest, MAXIMUS is the best choice for this engagement

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 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.

Pennsylvania SWCAP			
Contact Name:	Mr. Scott Heisey, Manager		
Phone Number:	(717) 425-6740	Email:	sheisey@pa.gov
Project Dates	2003 - Present		

Maryland SWCAP			
Contact Name:	Mr. Kurt Stolzenbach, Assistant Director of Budget Analysis		
Phone Number:	(410) 260-7416	Email:	kstolzen@dbm.state.md.us
Project Dates	1989 - Present		

Delaware SWCAP			
Contact Name:	Cali Engelsiepen, Chief of Financial Management Services		
Phone Number:	(302) 672-5109	Email:	Cali.Engelsiepen@delaware.gov
Project Dates	1989 - Present		

Exhibit 2.5-1: MAXIMUS Project References. *Our clients will confirm the quality of services provided by MAXIMUS.*

When you select MAXIMUS, you get the resources of an established, stable, and financially secure company, not just a standalone team. Our team can call upon other members of MAXIMUS, including the Financial Services Consulting Practice across the country, our Legal Team, our IT Support Center, and our Corporate Quality Assurance Team; all are ready to assist our staff in providing the State with the best possible service.

2.6 Why MAXIMUS

There are many reasons why MAXIMUS cost allocation services are highly regarded and respected. First and foremost, we have far more CAP experience than any of our competitors. MAXIMUS brings a proven track record of providing high-quality CAPs that meet the needs of various counties and cities across the country. 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 the State.

We take great pride in providing high-quality service to our clients and have consistently succeeded in providing our clients with services that meet and exceed expectations. This success starts with the following fundamental principles of MAXIMUS which will guide us during our work for the State:

- We have a multi-year proven track record providing SWCAPs for West Virginia. We are familiar with the State’s cost systems and have previously been on premises to gather data. This translates to an expedited startup process and a seamless gathering of data from staff.
- 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, are on-site for the project, and 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.

Our national network of practitioners is constantly looking for new ways to generate greater recoveries for our clients and sharing strategies with each other to benefit our clients. As your partner on this project, we will strive to continually enhance and improve your cost accounting program and subsequent recoveries.

3. Project Team

The State of West Virginia (State) must have faith that it is selecting the best partner for this effort, one that deploys exceptionally qualified staff with state-of-the-art tools and a comprehensive understanding of the State's objectives and financial infrastructure. MAXIMUS Consulting Services, Inc. (MAXIMUS) takes great pride in providing high-quality products and services delivered by an exceptional team of cost allocation professionals. We have consistently been successful providing our clients with results that meet and exceed expectations.

There is nothing more critical to a project's success than the right project team. MAXIMUS team members were carefully evaluated and selected for their proposed roles and offer the qualifications and experience essential to the success of this engagement. These individuals have committed their careers to working with states to ensure compliance with federal cost principles and regulations. With the selection of MAXIMUS, you can be confident that you are getting a team of industry-leading experts who provide quality results.

The Project Team includes some of the firm's most senior experts in cost accounting principles. Combined, they have successfully assisted hundreds of government agencies at the state and local level in the development, preparation, and negotiation of Statewide Cost Allocations Plans (SWCAPs), Cost Allocation Plans (CAPs), Indirect Cost Rare Proposals (ICRPs), fringe benefit rates, and Internal Service Fund (ISF) billing rates.

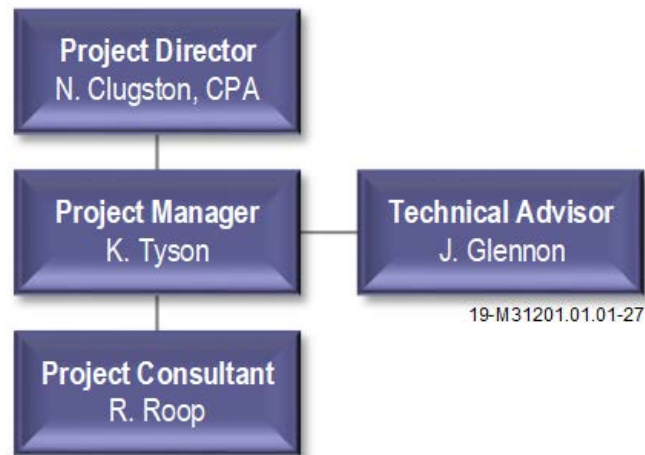


Exhibit 3-1: MAXIMUS Project Team. This chart depicts our proposed project organization, which is designed to provide the State with day-to-day consultants as well as specialized expertise.

Exhibit 3-1: MAXIMUS Project Team depicts our project team organizational structure and lines of authority. We have developed our project organization to provide the State with specialized expertise as well as project team members who will be responsible for day-to-day efforts.

Every consultant assigned to this project is fully knowledgeable of Office of Management and Budget (OMB) policies and procedures, understands how to enhance indirect costs within federally allowable limits, and knows how to effectively interview staff so as to minimize staff time and efficiently gather data.

In the following paragraphs, we summarize the qualifications of our proposed staff and display the wealth of experience they bring to this project.

Detailed resumes including education, qualifications, experience, and training are included in *Section 3.2 Project Team Resumes*.

3.1 MAXIMUS Team Personnel

Project Director, Nelson H. Clugston, CPA

Nelson Clugston, a licensed Virginia Certified Public Accountant (CPA), is Vice President in charge of the Eastern Region, which includes West Virginia, Pennsylvania, New York, New Jersey, Virginia, District of Columbia, Maryland, Delaware, Michigan, North Carolina, South Carolina, Tennessee, Kentucky, and the New England states.

Mr. Clugston is directly responsible for the SWCAPs for Connecticut, Delaware, Maine, Maryland, Massachusetts, Michigan, New York, North Carolina, Pennsylvania, Rhode Island, and West Virginia. Mr. Clugston joined MAXIMUS in 1988 and has negotiated statewide plans for most states in the Eastern Region. He's the firm's national OMB coordinator and meets frequently with OMB and the federal CAS negotiators.

As Project Director, Mr. Clugston is responsible for project management oversight and will be diligent in his supervision. In addition, Mr. Clugston will:

- Directly manage all project management and SWCAP activities
- Monitor all phases of the project according to the specified timelines
- Actively participate in all major project activities
- Verify that the MAXIMUS Project Team fulfills all duties and responsibilities under the contract
- Review all project deliverables and, when necessary, escalating critical issues

Project Manager, Kyle J. Tyson

Kyle Tyson brings more than eleven years of cost allocation experience to the project. His primary areas of experience are in cost allocation, cost of service determination (user fees), fringe benefit rate analysis, and departmental ICRP preparation. Mr. Tyson has provided cost allocation services to more than 50 clients including the SWCAPs for West Virginia, Pennsylvania, Delaware, Maine, Maryland, and Massachusetts. He has prepared department CAPs and ICRPs for Maryland, Delaware, Connecticut, Maine, and Utah. Mr. Tyson has prepared billed services rates for Rhode Island and Delaware and is currently working on a CAP for the North Carolina Department of Transportation. Mr. Tyson serves the Virginia Cities of Alexandria and Fredericksburg and the Counties of Prince William and Spotsylvania, and has worked with several counties in Pennsylvania and Tennessee.

Mr. Tyson provides the team with input and guidance to help ensure project success and customer satisfaction are achieved. He will play a hands-on role in this project and will review all CAP preparation work to help ensure accuracy and consistency in the application of federal cost principles with other entities that we serve.

In addition, Mr. Tyson will:

- Implement all key recommendations of the project

- Ensure that project initiatives occur on schedule and in accordance with federal and state requirements
- Assume responsibility for regular client communication and reporting
- Coordinate the collection of requested data
- Conduct on-site interviews as required
- Review all data for conformance and accuracy
- Analyze data and prepare import worksheets
- Import worksheets into proprietary cost allocation software
- Summarize results and formalize cost plan
- Conduct follow-up meetings with cost plan users to ensure indirect costs are being properly claimed and recovered
- Prepare ICRPs and associated schedules
- Review all deliverables prior to submission
- Submit all reviewed deliverables
- Negotiate the plan with federal and/or state agencies as required

Project Advisor, John Glennon

John Glennon has more than 30 years of government finance and accounting experience. This includes reviewing and negotiating numerous PACAPs, SWCAPs, and departmental indirect cost rate calculations. He also provides technical assistance to states on OMB issues. Mr. Glennon has developed cost allocation methodologies for centralized IT services in Massachusetts, and developed the CAP and billing rates for centralized accounting functions in Pennsylvania. Additionally, he has developed billing methods to charge American Recovery and Reinvestment Act (ARRA) central administrative costs to ARRA grants for Connecticut and North Carolina. In the last six years as a negotiator for the central region of HHS/DCA (more currently known as CAS) he reviewed statewide plans and billed services rates for Texas, Ohio, Oklahoma, Louisiana, and Wisconsin.

As the Project Advisor, Mr. Glennon is responsible for providing cost allocation technical advice, identifying new cost allocation strategies, and quickly addressing any technical challenges.

Project Consultant, Ryan Roop

Mr. Roop joined MAXIMUS in early 2017 and is a contributing member of our Commonwealth of Massachusetts engagement's project team with responsibility for preparing departmental ICRPs for 28 of the Commonwealth's departments including the Department of Mental Health, the Department of Youth Services, the Developmental Disabilities Council, and the Massachusetts Rehabilitation Commission. Mr. Roop has also assisted during our engagements with the State of Delaware as well as with our work on the West Virginia SWCAP.

He holds a B.S. in Business Administration from Liberty University in Lynchburg, Virginia.

We anticipate utilizing the Project Consultant as needed to assist the Project Team with gathering and reviewing source documentation, entering financial and statistical data using our proprietary software, and providing other general project analyses.

Deep Bench of Available Staff

Although we believe we have sufficiently staffed this project to fulfill the requested scope of work, additional resources may be required from time to time. MAXIMUS has more than 40 staff with government accounting expertise. This deep bench of available staff differentiates MAXIMUS from the smaller, local accounting firms.

3.2 Project Team Resumes

Name/Title	Page
Nelson Clugston Project Director	3-5
Kyle Tyson Project Manager	3-6
John Glennon Project Advisor.....	3-9
Ryan Roop Project Consultant	3-11

Nelson H. Clugston, CPA

Vice President | Project Director

EXPERIENCE

- Supervises the preparation of cost allocation plans (CAPs) for Metropolitan Washington Airports Authority and the Washington Metropolitan Area Transit Authority.
- Supervises the preparation of CAPs for more than 35 local governments in Virginia.
- Supervises the preparation of department CAPs and ICRs in Connecticut, Delaware, Maine, Massachusetts, Michigan, North Carolina, Rhode Island, and Virginia. Negotiates these plans and rates with federal funding agencies.
- Manages the preparations and negotiates the State of Delaware SWCAP and nine departmental ICR calculations. Provides advice to the State on how it can enhance its recovery of indirect costs.
- Supervises the preparation of SWCAPs for the States of Connecticut, Maine, Maryland, Massachusetts, New York, North Carolina, Pennsylvania, Michigan, and West Virginia. Negotiates these statewide plans with HHS. Provides advice on how to enhance recovery of indirect costs.
- Supervises the preparation of billed service reports in Delaware, New York, Maryland, and North Carolina.
- Provided cost allocation training to the States of Delaware, Maryland, Ohio, Maine, Pennsylvania, as well as the District of Columbia.
- Developed, prepared, and negotiated a CAP that allows the American Red Cross to recover indirect costs related to grants it receives from the federal government.
- Developed overhead rates for the City of Lynchburg, Virginia. The City uses these rates to charge overhead costs to their street maintenance program that is funded by the Virginia Department of Transportation.
- Developed a cost accounting system that the City of Norfolk, Virginia Utility Department uses to calculate the cost of water production that Virginia Beach will share with Norfolk under an agreement where Virginia Beach purchases water from the City.
- Prepared CAPs and indirect cost rates for the Virginia Department of Mines, Minerals, and Energy and the Virginia Department of Environmental Quality.
- Developed billed services rates for Human Resources, Facilities, Accounting and Budgeting, and Auditing in Delaware, Maryland, Pennsylvania, and Rhode Island.
- Supervises the preparation of 70 local CAPs in North Carolina.
- Assisted on a project for five United Nations (UN) specialized agencies to develop a cost methodology for allocating support costs to UN-funded development projects in undeveloped countries. The result of this study was the implementation of a uniform method for allocating and charging technical assistance and administrative costs to UN development projects. This methodology was accepted by the UN system.
- Developed methodology to recover American Recovery and Reinvestment Act (ARRA)-specific overhead costs for the State of North Carolina.

QUALIFICATIONS

- More than 30 years' experience in finance/ accounting, including preparing CAPs, ICRPs, and federal funds claiming
- Develops overhead rates and methodologies for public works and utility departments
- National Association of State Auditors, Comptroller, and Treasurers (NASACT) training presenter for Uniform Guidance
- Addressed recovering overhead costs from grants at the GFAO Annual Meeting

EDUCATION

B.S. in Accounting and Public Service, Pennsylvania State University
 CPA in Virginia since 1989
 CPA in Texas, 1985 – 1988

Kyle J. Tyson

Senior Consultant | Project Consultant

EXPERIENCE

Mr. Tyson has more than eleven years' experience in governmental management consulting. His primary areas of experience are in cost allocation, cost of service determination (user fees), fringe benefit rate analysis and departmental indirect cost rate proposal preparation.

Since joining MAXIMUS, Mr. Tyson has worked on projects for more than 50 clients, including the following:

- **State of West Virginia, Cost Allocation Plan:** Project Manager for the preparation of the statewide federal OMB CFR 200 cost allocation plan and the Section II – Billed Services report. Responsibilities also include all fieldwork, data research, compilation and distribution of the analysis, reconciliation of carry-forward adjustments, and developing Facility rates for state owned buildings. He also assisted in negotiations with the Department of Health of Human Services, Division of Cost Allocation.
- **Commonwealth of Pennsylvania, Statewide Cost Allocation Plan:** Project Manager for the preparation of the statewide federal OMB CFR 200 cost allocation plan. Responsibilities also include all fieldwork, data research, compilation and distribution of the analysis, reconciliation of carry-forward adjustments, and developing Facility rates for state owned buildings. He also assists with the Department of Health of Human Services, Division of Cost Allocation.
- **State of Maryland, Statewide Cost Allocation Plan:** Project Manager for the preparation of the statewide federal OMB CFR 200 cost allocation plan and the Section II – Billed Services report. Responsibilities also include all fieldwork, data research, compilation and distribution of the analysis, reconciliation of carry-forward adjustments, calculating fixed indirect cost rates for the Department of Public Safety, and developing Facility rates for state owned buildings. In addition, he is the project manager for the CFR 200 Reconciliation of Maryland Correctional Enterprises. He also assists with the Department of Health of Human Services, Division of Cost Allocation.
- **New York Office of Mental Health, Public Assistance Cost Allocation Plan:** Project manager for the write of the PACAP. Kyle also customized the cost allocation software to handle new cost pools and allocation bases.
- **New York Department of Health, Allocation Methodology for ITS Memo Bills.** Project Manager for the data analysis and writing the new methodology.
- **Connecticut Department of Social Services, Public Assistance Cost Allocation Plan:** Project Manager for the rewrite of the PACAP. Kyle also revised the cost allocation software to handle new cost pools and allocation bases.
- **Connecticut Office of Early Childhood, Cost Allocation Plan:** Project Manager for the calculation of the initial, departmental, fixed indirect cost rate and handles federal negotiations with the Department of Health of Human Services, Division of Cost Allocation.
- **Connecticut State Department on Aging, Cost Allocation Plan:** Project Manager for the calculation of the initial, departmental, fixed indirect cost rate and handles federal negotiations with the Department of Health of Human Services, Division of Cost Allocation.
- **State of New York Office of Mental Health Public Assistance Cost Allocation Plan:** Project Manager for the writing of a new PACAP and preparer of the cost allocation to determine the cost impact.

QUALIFICATIONS

- More than eleven years' experience in governmental management consulting, including cost allocation, cost of service determination (user fees), fringe benefit rate analysis and departmental indirect cost rate proposal preparation

- **State of Utah Office of Education:** Project Manager for the preparation of the Office's cost allocation plan and indirect cost rate calculation.
- **Fauquier County, Virginia, Cost Allocation Plan:** Project Manager for the preparation of the County's annual cost allocation plan based on OMB Circular CFR 200 methodology. Responsible for all fieldwork, data research, compilation and distribution of the analysis
- **City of Alexandria, Virginia, Cost Allocation Plan:** Project Manager for the preparation of the City's annual cost allocation plan based on OMB Circular CFR 200 methodology. Responsible for all fieldwork, data research, compilation and distribution of the analysis
- **City of Fredericksburg, Virginia, Cost Allocation Plan:** Project Manager for the preparation of the City's annual cost allocation plan based on OMB Circular CFR 200 methodology. Responsible for all fieldwork, data research, compilation and distribution of the analysis
- **City of Alexandria, Virginia, User Fee Study:** Project Manager for the user fee study developed in 2009. The scope of the project was to develop an analysis of costs and revenues and service utilization measurements for services provided by the Office of Building and Fire Codes Administration and recommend user fee rates as appropriate based on the cost of services provided.
- **City of Harrisburg, Pennsylvania, User Fee Study:** Project Consultant for the 2011-based fee study developed in 2012. The scope of the project was to develop an analysis of costs and revenues and service utilization measurements for services provided by the Bureaus of Fire and Police, and to recommend user fee rates as appropriate based on the cost of services provided.
- **City of Lancaster, Pennsylvania, User Fee Study:** Project Consultant for the 2007-based fee study developed in 2007-08. The scope of the project was to develop an analysis of costs and revenues and service utilization measurements for services provided by the Bureaus of Zoning & Inspections, Structural Inspections, Planning, Police, Fire, Engineering, Procurement & Collections, and Mayor's Office and to recommend user fee rates as appropriate based on the cost of services provided.
- **State of Rhode Island Department of Administration- Facilities Management Billing Rates-** Project Manager for the preparation of the Department's actual and projected cost allocation plans for Facilities Management in order to develop Facility rates for state-owned buildings. Responsible for reconciliation of carry-forward adjustments and calculating fixed cost rates, fieldwork.
- **State of Rhode Island Department of Administration, Human Resources Billing Rates:** Project Manager for the preparation of the Department's Human Resources Service Center rate setting. Personnel charges are set for the General Government, DEM/DOT, Public Safety, and Human Serv Service Centers on an annual basis.
- **State of Delaware, Cost Allocation Plans:** Project Manager for the preparation of the statewide federal OMB CFR 200 cost allocation plan and the Section II – Billed Services report. Responsibilities also include reconciliation of carry-forward adjustments and calculating fixed indirect cost rates for multiple state agencies, including the Department of Justice (Attorney General), Labor, Children, Youth and Families, Safety and Homeland Security, and Health and Social Services, which consists of 12 agencies. He also assists with the development of the statewide personnel rate and handles federal negotiations with the Department of Health of Human Services, Division of Cost Allocation.
- **Metropolitan Government of Nashville and Davidson County, Tennessee, User Fee Studies:** Project Consultant for the user fee studies developed in 2007 and 2009 for the Metro Planning Commission and Department of Codes and Building Safety. The scope of the projects was to develop an analysis of costs and revenues and service utilization measurements for services provided by each and recommend user fee rates as appropriate based on the cost of services provided.
- **Metropolitan Government of Nashville and Davidson County, Tennessee, Cost Allocation Plan:** Project Manager for the preparation of the citywide federal OMB CFR 200 and full cost allocation plans. Responsibilities also include reconciliation of carry-forward adjustments and calculating fixed

indirect cost rates for the Department of Codes Administration, District Attorney, Fire, Health, Parks, Planning, Police, Public Works, and Social Services.

- **American Red Cross, Cost Allocation Plan:** Project Manager for the preparation of the federal OMB CFR 200 cost allocation plan and indirect cost rates for multiple programs. Developed, prepared, and negotiated a cost allocation plan that allows the American Red Cross to recover indirect costs related to research grants it receives from the National Institutes for Health in 2012.

EDUCATION

B.S. in Finance, Penn State University, State College, Pennsylvania

John Glennon

Senior Consultant | Project Advisor

EXPERIENCE

John Glennon has more than 30 years of experience in finance/accounting, including reviewing and approving Statewide Cost Allocation Plans, Public Assistance Cost Allocation Plans, and indirect cost rate proposals for the U.S. Department of Health and Human Services (HHS), Division of Cost Allocation (DCA). His areas of project experience include the following:

- Relevant experience review and approval of cost allocation plans and indirect cost rate proposals with state governments and non-profit organizations.
- Review and approval of statewide cost allocation plans, public assistance cost allocation plans, indirect cost rate proposals, and billed services reports.
- Provide technical assistance to state governments regarding OMB cost allocation.
- Provided and supervised the provision of administrative services to 4,500 HHS employees

RELEVANT EXPERIENCE

Since joining MAXIMUS, Mr. Glennon has worked on the following projects.

- Developed SWCAP Section II methodology and service by service reconciliation of revenue and expense for the Maryland Correctional Enterprise (MCE). Assisted MCE in the settlement of federal claims for cash transfers out of MCE and negotiated with DCA to secure a zero beginning balance for the MCE fund.
- Developed methodologies for several states in the identification and claiming of administrative costs associated with ARRA.
- Developed SWCAP Section II billed service methodology and billing rates for the Pennsylvania Comptroller's office. These costs were previously allocated through Section I of the SWCAP.
- Developed new Public Assistance Cost Allocation Plans (PACAP) for the Delaware Department of Health and Social Services, Division of Services for Aging and Adults with Disabilities, New Mexico Children Youth and Families Department, and the Tennessee Department of Children's Services. These new PACAPs were developed to reflect the agencies current organizational structure and bring the agencies into compliance with CFR 200. Our review of each agency assured that the PACAP maximized the recovery from all allowable federal funding sources.
- Developed a cost allocation plan for the Tennessee Center for Child Welfare (TCCW) which provides Title IV-E training for the Tennessee Department of Children's Services.
- Provided advice on the preparation of statewide cost allocation plans for the State of Maryland, Georgia, and New York. My advice draws on my experience as a cost negotiator with the U.S. Department of Health and Human Services, Division of Cost Allocation.
- Oversight of the preparation of state agency indirect rate proposals for the Texas Department of State Health Services and the Texas Department of Public Safety. Negotiates these plans with the federal funding agencies.

PRIOR EXPERIENCE

Prior to joining MAXIMUS, Mr. Glennon worked on the following projects for HHS, DCA.

QUALIFICATIONS

- More than 30 years' experience in finance/accounting, including reviewing/approving Statewide CAPs and indirect cost rate proposals for HHS, DCA.
- Review and approval of CAPs and indirect cost rate proposals with state governments and non-profit organizations
- Provides technical assistance to state governments regarding OMB Circular CFR 200

Review and negotiate public assistance cost allocation plans and amendments from the Texas Health and Human Services Commission, Wisconsin Department of Health and Family Services, Wisconsin Department of Workforce Development, Louisiana Department of Social Services, Louisiana Department of

- Health and Hospitals, Ohio Department of Jobs and Family Services, and the Oklahoma Department of Human Services.
- Review and negotiate the Texas statewide cost allocation plan and indirect cost rate proposals from the Texas Governor's Office, Texas Department of State Health Services, Texas Attorney General's Office and the Texas Comptroller's Office. Provide technical advice to the State of Texas regarding cost allocation issues.
- Review and negotiate the Wisconsin statewide cost allocation plan, and indirect cost rate proposals from the Wisconsin Department of Administration, Wisconsin Department of Justice, Wisconsin Department of Health and Family Services. Provide technical advice to the State of Wisconsin regarding cost allocation issues.
- Review and negotiate the Ohio statewide cost allocation plan and the public assistance cost allocation plan. Provide Technical assistance to the State of Ohio regarding cost allocation issues.
- Review and negotiate the Louisiana statewide cost allocation plan and the public assistance cost allocation plans. Provide technical assistance to the State of Louisiana regarding cost allocation issues.
- In the aftermath of Hurricane Katrina assisted the state in obtaining waivers for the state's public assistance cost allocation plans.
- Review and negotiate the Oklahoma statewide cost allocation plan and the public assistance cost allocation plan. Provide Technical assistance to the State of Oklahoma regarding cost allocation issues.

Additionally, Mr. Glennon gained the following professional experience:

Cost Negotiator – U. S. Department of Health and Human Services (HHS) Division of Cost

Allocation (DCA). Negotiate indirect cost rates with State agencies and Non – Profit grantees. HHS is the cognizant agency for Federal indirect cost rate negotiation. Interpret and apply OMB Circulars CFR 200 (Cost Principles for State, Local and Indian Tribal Governments) and A-122 (Cost Principles for Non-Profit Organizations) as part of the state and local branch review of Statewide Cost Allocation Plans, Public Assistance Cost Allocation Plans and Non-Profit agencies.

Director, Regional Administrative Support Center – HHS Regional Office. Supervised the provision of centralized administrative services including Financial Management, Information Technology, Personnel, Payroll, Procurement, and Facilities Management. He managed a staff of 80 professionals and provided administrative services to over 4,500 HHS employees. The administrative support provided by the office enabled the HHS program offices to complete their mission by providing services in a transparent and efficient manner.

Director, Division of Finance – HHS Regional Office. Provided accounting services to all HHS components. These services included budgeting, travel reimbursement, vendor payment, and accounting policy. Presided over appeals of cost disallowances and financial management issues developed by the Division of Cost Allocation.

PROFESSIONAL HISTORY

MAXIMUS Consulting Services, Inc., Grapevine, Texas, 2008 – Present

U. S. Department of Health and Human Services, 1974

EDUCATION

B.S., Accounting, Biscayne College

Ryan Roop

Associate Consultant | Project Consultant

EXPERIENCE

Ryan Roop is responsible for preparing cost allocation plans for city, county, and state governments and has contributed to preparing indirect cost rate proposals. Here are a list of projects Mr. Roop has contributed to:

- State of Connecticut:
 - Statewide Cost Allocation Plan
- State of Delaware:
 - Department of Children, Youth and Their Families
 - Department of Agriculture
 - Department of Family Courts
 - Statewide CAP
- Commonwealth of Virginia:
 - Spotsylvania County
 - Pittsylvania County
 - Amherst County
 - Pulaski County
 - Metro Washington Airport Authority
- State of North Carolina:
 - Granville County
 - Lenoir County
 - Beaufort County
 - Vance County
- State of Massachusetts:
 - Statewide Cost Allocation Plan
 - Indirect Cost Rate Proposals for the following departments:
 - Developmental Disabilities Council
 - Agricultural Resources
 - Bristol District Attorney
 - Committee For Public Counsel
 - Fire Services
 - Department of Mental Health
 - Department of Corrections
 - Department of Youth Services
 - Executive Office of Environmental Affairs
 - Labor
 - Executive Office of Public Safety
 - Fish and Game
 - Massachusetts Historical Commission
 - Massachusetts Rehabilitation Commission
 - Middle District Attorney
 - Office of Refugees and Immigrants
 - Northwestern District Attorney
 - Plymouth District Attorney
 - Police

QUALIFICATIONS

- Proficient in many Windows-Based applications including the Microsoft Office Suite and MAXIMUS proprietary cost accounting software (MAXCAP)

- Sheriff Department Barnstable
- Sheriff Department Essex
- Franklin County Sheriff
- Middlesex Sheriff's Department
- Norfolk Sheriff's Department
- Worcester Sheriff's Department
- Supreme Judicial Court
- Trial Court
- Victim & Witness Assistance Board
- Commonwealth of Pennsylvania
 - Statewide Cost Allocation Plan
- State of West Virginia
- Statewide Cost Allocation Plan

EDUCATION

B.S., Business Administration, Liberty University, Lynchburg, Virginia

4. Required Forms

- Exhibit B: Vendor Response Sheet
 - MAXIMUS Head Count
 - SWCAP Confirmation Documents (e.g., client confirmation emails and opening pages of submitted SWCAP)
 - MAXIMUS Fiscal Year (FY) Standalone Financials
- Purchasing Affidavit
- Addendum Acknowledgement

REQUEST FOR QUOTATION
State of West Virginia – FARS SWCAP

Exhibit B: Vendor Response Sheet

Provide a response regarding the following: firm qualifications and experience in completing similar projects; and references.

List qualifications contained in Section 3.

- **Section 3, Subsection 3.1:** Must provide documentation of employing a minimum of at least 40 full time employees.

Vendor Response: Please see the MAXIMUS Head Count attachment following this form and the corresponding explanation in Section 2.3 of this proposal.

- **Section 3, Subsection 3.2:** Must provide documentation for successfully preparing and negotiating at least three (3) Statewide Consolidated Allocation Plans (SWCAP) for the respective State's most recent three (3) SWCAP filings. Must provide three (3) positive references where firm has prepared and successfully negotiated SWCAP's for respective States.

Vendor Response: As proof of three recently completed SWCAPs, please see confirmation emails sent to us by our clients in Delaware and Maryland, and the first 13 pages of the latest SWCAP we submitted for the State of Pennsylvania. All three SWCAPs are each respective state's most recent filing.

Please details provided in MAXIMUS SWCAP Experience in Section 2.4.1 of this proposal, as well as the relevant documentation included following this form.

Please see MAXIMUS References detailed in Section 2.5 of this proposal.

- **Section 3, Subsection 3.3:** Must provide a copy of the most recent audited financial statements of the company.

Vendor Response: Please see folloing document: MAXIMUS FY 18 Standalones - Financial Statements with Audit Opinion

Month:	09
Year:	2019



Headcount
06/30/19

Permanent full-time employees at 06/30/19 ----- HEADCOUNT	Average full-time equivalent employees during the 06/30/19 period ----- FTEs	Number of employees in a collective bargaining agreement as of 06/30/19 ----- CB AGREEMENT
--	---	---

Headcount by Segment

MAXIMUS U.S. HEALTH AND HUMAN SERVICES	9,280	-	-
DELTAWARE	117	117	-
BRITISH COLUMBIA	467	422	265
BUSINESS SERVICES DIVISION	112	87	67
THEMIS	235	241	149
CANADA CONSULTING	-	-	-
HEALTH MANAGEMENTD LTD	364	122	-
REVITALISED LTD	14	1	-
CENTER FOR HEALTH AND DISABILITY ASSESSMENTS LTD	2,366	2,184	-
REMPLOY LTD	482	463	350
MAXIMUS UK	179	175	-
MAX NETWORK	1,600	1,614	1,466
NEW ZEALAND	-	-	-
ASSESSMENTS AUSTRALIA	-	-	-
MAXIMUS SAUDI ARABIA	123	-	-
MAXIMUS SINGAPORE	25	25	-
MAXIMUS INTERNATIONAL HEALTH AND HUMAN SERVICES	6,084	5,451	2,297
MAXIMUS US FEDERAL	9,590	-	-
HOME OFFICE	631	-	-
MAXIMUS CANADA INC	-	-	-
MAXIMUS COMPANIES LTD	-	-	-
MAXIMUS JERSEY	-	-	-
MAXIMUS AUSTRALIA HOLDING COMPANY PTY LTD	-	-	-
MAXIMUS OTHER	631	-	-
MAXIMUS CONSOLIDATED	25,585	5,451	2,297

Month:	09
Year:	2019



Headcount
06/30/19

Permanent full-time employees at 06/30/19 ----- HEADCOUNT	Average full-time equivalent employees during the 06/30/19 period ----- FTEs	Number of employees in a collective bargaining agreement as of 06/30/19 ----- CB AGREEMENT
--	---	---

Headcount by Country

MAXIMUS U.S. HEALTH AND HUMAN SERVICES	9,280	-	-
MAXIMUS US HUMAN SERVICES	-	-	-
MAXIMUS US FEDERAL	9,590	-	-
HOME OFFICE	631	-	-
MAXIMUS TCES	-	-	-
MAXIMUS US	19,501	-	-
DELTAWARE	117	117	-
BRITISH COLUMBIA	467	422	265
BUSINESS SERVICES DIVISION	112	87	67
THEMIS	235	241	149
CANADA CONSULTING	-	-	-
MAXIMUS CANADA INC	-	-	-
MAXIMUS CANADA	931	867	481
HEALTH MANAGEMENTD LTD	364	122	-
REVITALISED LTD	14	1	-
CENTER FOR HEALTH AND DISABILLITY ASSESSMENTS LTD	2,366	2,184	-
REMPLOY LTD	482	463	350
MAXIMUS UK	179	175	-
MAXIMUS COMPANIES LTD	-	-	-
MAXIMUS JERSEY	-	-	-
MAXIMUS UK / JERSEY	3,405	2,945	350
MAX NETWORK	1,600	1,614	1,466
NEW ZEALAND	-	-	-
ASSESSMENTS AUSTRALIA	-	-	-
MAXIMUS AUSTRALIA HOLDING COMPANY PTY LTD	-	-	-
MAXIMUS AUSTRALIA / NEW ZEALAND	1,600	1,614	1,466
MAXIMUS SAUDI ARABIA	123	-	-
MAXIMUS SINGAPORE	25	25	-
MAXIMUS CONSOLIDATED	25,585	5,451	2,297
	25,585		9%

From: [CAS-NY \(OS/ASA/PSC/FMP\)](#)
To: [Kyle J Tyson/MAXIMUS](#); [CAS-NY \(OS/ASA/PSC/FMP\)](#)
Subject: RE: FY18 Delaware SWCAP & Section II Reports
Date: Tuesday, January 22, 2019 12:28:23 PM
Attachments: [image003.png](#)

Good Afternoon Kyle,

This acknowledges receipt of the State of Delaware Statewide Cost Allocation Plan based on FY2018 actuals.

A member of our staff will contact you once the review has started.

If you have any questions in the interim, please contact us.

Thank you.

Amritha Sugrim Singh
Cost Negotiator, Grants Finance and Administration Services
Program Support Center
U.S. Department of Health and Human Services
26 Federal Plaza, Room 3412
New York, NY 10278

Office : (212) 264-4300

Fax : (212) 264-5478

[in](#) | [website](#) | [comments](#)



From: Kyle J Tyson/MAXIMUS <KyleTyson@maximus.com>
Sent: Friday, January 11, 2019 9:16 AM
To: CAS-NY (OS/ASA/PSC/FMP) <cas-ny@psc.hhs.gov>
Subject: FY18 Delaware SWCAP & Section II Reports

Hello,

Please find the attachment that includes the necessary documentation to review the FY 18 Delaware SWCAP and Section II Reports. Let me know if you require additional materials.

Thank you,

Kyle J. Tyson

Manager, Financial Services

MAXIMUS

808 Moorefield Park Drive, Suite 205

Richmond, VA 23236

Office: 804.823.8136

Mobile: 717.497.8520

kyletyson@maximus.com

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From: [Coleman, Cora \(OS/ASA/PSC/FMP\)](#) on behalf of [CAS-SF \(OS/ASA/PSC/FMP\)](#)
To: [Kyle J. Tyson/MAXIMUS](#)
Cc: [Wilson, Jill \(OS/ASA/PSC/FMP\)](#)
Subject: [EXTERNAL] FW: FY18 Maryland SWCAP & Section II Submission
Date: Friday, May 17, 2019 2:38:57 PM
Attachments: [image001.png](#)
[image002.png](#)

Dear Mr. Tyson:

This acknowledges receipt of the State of Maryland Statewide Cost Allocation Plan based on your fiscal year ending 06/30/18. Due to staff retirements, there maybe a delay with the review of the proposal. If you have any questions, please contact Jill Wilson at (301) 492-4881.

Cora Coleman
Senior Negotiator, Grants Finance and Administration Services
Program Support Center
U.S. Department of Health and Human Services
90 7th Street, Suite 4-600
San Francisco, CA 94103

Office: (415) 437-7821
Fax: (415) 437-7823

[in](#) | [website](#) | [comments](#)



From: Kyle J Tyson/MAXIMUS <KyleTyson@maximus.com>
Sent: Wednesday, May 15, 2019 11:20 AM
To: CAS-NY (OS/ASA/PSC/FMP) <cas-ny@psc.hhs.gov>
Cc: CAS-SF (OS/ASA/PSC/FMP) <CAS-SF@psc.hhs.gov>; Wilson, Jill (OS/ASA/PSC/FMP) <Jill.Wilson@psc.hhs.gov>; Kurt Stolzenbach -DBM- <kurt.stolzenbach@maryland.gov>
Subject: FW: FY18 Maryland SWCAP & Section II Submission

Hello,

Attached are the FY 2018 Maryland SWCAP, Section II and MCE Reconciliation Reports for review. Please let me know if you require additional documentation. We look forward to a timely review and negotiation process.

Thank you,

Kyle J. Tyson

Manager, Financial Services

MAXIMUS

808 Moorefield Park Drive, Suite 205

Richmond, VA 23236

Office: 804.823.8136

Mobile: 717.497.8520

kyletyson@maximus.com

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**Central Services
Cost Allocation Plan
Commonwealth of Pennsylvania**

Projected FY 2020
Cost Allocation Plan

Based on actual expenditures for
Fiscal Year ending June 30, 2018

MAXIMUS
Schedule A - Allocated Costs By Department

Central Service Departments	10 AGING	11 CORRECTIONS	12 LABOR & IND	13 MILIT & VET	14 ATTOR GEN
BUILDING DEPRECIATION	450,016	0	260,230	0	108,054
EQUIPMENT DEPRECIATION	0	0	0	0	0
15 GENERAL SVC	0	73,115	146,230	82,254	9,139
15 PROPERTY MGMT	0	0	0	0	0
15 RISK INS	874	258,894	50,689	36,244	19,829
15 OCCUPANCY	256,005	245,515	7,609,172	0	3,393,481
15 PURCHASES	4,230	352,755	76,667	0	0
15 REAL ESTATE	(7,352)	61,000	161,222	2,969	82,462
30 RECORDS CTR	0	153,303	22,476	12,352	0
32 CIVIL SVC	5,039	52,041	15,058	2,631	0
73 TREASURY	61,781	879,933	423,827	172,548	55,445
81 EXEC GENERAL	0	0	0	0	0
81 BUDGET OFF	373,630	623,534	408,848	264,983	0
81 SEC OF ADMIN	0	0	0	0	0
81 HR/LAB REL	6,474	1,164,827	313,000	186,108	65,308
81 IES	2,704	80,660	43,201	29,708	0
81 OIT	8,120	1,461,361	392,682	233,485	81,941
81 GEN COUNSEL	16,505	41,725	82,292	19,425	0
81 INSP GEN	68,454	232,741	246,431	54,764	13,689
92 AUDITOR GEN	7,878	0	235,558	0	0
Allocated Costs for Fiscal 2020	1,254,358	5,681,404	10,487,583	1,097,471	3,829,348

MAXIMUS
Schedule A - Allocated Costs By Department

Central Service Departments	15 GEN SVC PW	16 EDUCATION	17 PUC	18 REVENUE	19 STATE
BUILDING DEPRECIATION	13,441	676,698	1,307,356	80,600	41,107
EQUIPMENT DEPRECIATION	0	0	0	0	0
15 GENERAL SVC	2,527,512	9,139	0	18,279	18,279
15 PROPERTY MGMT	0	0	0	0	0
15 RISK INS	257,529	7,854	4,417	28,353	14,642
15 OCCUPANCY	295,219	4,386,178	2,779,812	10,492,614	1,070,782
15 PURCHASES	0	20,525	8,808	45,020	26,319
15 REAL ESTATE	2,746	38,645	34,657	135,254	29,233
30 RECORDS CTR	0	14,115	9,542	2,261	77,016
32 CIVIL SVC	0	1,712	1,453	1,902	1,133
73 TREASURY	(1,741)	140,094	27,791	3,179,766	28,142
81 EXEC GENERAL	0	0	0	0	0
81 BUDGET OFF	0	590,004	25,549	379,031	384,643
81 SEC OF ADMIN	46,436	0	0	0	0
81 HR/LAB REL	7,085	36,885	36,584	150,586	38,791
81 IES	0	8,724	3,723	10,607	10,431
81 OIT	8,887	46,272	45,891	188,932	48,666
81 GEN COUNSEL	0	75,335	0	25,576	80,618
81 INSP GEN	0	88,989	6,845	95,833	88,989
92 AUDITOR GEN	0	69,312	0	1,232,260	6,213
Allocated Costs for Fiscal 2020	3,157,114	6,210,481	4,292,428	16,066,874	1,965,004

MAXIMUS
Schedule A - Allocated Costs By Department

Central Service Departments	20 STATE POLICE	21 HUMAN SERVICES	22 FISH & BOAT	23 GAME COMM	24 COMM. & E DEV
BUILDING DEPRECIATION	137	1,039,908	0	0	784,404
EQUIPMENT DEPRECIATION	0	0	0	0	0
15 GENERAL SVC	27,418	219,345	27,418	18,279	45,697
15 PROPERTY MGMT	0	0	0	0	0
15 RISK INS	189,061	190,877	10,318	14,446	3,921
15 OCCUPANCY	450,535	15,901,000	0	0	1,687,765
15 PURCHASES	190,436	477,658	115,158	162,348	7,767
15 REAL ESTATE	266,986	472,855	2,653	170,172	21,458
30 RECORDS CTR	97,658	(33,145)	88	2,978	10,833
32 CIVIL SVC	1,454	81,533	1,077	1,387	126
73 TREASURY	355,274	2,362,357	20,664	23,554	25,614
81 EXEC GENERAL	0	0	0	0	0
81 BUDGET OFF	369,744	1,921,630	29,840	29,840	379,031
81 SEC OF ADMIN	0	0	0	0	0
81 HR/LAB REL	471,142	1,214,520	30,942	53,349	22,178
81 IES	30,121	83,919	6,170	9,593	5,129
81 OIT	591,086	1,523,698	38,817	66,930	27,818
81 GEN COUNSEL	28,582	84,456	193	0	96,753
81 INSP GEN	54,764	2,204,217	13,689	20,535	61,607
92 AUDITOR GEN	0	0	48,454	41,953	0
Allocated Costs for Fiscal 2020	3,124,398	27,744,828	345,481	615,364	3,180,101

MAXIMUS
Schedule A - Allocated Costs By Department

Central Service Departments	25 PROB & PAROL	26 LCB	27 MILK MKR BD	28 LT GOVERNOR	30 HIST & MUS
BUILDING DEPRECIATION	2,330	412	11,398	125,069	1,625,499
EQUIPMENT DEPRECIATION	0	0	0	0	0
15 GENERAL SVC	0	9,139	0	0	27,418
15 PROPERTY MGMT	0	0	0	0	0
15 RISK INS	12,314	31,363	1,729	101	14,911
15 OCCUPANCY	207,407	104,405	58,058	336,511	3,300,066
15 PURCHASES	0	0	0	1,990	8,442
15 REAL ESTATE	54,359	995,274	1,070	1,158	94,575
30 RECORDS CTR	140,428	8,456	299	1,200	5,298
32 CIVIL SVC	2,551	20,068	44	0	331
73 TREASURY	6,915	143,195	724	771	12,782
81 EXEC GENERAL	0	0	0	0	0
81 BUDGET OFF	155,882	227,133	8,514	33,440	196,664
81 SEC OF ADMIN	0	0	0	0	0
81 HR/LAB REL	98,390	403,162	1,520	1,137	15,089
81 IES	0	39,505	218	199	2,597
81 OIT	123,432	505,795	1,909	1,433	18,927
81 GEN COUNSEL	8,057	0	0	0	46,369
81 INSP GEN	75,299	34,226	0	20,535	27,381
92 AUDITOR GEN	0	182,569	0	0	0
Allocated Costs for Fiscal 2020	887,364	2,704,702	85,483	523,544	5,396,349

MAXIMUS
Schedule A - Allocated Costs By Department

Central Service Departments	31 EMERGENCY M	33 PENNVEST	34 PUBLIC TV	35 ENVIRON PROT	37 ENVIRON HEAR
BUILDING DEPRECIATION	0	5,398	18,686	908,608	27,277
EQUIPMENT DEPRECIATION	0	0	0	0	0
15 GENERAL SVC	27,418	9,139	0	63,976	0
15 PROPERTY MGMT	0	0	0	0	0
15 RISK INS	2,720	280	0	35,513	102
15 OCCUPANCY	0	32,216	14,345	4,605,986	137,337
15 PURCHASES	19,541	580	0	69,014	397
15 REAL ESTATE	1	0	130	186,597	2,062
30 RECORDS CTR	2,531	568	0	50,905	1,381
32 CIVIL SVC	819	0	0	8,984	7
73 TREASURY	17,749	1,565	0	143,111	578
81 EXEC GENERAL	0	0	0	0	0
81 BUDGET OFF	264,983	29,840	0	320,850	14,916
81 SEC OF ADMIN	0	0	0	0	0
81 HR/LAB REL	27,505	2,283	0	180,091	753
81 IES	4,690	436	0	41,903	140
81 OIT	34,510	2,861	0	225,936	953
81 GEN COUNSEL	79,752	3,110	0	131,409	3,202
81 INSP GEN	34,226	0	0	102,679	0
92 AUDITOR GEN	0	0	0	0	0
Allocated Costs for Fiscal 2020	516,445	88,276	33,161	7,075,562	189,105

MAXIMUS
Schedule A - Allocated Costs By Department

Central Service Departments	38 CONS & NAT R	39 HIGHER ED AS	40 ETHICS COMM.	41-49 LEGISLAT	50-62 COURTS
BUILDING DEPRECIATION	228,856	0	5,727	9,685,661	230,213
EQUIPMENT DEPRECIATION	0	0	0	0	0
15 GENERAL SVC	36,558	0	0	0	0
15 PROPERTY MGMT	0	0	0	0	0
15 RISK INS	31,834	166,104	404	199	0
15 OCCUPANCY	1,236,131	0	80,414	10,177,722	535,046
15 PURCHASES	235,018	0	0	0	0
15 REAL ESTATE	303,114	0	1,532	118,581	1,997
30 RECORDS CTR	11,267	0	0	0	0
32 CIVIL SVC	7,299	0	0	0	0
73 TREASURY	127,689	90,130	1,431	176,795	98,653
81 EXEC GENERAL	0	0	0	0	0
81 BUDGET OFF	320,850	0	0	0	0
81 SEC OF ADMIN	0	0	0	0	0
81 HR/LAB REL	174,222	240,522	1,445	908	0
81 IES	17,349	0	0	0	0
81 OIT	218,567	301,752	1,813	1,141	0
81 GEN COUNSEL	39,379	0	0	0	0
81 INSP GEN	47,917	0	0	0	6,845
92 AUDITOR GEN	0	0	0	0	0
Allocated Costs for Fiscal 2020	3,036,050	798,508	92,766	20,161,007	872,754

MAXIMUS
Schedule A - Allocated Costs By Department

Central Service Departments	63 IND REG COMM	65 GAMING CONTROL BOARD	66 SECURITIES	67 HEALTH	68 AGRICULTURE
BUILDING DEPRECIATION	27,062	0	0	177,446	202,601
EQUIPMENT DEPRECIATION	0	0	0	0	0
15 GENERAL SVC	0	0	0	0	18,279
15 PROPERTY MGMT	0	0	0	0	0
15 RISK INS	0	25,621	0	15,339	9,866
15 OCCUPANCY	179,809	92,421	29,571	2,634,367	2,691,268
15 PURCHASES	0	0	0	38,397	58,419
15 REAL ESTATE	1,697	(9,226)	2,410	107,667	22,981
30 RECORDS CTR	0	8,989	0	75,903	2,609
32 CIVIL SVC	0	0	0	4,556	1,135
73 TREASURY	1,085	2,545	0	83,764	57,752
81 EXEC GENERAL	0	0	0	0	0
81 BUDGET OFF	0	191,831	0	582,759	408,848
81 SEC OF ADMIN	0	0	0	0	0
81 HR/LAB REL	0	23,850	0	90,535	63,326
81 IES	0	1,954	0	12,324	6,669
81 OIT	0	29,927	0	113,586	79,449
81 GEN COUNSEL	0	0	0	50,603	80,471
81 INSP GEN	0	0	0	123,216	20,535
92 AUDITOR GEN	0	0	0	0	0
Allocated Costs for Fiscal 2020	209,653	367,912	31,981	4,110,462	3,724,208

MAXIMUS
Schedule A - Allocated Costs By Department

Central Service Departments	70 ST EMP RET	71 MUN EMP RET	72 PUB SCH RET	74 DRUG & ALCOHOL	75 BANKING
BUILDING DEPRECIATION	0	0	0	0	0
EQUIPMENT DEPRECIATION	0	0	0	0	0
15 GENERAL SVC	45,697	18,279	9,139	0	0
15 PROPERTY MGMT	0	0	0	0	0
15 RISK INS	1,574	246	2,847	590	1,899
15 OCCUPANCY	70,532	0	7,296	0	93,232
15 PURCHASES	5,685	1,418	17,294	2,276	917
15 REAL ESTATE	862	468	(1,427)	0	5,159
30 RECORDS CTR	53,146	39	30,065	1,069	5,630
32 CIVIL SVC	545	86	932	776	637
73 TREASURY	1,240,103	23,019	2,116,994	6,339	10,955
81 EXEC GENERAL	0	0	0	0	0
81 BUDGET OFF	0	0	0	158,192	330,578
81 SEC OF ADMIN	0	0	0	0	0
81 HR/LAB REL	12,344	1,747	23,774	5,027	14,627
81 IES	1,152	164	2,055	1,160	2,076
81 OIT	15,481	2,195	29,829	6,305	18,358
81 GEN COUNSEL	11,685	0	7,164	7,951	7,662
81 INSP GEN	171,134	0	41,070	13,689	27,381
92 AUDITOR GEN	0	0	0	0	0
Allocated Costs for Fiscal 2020	1,629,940	47,661	2,287,032	203,374	519,111

MAXIMUS
Schedule A - Allocated Costs By Department

Central Service Departments	78 TRANSPORTAT	79 INSURANCE	81 COMPT OPER	81 EXEC OTHER	81 IG WELFARE FR
BUILDING DEPRECIATION	2,484,226	13,048	0	4,499	0
EQUIPMENT DEPRECIATION	0	0	0	0	0
15 GENERAL SVC	54,836	100,533	0	0	0
15 PROPERTY MGMT	0	0	0	0	0
15 RISK INS	229,132	2,744	0	0	0
15 OCCUPANCY	2,512,124	1,501,678	0	88,681	0
15 PURCHASES	954,103	0	0	0	0
15 REAL ESTATE	83,661	12,849	3,433	1,307	0
30 RECORDS CTR	41,657	27,565	0	0	0
32 CIVIL SVC	17,109	743	0	0	0
73 TREASURY	396,955	48,691	0	0	0
81 EXEC GENERAL	0	0	328,103	122,299	0
81 BUDGET OFF	369,744	357,408	1,976,995	0	0
81 SEC OF ADMIN	0	0	558,677	208,241	0
81 HR/LAB REL	878,270	17,218	29,642	11,046	0
81 IES	291,011	2,353	0	0	0
81 OIT	1,101,851	21,604	37,188	13,858	0
81 GEN COUNSEL	353,738	20,395	0	0	0
81 INSP GEN	260,124	47,917	0	0	752,990
92 AUDITOR GEN	170,740	0	0	0	0
Allocated Costs for Fiscal 2020	10,199,281	2,174,746	2,934,038	449,931	752,990

MAXIMUS
Schedule A - Allocated Costs By Department

Central Service Departments	84 EHEALTH	88 PORTS	90 HIGHER ED SYS	91 TURNPIKE	94 HOUSING FIN
BUILDING DEPRECIATION	0	0	0	0	0
EQUIPMENT DEPRECIATION	0	0	0	0	0
15 GENERAL SVC	0	0	54,836	0	0
15 PROPERTY MGMT	0	0	0	0	0
15 RISK INS	0	429	5,322	1,895	752
15 OCCUPANCY	6,486	0	0	122,312	0
15 PURCHASES	0	0	0	0	0
15 REAL ESTATE	0	582	449	0	0
30 RECORDS CTR	0	0	0	0	0
32 CIVIL SVC	0	0	0	0	0
73 TREASURY	0	2,019	21	0	3
81 EXEC GENERAL	0	0	0	0	0
81 BUDGET OFF	0	0	0	0	0
81 SEC OF ADMIN	0	0	0	0	0
81 HR/LAB REL	0	4,185	1,016,435	0	0
81 IES	0	0	0	0	0
81 OIT	0	0	1,275,205	0	0
81 GEN COUNSEL	0	0	31,121	0	0
81 INSP GEN	0	0	0	0	0
92 AUDITOR GEN	0	0	0	0	0
Allocated Costs for Fiscal 2020	6,486	7,215	2,383,389	124,207	755

MAXIMUS
Schedule A - Allocated Costs By Department

Central Service Departments	98 ST SCH BLDG	99 GOVERNOR	OTHER	Total Allocated	Direct Billed
BUILDING DEPRECIATION	0	582,106	1,153,249	22,281,322	0
EQUIPMENT DEPRECIATION	0	0	0	0	0
15 GENERAL SVC	0	0	27,418	3,724,769	0
15 PROPERTY MGMT	0	0	0	0	0
15 RISK INS	0	600	164	1,684,542	0
15 OCCUPANCY	0	3,993,288	746,669	84,163,456	5,299,855
15 PURCHASES	0	2,011	0	2,903,193	0
15 REAL ESTATE	0	5,728	123,772	3,597,782	336,226
30 RECORDS CTR	0	0	0	838,482	0
32 CIVIL SVC	0	0	0	233,168	0
73 TREASURY	0	2,733	2,262	12,572,377	4,760,983
81 EXEC GENERAL	0	0	0	450,402	0
81 BUDGET OFF	0	33,440	0	11,763,174	0
81 SEC OF ADMIN	0	0	0	813,354	0
81 HR/LAB REL	0	5,326	0	7,142,158	0
81 IES	0	774	140	753,559	0
81 OIT	0	6,692	0	8,955,143	0
81 GEN COUNSEL	6,497	0	95,153	1,535,178	0
81 INSP GEN	0	0	0	5,058,711	0
92 AUDITOR GEN	0	0	0	1,994,937	2,826,111
Allocated Costs for Fiscal 2020	6,497	4,632,698	2,148,827	170,465,707	13,223,175

MAXIMUS
Schedule A - Allocated Costs By Department

Central Service Departments	Unallocated	Cost Adjustments	Disallowed	Total Expenditures
BUILDING DEPRECIATION	0	(26,841,602)		
EQUIPMENT DEPRECIATION	0	(1,998,465)		
15 GENERAL SVC	3,796,739	0	1,755,483	
15 PROPERTY MGMT	0	0	356,360	
15 RISK INS	0	534,632	19,300,986	
15 OCCUPANCY	0	0	30,371,348	
15 PURCHASES	3,693,526	8,784,261	3,006,364	
15 REAL ESTATE	0	0	(14,654)	
30 RECORDS CTR	756,684	0		
32 CIVIL SVC	0	0		
73 TREASURY	35,520,727	0	1,227,903	
81 EXEC GENERAL	0	0		
81 BUDGET OFF	416,453	0	362,530,149	
81 SEC OF ADMIN	0	0	216	
81 HR/LAB REL	26,960,376	0	3,292,439	
81 IES	0	0		
81 OIT	49,874,812	0	5,225,346	
81 GEN COUNSEL	2,985,491	0		
81 INSP GEN	0	0		
92 AUDITOR GEN	50,128,660	0	(36)	
Allocated Costs for Fiscal 2020	174,133,468	(19,521,174)	427,051,904	765,353,080

MAXIMUS[®]

MAXIMUS Human Services, Inc. Consolidating Financial Statements

Year Ended September 30, 2018



Building a better
working world

Ernst & Young LLP
1775 Tysons Boulevard
Tysons, VA 22102

Tel: +1 703 747 1000
Fax: +1 703 747 0100
ey.com

Report of Independent Registered Accounting Firm on Supplemental Information

The Board of Directors and Shareholders of MAXIMUS, Inc.

We have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements of MAXIMUS, Inc. and subsidiaries as of and for the year ended September 30, 2018 (not presented herein), and have issued an unqualified opinion thereon dated November 20, 2018. The consolidating balance sheets and income statements are not intended to present the financial position, results of operations, and cash flows of the individual companies, as would complete financial statements including necessary disclosures, and should be read in conjunction with the consolidated financial statements included in the Company's Form 10-K filed with the SEC on November 20, 2018. The scope of our audit procedures was not designed to provide a basis for expressing opinions on the presentations of the accounts of the individual companies on a stand-alone basis and, accordingly, we do not express such opinions. However, the information has been subjected to audit procedures performed in conjunction with the audit of the consolidated financial statements. Such information is the responsibility of the Company's management.

Our audit procedures included determining whether the information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Ernst + Young LLP

February 28, 2019

MAXIMUS, Inc. and Subsidiaries
Consolidating Balance Sheets
September 30, 2018
(Amounts in thousands)

	MAXIMUS Human Services, Inc.*	Other MAXIMUS, Inc. subsidiaries	Eliminations	MAXIMUS, Inc.
ASSETS				
Current assets:				
Cash and cash equivalents	\$ -	\$ 349,245	\$ -	\$ 349,245
Short-term investments	-	20,264	-	20,264
Accounts receivable - billed and billable, net	25,536	332,077	-	357,613
Accounts receivable - unbilled	1,199	30,337	-	31,536
Income tax receivable	-	5,979	-	5,979
Prepaid expenses and other current assets	1,314	42,681	-	43,995
Amounts receivable from other MAXIMUS entities	16,969	-	(16,969)	-
Total current assets	45,018	780,583	(16,969)	808,632
Property and equipment, net	473	77,071	-	77,544
Capitalized software, net	254	22,175	-	22,429
Goodwill	-	399,882	-	399,882
Intangible assets, net	-	88,035	-	88,035
Deferred contract costs, net	918	13,462	-	14,380
Deferred income taxes	409	6,425	-	6,834
Deferred compensation plan assets	-	34,305	-	34,305
Other assets	52	9,907	-	9,959
Total assets	<u>\$ 47,124</u>	<u>\$ 1,431,845</u>	<u>\$ (16,969)</u>	<u>\$ 1,462,000</u>
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current liabilities				
Account payable and accrued liabilities	\$ 5,697	\$ 108,681	\$ -	\$ 114,378
Accrued compensation and benefits	2,359	93,196	-	95,555
Deferred revenue	3,075	48,107	-	51,182
Income taxes payable	-	4,438	-	4,438
Amounts payable to other MAXIMUS entities	-	16,969	(16,969)	-
Other liabilities	-	11,896	-	11,896
Total current liabilities	11,131	283,287	(16,969)	277,449
Deferred revenue, less current portion	618	19,776	-	20,394
Deferred income taxes	-	26,377	-	26,377
Deferred compensation plan liabilities, less current portion	-	33,497	-	33,497
Other liabilities	104	17,760	-	17,864
Total liabilities	11,853	380,697	(16,969)	375,581
Shareholders' equity				
Common Stock	-	487,539	-	487,539
Accumulated other comprehensive income	-	(36,953)	-	(36,953)
Retained earnings	35,271	598,010	-	633,281
Total MAXIMUS shareholders' equity	35,271	1,048,596	-	1,083,867
Noncontrolling interests	-	2,552	-	2,552
Total equity	35,271	1,051,148	-	1,086,419
Total liabilities and equity	<u>\$ 47,124</u>	<u>\$ 1,431,845</u>	<u>\$ (16,969)</u>	<u>\$ 1,462,000</u>

* The consolidating information is not intended to present the financial position, results of operations, and cash flows of the individual companies, as would complete financial statements including necessary disclosures, and should be read in conjunction with the financial statements included in the Company's Form 10-K filed with SEC on November 20, 2018.

MAXIMUS, Inc. and Subsidiaries
Consolidating Income Statements
Year ended September 30, 2018
(Amounts in thousands)

	MAXIMUS Human Services, Inc.*	Other MAXIMUS, Inc. subsidiaries	Eliminations	MAXIMUS, Inc.
Revenue	\$ 112,127	\$ 2,280,109	\$ -	\$ 2,392,236
Cost of revenue	86,056	1,711,795	-	1,797,851
Gross profit	26,071	568,314	-	594,385
Selling, general and administrative expenses	20,744	264,497	-	285,241
Amortization of intangible assets	0	10,308	-	10,308
Restructuring Costs	-	3,353	-	3,353
Operating income	5,327	290,156	-	295,483
Interest expense	-	1,000	-	1,000
Other income, net	(11)	4,737	-	4,726
Income before income taxes	5,316	293,893	-	299,209
Provision for income taxes	1,621	76,772	-	78,393
Net income	3,695	217,121	-	220,816
Income attributable to noncontrolling interest	-	65	-	65
Net income attributable to MAXIMUS	<u>\$ 3,695</u>	<u>\$ 217,056</u>	<u>\$ -</u>	<u>\$ 220,751</u>

* The consolidating information is not intended to present the financial position, results of operations, and cash flows of the individual companies, as would complete financial statements including necessary disclosures, and should be read in conjunction with the financial statements included in the Company's Form 10-K filed with SEC on November 20, 2018.

STATE OF WEST VIRGINIA
Purchasing Division
PURCHASING AFFIDAVIT

CONSTRUCTION CONTRACTS: Under W. Va. Code § 5-22-1(i), the contracting public entity shall not award a construction contract to any bidder that is known to be in default on any monetary obligation owed to the state or a political subdivision of the state, including, but not limited to, obligations related to payroll taxes, property taxes, sales and use taxes, fire service fees, or other fines or fees.

ALL CONTRACTS: Under W. Va. Code §5A-3-10a, no contract or renewal of any contract may be awarded by the state or any of its political subdivisions to any vendor or prospective vendor when the vendor or prospective vendor or a related party to the vendor or prospective vendor is a debtor and: (1) the debt owed is an amount greater than one thousand dollars in the aggregate; or (2) the debtor is in employer default.

EXCEPTION: The prohibition listed above does not apply where a vendor has contested any tax administered pursuant to chapter seven of the W. Va. Code, workers' compensation premium, permit fee or environmental fee or assessment and the matter has not become final or where the vendor has entered into a payment plan or agreement and the vendor is not in default of any of the provisions of such plan or agreement.

DEFINITIONS:

"Debt" means any assessment, premium, penalty, fine, tax or other amount of money owed to the state or any of its political subdivisions because of a judgment, fine, permit violation, license assessment, defaulted workers' compensation premium, penalty or other assessment presently delinquent or due and required to be paid to the state or any of its political subdivisions, including any interest or additional penalties accrued thereon.

"Employer default" means having an outstanding balance or liability to the old fund or to the uninsured employers' fund or being in policy default, as defined in W. Va. Code § 23-2c-2, failure to maintain mandatory workers' compensation coverage, or failure to fully meet its obligations as a workers' compensation self-insured employer. An employer is not in employer default if it has entered into a repayment agreement with the Insurance Commissioner and remains in compliance with the obligations under the repayment agreement.

"Related party" means a party, whether an individual, corporation, partnership, association, limited liability company or any other form or business association or other entity whatsoever, related to any vendor by blood, marriage, ownership or contract through which the party has a relationship of ownership or other interest with the vendor so that the party will actually or by effect receive or control a portion of the benefit, profit or other consideration from performance of a vendor contract with the party receiving an amount that meets or exceeds five percent of the total contract amount.

AFFIRMATION: By signing this form, the vendor's authorized signer affirms and acknowledges under penalty of law for false swearing (W. Va. Code §61-5-3) that: (1) for construction contracts, the vendor is not in default on any monetary obligation owed to the state or a political subdivision of the state, and (2) for all other contracts, that neither vendor nor any related party owe a debt as defined above and that neither vendor nor any related party are in employer default as defined above, unless the debt or employer default is permitted under the exception above.

WITNESS THE FOLLOWING SIGNATURE:

Vendor's Name: MAXIMUS Consulting Services, Inc.

Authorized Signature: *[Signature]* Date: 7.29.19

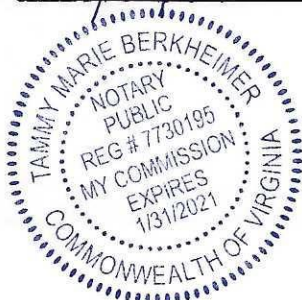
State of Virginia

County of Chesterfield, to-wit:

Taken, subscribed, and sworn to before me this 29 day of July, 2019.

My Commission expires 1/31/21, 20 .

AFFIX SEAL HERE



NOTARY PUBLIC

[Signature]

ADDENDUM ACKNOWLEDGEMENT FORM
SOLICITATION NO.: FAR2000000001

Instructions: Please acknowledge receipt of all addenda issued with this solicitation by completing this addendum acknowledgment form. Check the box next to each addendum received and sign below. Failure to acknowledge addenda may result in bid disqualification.

Acknowledgment: I hereby acknowledge receipt of the following addenda and have made the necessary revisions to my proposal, plans and/or specification, etc.

Addendum Numbers Received:

(Check the box next to each addendum received)

- | | |
|---|--|
| <input type="checkbox"/> Addendum No. 1 | <input type="checkbox"/> Addendum No. 6 |
| <input type="checkbox"/> Addendum No. 2 | <input type="checkbox"/> Addendum No. 7 |
| <input type="checkbox"/> Addendum No. 3 | <input type="checkbox"/> Addendum No. 8 |
| <input type="checkbox"/> Addendum No. 4 | <input type="checkbox"/> Addendum No. 9 |
| <input type="checkbox"/> Addendum No. 5 | <input type="checkbox"/> Addendum No. 10 |

I understand that failure to confirm the receipt of addenda may be cause for rejection of this bid. I further understand that any verbal representation made or assumed to be made during any oral discussion held between Vendor's representatives and any state personnel is not binding. Only the information issued in writing and added to the specifications by an official addendum is binding.

MAXIMUS Consulting Services, Inc.

Company



Authorized Signature

7.29.19

Date

NOTE: This addendum acknowledgment should be submitted with the bid to expedite document processing.

Appendix A: Exceptions

Term & Section	Language
Insurance (RFQ General Terms Section 8)	<p>INSURANCE: The apparent successful Vendor shall furnish proof of the insurance identified by a checkmark below and must include the State as an additional insured on each policy <u>and as a loss payee on the crime policy</u> prior to Contract award. The insurance coverages identified below must be maintained throughout the life of this contract. Thirty Ten (310) days prior to the expiration of the insurance policies, Vendor shall provide the Agency with proof that the insurance mandated herein has been continued. Vendor must also provide Agency with immediate notice of any changes in its insurance policies, including but not limited to, policy cancelation, policy reduction, or change in insurers. The commercial general and automobile liability and workers compensation/employers liability insurance policies shall contain a provision that the insurers will provide 30 days prior written notice of cancellation or non-renewal to the State as the certificate holder on file with insurers. The apparent successful Vendor shall also furnish proof of any additional insurance requirements contained in the specifications prior to Contract award regardless of whether or not that insurance requirement is listed in this section.</p> <p>Vendor must maintain:</p> <p><input type="checkbox"/> Commercial General Liability Insurance in at least an amount of: <u>\$1,000,000.00</u> Occurrence/\$2,000,000.00 aggregate.</p> <p><input type="checkbox"/> Automobile Liability Insurance in at least an amount of: <u>\$1,000,000.00 per</u> occurrence.</p> <p><input type="checkbox"/> Professional Malpractice/ Errors and Omission Insurance in at least an amount of: \$1,000,000.00 per occurrence.</p> <p><input type="checkbox"/> Commercial Crime and <u>including Third Party coverage Fidelity Insurance</u> in an amount of: <u>\$1,000,000.00</u> per occurrence.</p> <p><input type="checkbox"/> Cyber Liability Insurance in an amount of: \$1,000,000.00 per occurrence.</p> <p>D Builders Risk Insurance in an amount equal to 100% of the amount of the Contract.</p> <p>O Pollution Insurance in an amount of: _____ per occurrence.</p> <p>D Aircraft Liability in an amount of: ___ per occurrence</p> <p><i>Please note that any additional insurance language attached to or included in the resulting contract will need to be reviewed and approved by our Director of Risk. In accordance with our insurance policies, MAXIMUS proposes to revise these provisions as follows:</i></p>
Bonds & Liquidated Damages (RFQ General Terms and Conditions Sections 7 & 11)	<p><i>Since no boxes were checked, MAXIMUS assumes and anticipates that there will be no bonds or liquidated damages applicable to the resulting Contract.</i></p>
Payment (RFQ General Terms & Conditions Section 14)	<p><i>MAXIMUS proposes to revise this section as follows:</i></p> <p>"Payment in advance is prohibited under this Contract. Payment shall be made within thirty (30) days after date of invoice. Acceptance of the deliverables shall not be unreasonably withheld."</p>
Cancellation (RFQ General Terms & Conditions Section 19)	<p><i>MAXIMUS proposes to include termination for default language into a resulting contract. MAXIMUS should have the opportunity to cure or develop a plan to resolve any systemic performance issues prior to termination for default. Having the opportunity to cure will save the State time, resources and money in avoiding a re-procurement. MAXIMUS proposes to revise this provision to include the following language after the last sentence:</i></p> <p>"The Purchasing Division Director reserves the right to cancel this Contract immediately upon written notice to the vendor if the materials or workmanship supplied do not conform to the specifications contained in the Contract. The Purchasing Division Director may also cancel any purchase or Contract upon 30 days written notice to the Vendor in accordance with West Virginia Code of State Rules § 148-1-5.2.b. The Vendor shall have a minimum of 30 days from the date of receipt to cure any such default prior to the effective date of termination."</p>

<p>Indemnification (RFQ General Terms & Conditions Section 36)</p>	<p><i>As MAXIMUS will not be utilizing subcontractors for these services, nor will we be handling PII/PHI, MAXIMUS proposes to revise this section as follows:</i></p> <p>“To the extent allowed by law, Vendor agrees to indemnify, defend, and hold harmless the State and the Agency, their officers, and employees from and against third-party claims or losses resulting from: (i) the negligent actions or willful misconduct of Vendor in performance of the services herein; and (ii) any failure of the Vendor, its officers or employees to observe State and Federal laws including, but not limited to, labor and wage and hour laws. Vendor shall not be responsible for any damages, liabilities or costs resulting from the negligence or willful misconduct of the State and the Agency, their officers, employees or any third party.”</p>
<p>Background Check (General Terms & Conditions Section 41)</p>	<p><i>As MAXIMUS will not regularly be onsite or handling PHI or PII, we request to remove this requirement in its entirety. Alternatively, we can certify in the resulting contract that all MAXIMUS employees working on the project have been properly vetted by our Corporate HR department, including MAXIMUS required background checks.</i></p>
<p>Vendor Default (RFQ Specifications Section 10)</p>	<p><i>As there is already an adequate cancellation section in the General Terms and Conditions (see above), MAXIMUS proposes to strike this section in its entirety. In the alternative, the language should be revised to match MAXIMUS exceptions noted above.</i></p>
<p>Limitation of Liability (RFP is silent)</p>	<p><i>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. Further, bidding firms with a higher net worth are at a disadvantage and undertake higher risk than those firms of lower net worth. Limiting liability proportionally to the contract value does not create unreasonable risk for the State given MAXIMUS’ extensive experience and success in providing similar services and its solid financial standing. Therefore, MAXIMUS proposes to include the following language in any resulting contract:</i></p> <p>“State agrees that Vendor’s total liability to State for any and all damages whatsoever arising out of, or in any way related to, this Contract 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 the base contract value.</p> <p>In no event shall Vendor 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 Vendor has been advised of the likelihood of such damages, and notwithstanding any failure of essential purpose of any limited remedy.</p> <p>Any claim by State against Vendor relating to this Contract must be made in writing and presented to Vendor within one (1) year after the date on which Vendor completes performance of the services specified in this Contract.”</p>
<p>Litigation Reimbursement (RFP is silent)</p>	<p><i>MAXIMUS has been previously requested by 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 State in the event that MAXIMUS provides assistance in unrelated third party litigation brought against the State. MAXIMUS therefore proposes to include the following language in any resulting contract:</i></p> <p>“If Vendor is requested by the State to produce Vendor 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, litigation or otherwise, then the State and Vendor shall execute a change order or new services agreement for the sole purpose of setting forth any payment and the terms associated with Vendor’s response and related to the reasonable fees of Vendor in responding. The foregoing does not: (1) diminish or negate Vendor’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 Vendor is compelled by subpoena from a third party to provide Vendor deliverables, documents, records, working papers, or personnel for testimony or interviews.”</p>
<p>Data Accuracy (RFP is silent)</p>	<p><i>MAXIMUS does not have an obligation to audit the State’s data and shall be entitled to assume that data provided by the State is accurate. As such, MAXIMUS proposes to include the following language in any resulting contract:</i></p> <p>“Vendor shall provide guidance to the State in determining the data required. The State represents that all financial and statistical information provided to Vendor by State, its employees and/or agents is accurate and complete to the best of State’s knowledge. The State further acknowledges and agrees that Vendor shall be entitled to rely upon the accuracy and completeness of the data to perform the Services. State shall provide all such data in a timely manner sufficient to allow Vendor to provide the Services. Vendor shall have no liability to State whatsoever if State provides incomplete or inaccurate data or provides data in an untimely manner.”</p>

Exceptions

<p>Vendor Liability if Audited (RFP is silent)</p>	<p><i>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. Even if, for example, MAXIMUS has performed its duties in accordance with the contract by developing a plan that is fully compliant with federal requirements, the federal negotiator may take a contrary position. That would not mean that MAXIMUS position was in error or that MAXIMUS made an omission; rather, the negotiator simply had a different view. Additionally, the State may be unjustly enriched if MAXIMUS is liable for audit disallowances. For example, if MAXIMUS mistakenly enters a \$10,000 cost that is allocated to a program as \$100,000 and there is an audit resulting in a disallowance of \$90,000, the State would not be harmed by such error. The State was only entitled to \$10,000, so it would not seem sensible for MAXIMUS to pay the \$90,000 simply because of the error. MAXIMUS defends its work at no additional cost to the State and will make the necessary changes to correct any errors we make that are uncovered during an audit at no cost. Therefore, it is important that the contract reflect that MAXIMUS is not responsible for missed or lost revenue or audit disallowances. We therefore propose to include the following language in any resulting contract:</i></p> <p>“Vendor shall, upon notice of audit, make work papers and other records available to the auditors. Vendor’s sole responsibility under an audit shall be to provide reasonable assistance to State through the audit and to make changes to the work product required as a result of the audit. Vendor shall not be liable for any audit disallowances or any missed or lost revenue associated with, or related to, the Services, regardless of cause.”</p>
<p>Copyright for Vendor’s Proprietary Software (RFP is silent)</p>	<p><i>MAXIMUS proposes to revise this section and include the following language in any resulting contract to ensure that MAXIMUS’ proprietary software, which is not being licensed for this project, but which may be used in preparing cost allocation plans and the like, is fully and appropriately protected.</i></p> <p>“To the extent that the Services provided by Vendor are generated by Vendor’s proprietary software, nothing contained herein is intended nor shall it be construed to require Vendor to provide such software to State. State agrees that it has no claims of ownership, including copyright, patents or other intellectual property rights to Vendor’s software. Nothing in this Contract shall be construed to grant State any rights to Vendor’s materials created prior to the execution of this Contract. All of the deliverables under this Contract are specifically set out herein.”</p>

Appendix B: Certificates of Insurance



CERTIFICATE OF PROPERTY INSURANCE

DATE (MM/DD/YYYY)
07/16/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

PRODUCER Aon Risk Services, Inc. of Washington, D.C. Aon Risk Services Central, Inc. Chicago IL Office 200 East Randolph Chicago IL 60601 USA	CONTACT NAME: PHONE (A/C. No. Ext): (866) 283-7122 FAX (A/C. No.): (800) 363-0105		
	E-MAIL ADDRESS: PRODUCER CUSTOMER ID #: 410000000170		
INSURED MAXIMUS Consulting Services, Inc. 1891 Metro Center Drive Reston VA 20190 USA	INSURER(S) AFFORDING COVERAGE		NAIC #
	INSURER A: Travelers Casualty&Surety Co of America		31194
	INSURER B: XL Insurance America Inc		24554
	INSURER C:		
	INSURER D:		
	INSURER E:		

Holder Identifier :

COVERAGES	CERTIFICATE NUMBER: 570077521528	REVISION NUMBER:
LOCATION OF PREMISES/ DESCRIPTION OF PROPERTY (Attach ACORD 101, Additional Remarks Schedule, if more space is required) RE: Solicitation: FAR2000000001, FARS statewide Cost Allocation Plan (SWCAP) 2019-2022.		

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	COVERED PROPERTY	LIMITS
B	<input checked="" type="checkbox"/> PROPERTY	US00078612PR19A	05/01/2019	05/01/2020	BUILDING	
	<input type="checkbox"/> CAUSES OF LOSS				PERSONAL PROPERTY	
	<input type="checkbox"/> DEDUCTIBLES				BUSINESS INCOME	
	<input type="checkbox"/> BASIC				EXTRA EXPENSE	
	<input type="checkbox"/> BUILDING				RENTAL VALUE	
	<input type="checkbox"/> BROAD				BLANKET BUILDING	
	<input type="checkbox"/> CONTENTS				BLANKET PERS PROP	
	<input checked="" type="checkbox"/> SPECIAL				BLANKET BLDG & PP	
	<input type="checkbox"/> EARTHQUAKE				X Loss Limit	\$10,000,000
	<input type="checkbox"/> WIND					
<input type="checkbox"/> FLOOD						
<input checked="" type="checkbox"/> Loss Limit Ded	\$50,000					
	INLAND MARINE	TYPE OF POLICY				
	CAUSES OF LOSS	POLICY NUMBER				
	NAMED PERILS					
A	<input checked="" type="checkbox"/> CRIME	105973769	08/01/2018	08/01/2019	X Employee Dishonesty	\$5,000,000
	TYPE OF POLICY	SIR applies per policy terms & conditions			X Deductible	\$250,000
	Crime - Primary					
	BOILER & MACHINERY / EQUIPMENT BREAKDOWN					

CERTIFICATE NUMBER: 570077521528

SPECIAL CONDITIONS / OTHER COVERAGES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
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CERTIFICATE HOLDER State of West Virginia Attn: Melissa Pettrey Financial Accounting and Reporting Section, Dept. of Accounting Bldg. 17, 2101 Washington St. East Charleston WV 25305-1510 USA	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>Aon Risk Services Inc. of Washington D.C.</i>
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CERTIFICATE OF LIABILITY INSURANCE

DATE(MM/DD/YYYY)
07/16/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Aon Risk Services, Inc. of Washington, D.C. Aon Risk Services Central, Inc. Chicago IL Office 200 East Randolph Chicago IL 60601 USA	CONTACT NAME: PHONE (A/C. No. Ext): (866) 283-7122 FAX (A/C. No.): (800) 363-0105		
	E-MAIL ADDRESS:		
INSURED MAXIMUS Consulting Services, Inc. 1891 Metro Center Drive Reston VA 20190 USA	INSURER(S) AFFORDING COVERAGE		NAIC #
	INSURER A: National Union Fire Ins Co of Pittsburgh		19445
	INSURER B: Zurich American Ins Co		16535
	INSURER C: American Zurich Ins Co		40142
	INSURER D: XL Specialty Insurance Co		37885
	INSURER E:		
INSURER F:			

COVERAGES **CERTIFICATE NUMBER: 570077521529** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS. **Limits shown are as requested**

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
B	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GENL AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			GL0509621804	05/01/2019	05/01/2020	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$1,000,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000
B	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY			BAP 5096219 04	05/01/2019	05/01/2020	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)
D	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$10,000			US00075267LI19A	05/01/2019	05/01/2020	EACH OCCURRENCE \$10,000,000 AGGREGATE \$10,000,000
C	<input checked="" type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below			WC509621604 Deductible \$350,000 WC509621704 Wisconsin	05/01/2019	05/01/2020	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE-EA EMPLOYEE \$1,000,000 E.L. DISEASE-POLICY LIMIT \$1,000,000
A	E&O-PL-Primary			017546551 Claims Made SIR applies per policy terms & conditions	08/01/2018	08/01/2019	Per Claim/Agg \$10,000,000 SIR \$10,000,000

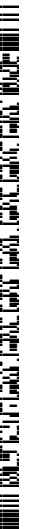
DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Cyber Liability: Network Interruption, Security and Privacy Liability, and Media Content Liability are included in the E&O policy. A Severability of Interest Clause is included under the General Liability policy. RE: Solicitation: FAR2000000001, FARS Statewide Cost Allocation Plan (SWCAP) 2019-2022. State of West Virginia is included as Additional Insured in accordance with the policy provisions of the General Liability, Automobile Liability, Umbrella Liability and Professional Liability policies. General Liability, Automobile Liability and Umbrella Liability policies evidenced herein are Primary and Non Contributory to other insurance available to an Additional Insured, but only in accordance with the policy's provisions. A waiver of Subrogation is granted in favor of State of West Virginia in accordance with the policy provisions of the General

CERTIFICATE HOLDER

CANCELLATION

State of West Virginia Attn: Melissa Pettrey Financial Accounting and Reporting Section, Dept. of Accounting Bldg. 17, 2101 Washington St. East Charleston WV 25305-1510 USA	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>Aon Risk Services Inc. of Washington D.C.</i>
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ADDITIONAL REMARKS SCHEDULE

AGENCY Aon Risk Services, Inc. of Washington, D.C.		NAMED INSURED MAXIMUS Consulting Services, Inc.	
POLICY NUMBER See Certificate Number: 570077521529			
CARRIER See Certificate Number: 570077521529	NAIC CODE	EFFECTIVE DATE:	

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: ACORD 25 **FORM TITLE:** Certificate of Liability Insurance

Additional Description of Operations / Locations / Vehicles:
 Liability, Automobile Liability, Umbrella Liability, Professional Liability and workers' Compensation policies. See attached addendum.



ADDITIONAL REMARKS SCHEDULE

AGENCY Aon Risk Services, Inc. of Washington, D.C.		NAMED INSURED MAXIMUS Consulting Services, Inc.	
POLICY NUMBER See Certificate Number: 570077521529			
CARRIER See Certificate Number: 570077521529	NAIC CODE	EFFECTIVE DATE:	

ADDITIONAL REMARKS

**THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
 FORM NUMBER: ACORD 25 FORM TITLE: Certificate of Liability Insurance**

NOC

With respect to the General Liability, Automobile Liability and workers' Compensation policies: A. If Zurich should cancel or non-renew this coverage Part (s) by written notice to the first Named Insured for any reason other than nonpayment of premium, Zurich will mail or deliver a copy of such written notice of cancellation or non-renewal. 1. To the name and address corresponding to each person or organization shown in the Schedule; Certificate holders as required by written contract. 2. At least 60 days prior to the effective date of the cancellation or non-renewal, as advised in our notice to the first Named Insured. 3. If Zurich should cancel this Coverage Part (s) by written notice to the first Named Insured for nonpayment of premium, Zurich will mail or deliver a copy of such written notice of cancellation to the name and address for certificate holders where this is required by written contract, at least 10 days prior to the effective date of such cancellation. B. If notice as described in Paragraphs A. or B. of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – SCHEDULED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)	Location(s) Of Covered Operations
WHERE REQUIRED BY WRITTEN CONTRACT	WHERE REQUIRED BY WRITTEN CONTRACT
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

C. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or

2. Available under the applicable Limits of Insurance shown in the Declarations;

Whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LESSOR – ADDITIONAL INSURED AND LOSS PAYEE

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured: MAXIMUS, INC.
Endorsement Effective Date: 05/01/2019

SCHEDULE

Insurance Company: ZURICH AMERICAN INSURANCE COMPANY	
Policy Number: BAP 5096219-04	Effective Date: 05/01/2019
Expiration Date: 05/01/2020	
Named Insured: MAXIMUS, INC.	
Address: 1891 Metro Center Drive, Reston, VA 20190	
Additional Insured (Lessor): Only those where required by written contract	
Address:	
Designation Or Description Of "Leased Autos": Only those where required by written contract	

Coverages	Limit Of Insurance
Covered Autos Liability	\$ 1,000,000 Each "Accident"
Comprehensive	Actual Cash Value Or Cost Of Repair, Whichever Is Less, Minus \$ Deductible For Each Covered "Leased Auto"
Collision	Actual Cash Value Or Cost Of Repair, Whichever Is Less, Minus \$ Deductible For Each Covered "Leased Auto"
Specified Causes Of Loss	Actual Cash Value Or Cost Of Repair, Whichever Is Less, Minus \$ Deductible For Each Covered "Leased Auto"
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Coverage

1. Any "leased auto" designated or described in the Schedule will be considered a covered "auto" you own and not a covered "auto" you hire or borrow.
2. For a "leased auto" designated or described in the Schedule, the **Who Is An Insured** provision under **Covered Autos Liability Coverage** is changed to include as an "insured" the lessor named in the Schedule. However, the lessor is an "insured" only for "bodily injury" or "property damage" resulting from the acts or omissions by:
 - a. You;
 - b. Any of your "employees" or agents; or
 - c. Any person, except the lessor or any "employee" or agent of the lessor, operating a "leased auto" with the permission of any of the above.
3. The coverages provided under this endorsement apply to any "leased auto" described in the Schedule until the expiration date shown in the Schedule, or when the lessor or his or her agent takes possession of the "leased auto", whichever occurs first.

B. Loss Payable Clause

1. We will pay, as interest may appear, you and the lessor named in this endorsement for "loss" to a "leased auto".

2. The insurance covers the interest of the lessor unless the "loss" results from fraudulent acts or omissions on your part.
3. If we make any payment to the lessor, we will obtain his or her rights against any other party.

C. Cancellation

1. If we cancel the policy, we will mail notice to the lessor in accordance with the Cancellation Common Policy Condition.
2. If you cancel the policy, we will mail notice to the lessor.
3. Cancellation ends this agreement.

- D. The lessor is not liable for payment of your premiums.

E. Additional Definition

As used in this endorsement:

"Leased auto" means an "auto" leased or rented to you, including any substitute, replacement or extra "auto" needed to meet seasonal or other needs, under a leasing or rental agreement that requires you to provide direct primary insurance for the lessor.

which are subject to one Retention amount where the total incurred Loss does not exceed the Retention amount.

2. DEFINITIONS

- (a) "**Bodily Injury**" means physical injury, sickness or disease, and, if arising out of the foregoing, mental anguish, mental injury, shock, humiliation or death at any time.
- (b) "**Claim**" means:
- (1) a written demand for money, services, non-monetary relief or injunctive relief;
 - (2) a written request for mediation or arbitration, or to toll or waive an applicable statute of limitations; or
 - (3) a **Suit**.
- (c) "**Defense Costs**" means all reasonable and necessary fees charged by an attorney appointed by the **Insurer** (unless otherwise provided for by this policy), as well as all other reasonable and necessary fees, costs and expenses (including premiums for any appeal bond, attachment bond or similar bond arising out of a covered judgment, but without any obligation to apply for or furnish any such bond) incurred in the defense or investigation of a **Claim** by the **Insurer** or by an **Insured** with the **Insurer's** written consent. **Defense Costs** shall not include: (i) compensation of any natural person **Insured**; or (ii) any fees, costs or expenses incurred prior to the time that a **Claim** is first made against an **Insured**.
- (d) "**Insured**" means:
- (1) a **Company**;
 - (2) any past, present or future officer, director, trustee, employee or leased worker of a **Company** acting in their capacity as such (and in the event a **Company** is a partnership, limited liability partnership or limited liability company, then any general or managing partner or principal thereof acting in their capacity as such); and
 - (3) any entity which a **Company** is required by contract to add as an **Insured** under this **SPL Coverage Section**, but only for the **Wrongful Acts** of a **Company**.
- (e) "**Loss**" means compensatory damages, judgments, settlements, pre-judgment and post-judgment interest and **Defense Costs**, including punitive, exemplary and multiple damages where insurable by the applicable law which most favors coverage for such punitive, exemplary and multiple damages.
- (f) "**Pollutants**" means, but is not limited to, any solid, liquid, gaseous, biological, radiological or thermal irritant or contaminant, including smoke, vapor, dust, fibers, mold, spores, fungi, germs, soot, fumes, acids, alkalis, chemicals and waste. "Waste" includes, but is not limited to, materials to be recycled, reconditioned or reclaimed and nuclear materials.
- (g) "**Professional Services**" means those services described and set forth by endorsement to this **SPL Coverage Section**.
- (h) "**Property Damage**" means damage to, loss of use of or destruction of any tangible property. For purposes of this definition, "tangible property" shall not include electronic data.



ZURICH

Waiver Of Subrogation (Blanket) Endorsement

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l. Prem	Return Prem.
GLO 5096218-04	05/01/2019	05/01/2020	05/01/2019	50522-000	\$	\$

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

The following is added to the **Transfer Of Rights Of Recovery Against Others To Us Condition**:

If you are required by a written contract or agreement, which is executed before a loss, to waive your rights of recovery from others, we agree to waive our rights of recovery. This waiver of rights shall not be construed to be a waiver with respect to any other operations in which the insured has no contractual interest.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US (WAIVER OF SUBROGATION)

This endorsement modifies insurance provided under the following:

- AUTO DEALERS COVERAGE FORM
- BUSINESS AUTO COVERAGE FORM
- MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured: MAXIMUS, INC.
Endorsement Effective Date: 05/01/2019

SCHEDULE

Name(s) Of Person(s) Or Organization(s):
Only those persons or organizations for whom you are required to waive your rights of recovery under the terms of a written contract.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The **Transfer Of Rights Of Recovery Against Others To Us** condition does not apply to the person(s) or organization(s) shown in the Schedule, but only to the extent that subrogation is waived prior to the "accident" or the "loss" under a contract with that person or organization.

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

Schedule

ALL PERSONS AND/OR ORGANIZATIONS THAT ARE REQUIRED BY WRITTEN CONTRACT, OR AGREEMENT WITH THE INSURED, EXECUTED PRIOR TO THE ACCIDENT OR LOSS, THAT WAIVER OF SUBROGATION BE PROVIDED UNDER THIS POLICY FOR WORK PERFORMED BY YOU FOR THAT PERSON AND/OR ORGANIZATION.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective 05/01/2019
Insured MAXIMUS, INC.

Policy No. WC 5096216-04

Endorsement No.
Premium \$

Insurance Company
AMERICAN ZURICH INSURANCE COMPANY

Countersigned by _____

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

Schedule

ALL PERSONS AND/OR ORGANIZATIONS THAT ARE REQUIRED BY WRITTEN CONTRACT, OR AGREEMENT WITH THE INSURED, EXECUTED PRIOR TO THE ACCIDENT OR LOSS, THAT WAIVER OF SUBROGATION BE PROVIDED UNDER THIS POLICY FOR WORK PERFORMED BY YOU FOR THAT PERSON AND/OR ORGANIZATION.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective 05/01/2019
Insured MAXIMUS, INC.

Policy No. WC 5096217-04

Endorsement No.
Premium \$

Insurance Company
ZURICH AMERICAN INSURANCE COMPANY

Countersigned by _____

The right to purchase an **Optional Discovery Period** shall terminate unless written notice of election, together with any additional premium due, is received by the **Insurer** no later than thirty (30) days after the effective date of the cancellation, nonrenewal or **transaction**.

Any **Discovery Period** cannot be canceled and any additional premium charged for an **Optional Discovery Period** shall be fully earned at inception.

This Clause 9. **DISCOVERY** shall not apply to any cancellation resulting from non-payment of premium.

10. TRANSACTIONS

(a) If during the **Policy Period**:

(1) the **Named Entity** shall consolidate with or merge into, or sell all or substantially all of its assets to any other person or entity or group of persons or entities acting in concert; or

(2) any person or entity or group of persons or entities acting in concert shall acquire **Management Control** of the **Named Entity**;

(either of the above events herein referred to as the "**Transaction**"), then this policy shall continue in full force and effect only as to those **First Party Events** and **Third Party Events** occurring prior to the effective time of the **Transaction**.

This policy may not be canceled after the effective time of the **Transaction**.

(b) Notwithstanding the foregoing, this policy may continue in full force and effect as to those **First Party Events** and **Third Party Events** occurring subsequent to the effective time of the **Transaction** if:

(1) within thirty (30) days of such **Transaction** the **Insurer** has been provided with full particulars of the **Transaction**, the related or acquiring person(s) or entity(ies) and any other information requested by the **Insurer**; and

(2) the **Insurer** waives the restrictions set forth in Paragraph 10(a) above with respect to such **Transaction** by written endorsement to this policy and the **Named Entity** or its successor has paid any additional premium and accepted any amendments to this policy required by the **Insurer**.

11. SUBROGATION

An **Insured** may be able to recover all or part of **Loss** from someone other than the **Insurer**. Such **Insured** must do all that is possible after a **First Party Event** or **Third Party Event** to preserve any, and all, rights of recovery. As a condition of any payment by the **Insurer** under this policy, an **Insured's** rights to recovery will be transferred to the **Insurer**. Each **Insured** will do whatever is necessary, including signing documents, to help the **Insurer** obtain that recovery.

A **Company** may waive an **Insured's** rights to recovery against others if such **Company** does so in writing and before the **First Party Event** or **Third Party Event** occurred.

12. OTHER INSURANCE

Other Insurance Amendment – Primary And Non-Contributory



Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.
GLO 5096218-04	05/01/2019	05/01/2020	05/01/2019	50522-000	INCL	

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Named Insured: MAXIMUS, INC.

Address (including ZIP Code):

1891 METRO CENTER DRIVE
RESTON, VA 20190

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

1. The following paragraph is added to the Other Insurance Condition of Section IV – Commercial General Liability Conditions:

This insurance is primary insurance to and will not seek contribution from any other insurance available to an additional insured under this policy provided that:

- a. The additional insured is a Named Insured under such other insurance; and
- b. You are required by a written contract or written agreement that this insurance would be primary and would not seek contribution from any other insurance available to the additional insured.

2. The following paragraph is added to Paragraph 4.b. of the Other Insurance Condition of Section IV – Commercial General Liability Conditions:

This insurance is excess over:

Any of the other insurance, whether primary, excess, contingent or on any other basis, available to an additional insured, in which the additional insured on our policy is also covered as an additional insured on another policy providing coverage for the same "occurrence", offense, claim or "suit". This provision does not apply to any policy in which the additional insured is a Named Insured on such other policy and where our policy is required by written contract or written agreement to provide coverage to the additional insured on a primary and non-contributory basis.

All other terms and conditions of this policy remain unchanged.



ZURICH®

Notification to Others of Cancellation or Nonrenewal

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.
GLO 5096218-04	05/01/2019	05/01/2020	05/01/2019	50522-000	INCL	

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

- Commercial General Liability Coverage Part**
- Liquor Liability Coverage Part**
- Products/Completed Operations Liability Coverage Part**

- A.** If we cancel or non-renew this Coverage Part(s) by written notice to the first Named Insured for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation or non-renewal:
 1. To the name and address corresponding to each person or organization shown in the Schedule below; and
 2. At least 10 days prior to the effective date of the cancellation or non-renewal, as advised in our notice to the first Named Insured, or the longer number of days notice if indicated in the Schedule below.
- B.** If we cancel this Coverage Part(s) by written notice to the first Named Insured for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.
- C.** If notice as described in Paragraphs **A.** or **B.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE

Name and Address of Other Person(s) / Organization(s):	Number of Days Notice:
CERTIFICATE HOLDERS AS REQUIRED BY WRITTEN CONTRACT	60

All other terms and conditions of this policy remain unchanged.



Notification to Others of Cancellation or Nonrenewal

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.
BAP 5096219 04	05/01/2019	05/01/2020	05/01/2019	50522-000		

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial Automobile Coverage Part

- A.** If we cancel or non-renew this Coverage Part by written notice to the first Named Insured for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation or non-renewal:
 1. To the name and address corresponding to each person or organization shown in the Schedule below; and
 2. At least 10 days prior to the effective date of the cancellation or non-renewal, as advised in our notice to the first Named Insured, or the longer number of days notice if indicated in the Schedule below.
- B.** If we cancel this Coverage Part by written notice to the first Named Insured for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.
- C.** If notice as described in Paragraphs **A.** or **B.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE	
Name and Address of Other Person(s) / Organization(s):	Number of Days Notice:
Certificate holders as required by written contract	60

All other terms and conditions of this policy remain unchanged.

NOTIFICATION TO OTHERS OF CANCELLATION ENDORSEMENT

This endorsement is used to add the following to Part Six of the policy.

**PART SIX
CONDITIONS**

- A.** If we cancel this policy by written notice to you for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below. Notification to such person or organization will be provided at least 10 days prior to the effective date of the cancellation, as advised in our notice to you, or the longer number of days notice if indicated in the Schedule below.
- B.** If we cancel this policy by written notice to you for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.
- C.** If notice as described in Paragraphs **A.** or **B.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE	
Name and Address of Other Person(s) / Organization(s):	Number of Days Notice:
WHERE REQUIRED BY WRITTEN CONTRACT	60

All other terms and conditions of this policy remain unchanged.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective 05/01/2019
Insured MAXIMUS, INC.

Policy No. WC 5096217-04

Endorsement No.
Premium \$

Insurance Company ZURICH AMERICAN INSURANCE COMPANY

NOTIFICATION TO OTHERS OF CANCELLATION ENDORSEMENT

This endorsement is used to add the following to Part Six of the policy.

**PART SIX
CONDITIONS**

- A.** If we cancel this policy by written notice to you for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below. Notification to such person or organization will be provided at least 10 days prior to the effective date of the cancellation, as advised in our notice to you, or the longer number of days notice if indicated in the Schedule below.
- B.** If we cancel this policy by written notice to you for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.
- C.** If notice as described in Paragraphs **A.** or **B.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE	
Name and Address of Other Person(s) / Organization(s):	Number of Days Notice:
WHERE REQUIRED BY WRITTEN CONTRACT	60

All other terms and conditions of this policy remain unchanged.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective 05/01/2019
Insured MAXIMUS, INC.

Policy No. WC 5096216-04

Endorsement No.
Premium \$

Insurance Company AMERICAN ZURICH INSURANCE COMPANY

ENDORSEMENT #3

This endorsement, effective 12:01 a.m., **May 01, 2019** forms a part of Policy No. **US00075267LI19A** issued to **Maximus, Inc. and all Subsidiaries** by **XL Specialty Insurance Company**.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS FOLLOW FORM AND UMBRELLA LIABILITY POLICY

Schedule of Forms and Endorsements XCU 301 0811 is amended to include:

Endorsement #4 - BUSINESS CONTINUITY ENDORSEMENT (Applicable to Insuring Agreements A and B) - XCU 440 0514.

All other terms and conditions remain the same.

ENDORSEMENT #4

This endorsement, effective 12:01 a.m., **May 01, 2019** forms a part of
Policy No. **US00075267LI19A** issued to **Maximus, Inc. and all Subsidiaries**
by **XL Specialty Insurance Company**.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUSINESS CONTINUITY ENDORSEMENT (Applicable to Insuring Agreements A and B)

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS FOLLOW FORM AND UMBRELLA LIABILITY POLICY

Section VII. Conditions is amended to include the following:

Notwithstanding anything contained in the policy to the contrary, if communications internally within the **first named insured's** organization, or between the **first named insured** and us, or internally within the representative of the **first named insured's** organization, or between the representative of the **first named insured** and/or us are materially impeded or prevented by natural disaster or other catastrophe within thirty (30) calendar days of the **policy period** expiration date, we agree to extend this policy for thirty (30) calendar days from the **policy period** expiration date.

Should we extend this policy in accordance with the preceding:

- (a) a pro-rata additional premium shall be paid to us in consideration for such extension, prior to the expiration of the extension period; and
- (b) such extension of the **policy period** will not increase or reinstate the aggregate limits as set forth in the Limits of Insurance shown in Declarations Item 3 of this policy.

We and the **first named insured** may, by mutual agreement, retroactively void such thirty (30) calendar day extension of the **policy period** pursuant to this endorsement.

All other terms and conditions remain the same.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED INSURED FOR COVERED AUTOS LIABILITY COVERAGE

This endorsement modifies insurance provided under the following:
AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement identifies person(s) or organization(s) who are "insureds" for Covered Autos Liability Coverage under the Who Is An Insured provision of the Coverage Form. This endorsement does not alter coverage provided in the Coverage Form.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

<p>Named Insured: MAXIMUS, INC.</p> <p>Endorsement Effective Date: 05/01/2019</p>

SCHEDULE

<p>Name Of Person(s) Or Organization(s):</p> <p>ANY PERSON OR ORGANIZATION TO WHOM OR TO WHICH YOU ARE REQUIRED TO PROVIDE ADDITIONAL INSURED STATUS OR ADDITIONAL INSURED STATUS ON A PRIMARY, NON-CONTRIBUTORY BASIS, IN A WRITTEN CONTRACT OR WRITTEN AGREEMENT EXECUTED PRIOR TO LOSS, EXCEPT WHERE SUCH CONTRACT OR AGREEMENT IS PROHIBITED BY LAW.</p>
<p>Information required to complete this Schedule, if not shown above, will be shown in the Declarations.</p>

Each person or organization shown in the Schedule is an "insured" for Covered Autos Liability Coverage, but only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Paragraph **A.1.** of Section **II** – Covered Autos Liability Coverage in the Business Auto and Motor Carrier Coverage Forms and Paragraph **D.2.** of Section **I** – Covered Autos Coverages of the Auto Dealers Coverage Form.