

## State of Maine Procurement Justification Form

This form must accompany all contract requests and sole source requisitions (RQS) over \$5,000 submitted to the Division of Procurement Services.

INSTRUCTIONS: Please provide the requested information in the white spaces below. All responses (except signatures) must be typed; no hand-written forms will be accepted. See the guidance document posted with this form on the Division of Procurement Services website (Forms page) for additional instructions.

PART I: OVERVIEW				
Department Office/Division/Program:	Labor			
Department Contract Administrator or Grant Coordinator:	Kimberly Smith			
(If applicable) Department Reference #:				
Amount: (Contract/Amendment/Grant)	\$ 2,848,000.00	Advantage CT / RQS #:	CT 12A 20200612*3895	
CONTRACT	Proposed Start Date:	6/15/2020	Proposed End Date:	8/23/2020
AMENDMENT	Original Start Date:	6/15/2020	Effective Date:	6/15/2020
	Previous End Date:	8/30/2020	New End Date:	12/31/2020
GRANT	Project Start Date:		Grant Start Date:	
	Project End Date:		Grant End Date:	
Vendor/Provider/Grantee Name, City, State:	McKinsey & Company Washington, D.C.			
Brief Description of Goods/Services/Grant:	Assist the Department of Labor with analysis and recommendations on the Unemployment Insurance program operations.			

PART II: JUSTIFICATION FOR VENDOR SELECTION			
Mark an "X" before the justification(s) that applies to this request. (Check all that apply.)			
	A. Competitive Process		G. Grant
<b>X</b>	B. Amendment		H. State Statute/Agency Directed
	C. Single Source/Unique Vendor		I. Federal Agency Directed
	D. Proprietary/Copyright/Patents		J. Willing and Qualified
	E. Emergency		K. Client Choice
	F. University Cooperative Project		L. Other Authorization

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### PART III: SUPPLEMENTAL INFORMATION

Please respond to ALL of the following:

**1. Provide a more detailed description and explain the need for the goods, services or grant to supplement the response in Part I.**

The COVID-19 pandemic has underscored operational issues concerning data availability, reporting, and processing of Pandemic Unemployment Assistance and Pandemic Emergency Unemployment Compensation claims. These programs were enacted at the end of March 2020 and run through the end of the calendar year.

The provider will assist the Department of Labor with analysis and recommendations on the Unemployment Insurance program operations. As a result of this Contract, the Provider will provide informational analyses in support of the Department's initiatives to improve: timeliness and efficiency of operations; reduce incidence of fraud; improve accuracy of claims processing; increase transparency regarding the status of unemployment claims; create and maintain optimal communications; and, reporting capabilities.

**2. Provide a brief justification for the selected vendor to supplement the response in Part II.**

McKinsey's COVID-19 team structure includes access to McKinsey growing body of research, analytics, and specialists dedicated to COVID-19 response, recovery, and mitigation. McKinsey has worked with other state's unemployment programs, in particular Washington state. Washington was one of the first state's impacted by COVID-19, and as it relates to unemployment has been at the front of the line for issues that impact the unemployment programs across the country. What impacts Washington and other large states makes its way to Maine within a matter of weeks.

McKinsey's core team members are able to draw upon expert support, proprietary knowledge, and other resources to provide meaningful analysis of Maine's unemployment operations.


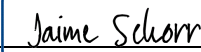
**3. Explain how the negotiated costs or rates are fair and reasonable; or how the funding was allocated to grantee.**

McKinsey works exclusively on a firm-fixed-price (FFP) basis, using weekly team bundle rates. The fixed price is calculated using a weekly price for a complete team for each specific project, multiplied by the estimated number of weeks. The weekly team bundle rates reflect the specific mix of skills, roles, and experience required for engagements and are inclusive of full-time engagement staff; leadership, experts; and research and administrative support.

**4. Describe the plan for future competition for the goods or services.**

This work is one-time in nature.

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PART IV: APPROVALS			
<b>Signature of requesting Department's Commissioner (or designee):</b>	<i>By signing below, I signify that I approve of this procurement request.</i>		
			
<b>Printed Name:</b>	Laura A. Fortman	<b>Date:</b>	8/21/2020
<b>Signature of DAFS Procurement Official:</b>	<small>DocuSigned by:</small> 		
<b>Printed Name:</b>	<small>6D6437754DD0459...</small> Jaime Schorr	<b>Date:</b>	9/10/2020