

Pappas Consulting Group Inc.

**BOARD OF REGENTS
STATE OF IOWA**

DEVELOPMENT OF BOARD OF REGENTS 2016 – 2021 STRATEGIC PLAN

PRICING PROPOSAL

October 19, 2015

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Dr. Diana Gonzalez
Chief Academic Officer
Board of Regents, State of Iowa
11260 Aurora Avenue
Urbandale, IA 50322

Dear Dr. Gonzalez:

The Pappas Consulting Group Inc. is pleased to respond to the Board of Regents, State of Iowa's (Board) request for proposal to assist with the development of its 2016-2021 Board Strategic Plan.



If, for any reason, we have overestimated the scope or degree of effort required, we are prepared to negotiate in good faith to reflect more appropriately the Board's needs and project budget in order to meet this engagement's timeline.

For ongoing contract purposes, I am the sole and duly authorized person to represent the Pappas Consulting Group with regard to this proposal. For this purpose, I can be reached at:

Pappas Consulting Group Inc.
117 Island Cove Way
Palm Beach Gardens, FL 33418

Alcestep@aol.com

Phone: 561-624-5653 / Cell: 917-678-9985

Fax: 561-775-7150

Our price proposal is submitted on the basis of "not-to-exceed pricing" for this project. Under a not-to-exceed pricing arrangement, we understand the terms and conditions are based on compensation for hours and expenses incurred up to a ceiling amount. If additional effort is required, we understand we are expected to complete the effort at no additional cost to the Board. If less effort were required than the contract price, we would not bill the Board for the work.

In addition to the professional fees, it is our Firm's practice to bill for such out-of-pocket expenses as travel, meals, lodging, telephone, messenger services, duplication/binding, fax transmittal, report production, and administrative support. We always attempt to obtain the lowest applicable coach airfare, car, and hotel rates.

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Our administrative fees are \$75.00 an hour and are considered expenses rather than professional fees except as requested for billing purposes by the client. The time of our Firm's Director of Operations, Christine Schwartz, is invoiced in such a manner. She is responsible for the provision of timely, high quality support services to the Consulting Team and the Client. Among the administrative functions performed are scheduling interviews and meetings, arranging travel, producing reports, communicating with University personnel, etc. We find this approach to be more cost effective for our clients. Obviously, the alternative would be to use our Consultants to undertake such tasks at considerably higher billing rates.

As is our practice with professional fees, we bill only for those expenses actually incurred. We anticipate that expenses will approximate 25% of the professional fees.

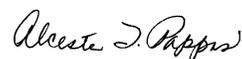
The matrix attached (Exhibit A) provides a comprehensive breakout of professional fees outlining hourly rates and number of hours by each workstep/consultant and estimated expenses as presented in our Technical Proposal.

The estimated professional fees are \$340,100. Expenses are anticipated to be \$85,025. Therefore, the total not-to-exceed cost of our proposal effort is projected to be \$425,125.

We bill for time and expenses on a monthly basis, with payment due within net thirty days. A 1.5% per month late fee is assessed to all outstanding invoices. We understand the Board will retain 10% of every invoice until the acceptance of the final deliverable at which time our Firm would be reimbursed for same.

We look forward to the opportunity to be of service. Please let me know if I can provide you any additional information.

Sincerely,



Alceste T. Pappas, Ph.D.
President and CEO
Pappas Consulting Group Inc.

Worksteps	Pappas Consulting Group Inc.					Total
	Pappas	McCarthy	Hughes	Quandt	Schwartz	
2016-2021 Strategic Plan						
<i>Phase 1 - Project Organization</i>						
1. Conduct Background Preparation	16.00	16.00	4.00	8.00	0.00	44.00
2. Finalize Project Organization	16.00	8.00	0.00	0.00	0.00	24.00
3. Finalize Project Approach	16.00	8.00	0.00	4.00	0.00	28.00
4. Develop a Communication Strategy and Plan	32.00	16.00	0.00	0.00	0.00	48.00
5. Convene Strategic Planning Committee	16.00	16.00	0.00	8.00	0.00	40.00
<i>Phase 2 - Obtain Planning Input</i>						
6. Conduct On-Site Interviews and Focus Groups Meetings	80.00	80.00	0.00	40.00	0.00	200.00
7. Assess the External Environment	16.00	8.00	40.00	40.00	80.00	184.00
<i>Phase 3 - Create Strategic Plan</i>						
8. Prepare Detailed Analysis of Issues and Opportunities	24.00	24.00	8.00	16.00	0.00	72.00
9. Draft Strategic Plan	24.00	24.00	0.00	0.00	0.00	48.00
10. Adopt and Commit to the Strategic Plan	24.00	24.00	0.00	0.00	0.00	48.00
11. Establish Clear and Consistently Reported Performance Metrics	16.00	24.00	8.00	16.00	0.00	64.00
Project Management	40.00	0.00	0.00	0.00	0.00	40.00
Total Professional Hours	320.00	248.00	60.00	132.00	80.00	840.00
% of Hours	38%	30%	7%	16%	10%	100%
Billing Rates	\$475.00	\$425.00	\$475.00	\$350.00	\$100.00	
Professional Fees	\$152,000.00	\$105,400.00	\$28,500.00	\$46,200.00	\$8,000.00	\$340,100.00
Expenses 25%						\$85,025.00
TOTAL Professional Fees & Expenses						\$425,125.00