

5. Costs

ATTACHMENT B

A. Provide hourly costs by level of experience (e.g., 1-3 years, 3-5 years, >5 years), and specialty (e.g., operational, information technology).

Our fee philosophy is to be fair and transparent, engaging management in fee discussions early in the process. We are committed to sustaining our successful and mutually beneficial relationship with Mason. To accomplish this, we will devote the proper resources to minimize the costs, deliver exceptional client service and provide flexibility to you.

In the paragraphs below, we have called out several pricing elements to meet the needs of Mason. Our objective with these options is to provide you insights on effective contracting approaches to make your internal audit relationship with us seamless and cost effective. We do not want our fees to become an issue in your selection process. **Should you find that the fees and services we are offering are not competitive, we welcome the opportunity to discuss them further with you.**

Representative projects and associated blended hourly rates

Our projects are typically staffed with a mix of internal audit and SMR team members to drive consistent internal audit execution and apply the subject-matter experience needed to identify critical risks and improvement opportunities. We will work with you at the beginning of each project or assignment to design the right mix of EY IA, EY SMR and Mason team members to match your project needs and to help enable knowledge sharing and consistency of approach across the organization.

The following table includes a typical resource leverage model we use for delivering projects with our internal audit clients. We have applied our proposed rate card for Mason to provide you a view on an average rate per hour as follows:

Team composition	Blended rate per hour	Percent of delivery effort				
		Project executive	Project lead	Project manager	Senior consultant	Consultant/ Intern
Co-sourced 80% core team, 20% SMR	\$204	3%-5%	10%-12%	18%-22%	31%-35%	28%-36%

EY rate card by resource type

We propose the following rates, which are effective for three years from the date of signing the Master Contract. Rates are subject to a 4% increase per year during the three-year term to account for annual cost increases. Should Mason desire to extend the Master Contract for an additional term, we will work with Mason to determine rates for the additional term.

Position	Internal audit core rate	Subject-matter resource rate
Project executive	\$400	\$435
Project lead	\$310	\$360
Project manager	\$225	\$275
Senior consultant	\$170	\$215
Consultant/intern	\$130	\$160

B. Provide information related to volume /discount breakpoints.

We will always work with Mason to provide fair and transparent rates and have already discounted our standard fees based on the nature of your request. The fees above incorporate benefits at no incremental cost including CPE trainings twice annually, invite-only professional events, thought leadership and accessibility to various subject-matter resources. We understand the current need is approximately 1,000 hours per year to be provided under this arrangement. If your needs expand in excess of 3,000 hours per year, we would be happy to discuss further discounts at such time.