



Lake County

AI Strategy and Data Management Support

October 15, 2024

Provided to:

Lake County Enterprise Information
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guidehouse.com
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**STATEMENT OF WORK
UNDER THE
MASTER SERVICES AGREEMENT NUMBER 14-13
BETWEEN
GUIDEHOUSE INC.
AND
NATIONAL COOPERATIVE PURCHASING ALLIANCE
DATED
DECEMBER 1, 2022**

This Statement of Work (“SOW”), effective as of October __, 2024 (the “SOW Effective Date”), by and between **GUIDEHOUSE INC.**, a Delaware corporation (“**Guidehouse**”) and **COUNTY OF LAKE** (for purposes of this SOW, the “**County**”), a Public Agency as defined in that certain Master Services Agreement Number 14-13 by and between National Cooperative Purchasing Alliance, a wholly owned subsidiary of OMNIA Partners, Public Sector Inc., and Guidehouse, effective as of December 1, 2022 (the “**Agreement**”).

WHEREAS, in December of 2022, OMNIA Partners acquired National Cooperative Purchasing Alliance, providing procurement teams immediate access to a larger offering of innovative, world-class solutions to transform their purchasing process. National Cooperative Purchasing Alliance is now a wholly-owned subsidiary of OMNIA Partners, Public Sector Inc.

NOW, THEREFORE, for and in consideration of the foregoing premises, and the agreements of the parties set forth below, County and Guidehouse agree as follows:

1.0 Scope of Services

As discussed with the County in August 2024, Guidehouse approaches new AI strategy engagements in three main areas of work: AI Strategy, Data Management, and Quick Wins and Iteration. The blend and sequencing of these areas is unique to each client.



The County indicated their immediate interest is requested support across the following scope areas: AI Governance, Data Classification, Policy Review, and Training. The following scope of work outlines a project approach that enables support in the desired service areas that meets the County’s desired timeline. Deliverables contemplated per scope area are bolded in the scope area descriptions. Additional scope areas are included for future reference, though not considered with final scope and pricing.



1.1 *Scope Area 1: AI Governance*

Guidehouse will support the creation of an **AI Governance Policy** detailing the governance and oversight of AI projects including a process flow of how to follow up on requests for AI use, a roles and responsibilities matrix to support in the oversight of data and ethics activities. As part of policy generation, Guidehouse will work alongside the County to establish a governance structure that can include an AI task force, Ethics Committee, and an Executive Steering Committee. The AI task force will support the development of the AI Governance Policy by establishing AI governance processes to identify risks and issues in existing or anticipated activities, such as data privacy issues, data security concerns, and data bias. As part of the **AI Risk Identification and Mitigation Plan**, Guidehouse will support the County in detailing what are common risks and issues that arise when adopting AI and what the best mitigation tactics are for potential risks. The plan will also detail how to best identify potential risks and pitfalls with AI proactively. To generate the **AI Governance Prioritization Framework**, the AI task force will document processes to regularly review AI systems for compliance and ethics concerns. Additionally, Guidehouse will support the AI task force in identifying AI tools that can support business needs of County. Paired with this recommendation, Guidehouse will provide a prioritization framework and processes for approving, implementing, and monitoring AI projects.

1.1.1 **Key Activities:**

- Conduct discovery of existing technology policies and documentation as provided from the County.
- Conduct up to five interviews with non-IT leaders from relevant areas of the County.
- Leverage industry best practices and frameworks to identify a governance model that will be tailored to the County.
- Establish AI Task Force to drive AI Governance and use.

1.1.2 **Guidehouse Expectations:**

- Core delivery team will execute this scope area per the project plan and engagement governance framework. Subject matter experts will provide additional guidance and inputs as required.
- Facilitate discussions and learning around how to proactively identify risks associated with AI use and implementation.
- Provide deliverables in agreed upon format in accordance with the proposed timeline.
- Expand conversations with up to five additional Lake County team members to gather additional understanding of current state of AI at the County.

1.1.3 **County Expectations:**

- Identify a Project Manager to support facilitation of activities and drive project plan.
- Relevant non-IT leaders will be available for discussions.
- Provide relevant documentation around IT and governance related policies.
- Provide feedback and review of relevant artifacts and deliverables.

1.2 *Scope Area 2: Policy Review*

To support the County in internal policy development, Guidehouse will review, provide recommendations on, and refine a drafted **AI Usage Policy** by the County. This policy will outline County's requirements to AI usage internally, emphasizing County security and data protection standards. This ensures that all employees are informed of the requirements they must follow when using AI tools, including the evaluation of security risk and the protection of confidential data. The policy review will include detailed comments on the existing policy, meetings to discuss feedback, and support in refining and finalizing the draft policy.



1.2.1 Key Activities:

- Review Lake's existing draft AI Usage Policy.
- Analyze AI Usage Policy with industry best practices and emerging trends and identify recommendations.
- Retain AI Usage Policy to include agreed upon recommendations.

1.2.2 Guidehouse Expectations:

- Core delivery team will execute this scope area per the project plan and engagement governance framework. Subject matter experts will provide additional guidance and inputs as required.

1.2.3 County Expectations:

- Provide draft AI Usage Policy by the fourth week of the engagement for timely delivery of the review.
- County Project Manager will facilitate County inputs including the draft AI Usage Policy, identify any relevant stakeholders if further discussions are required, and support scheduling.
- County project sponsors will review deliverables and provide comments per the engagement project plan.

1.3 Scope Area 3: Training Development and Implementation

As part of the County's ongoing effort to ensure employees are prepared and educated about how to utilize AI ethically and responsibly, Guidehouse will develop and provide training on three areas identified by the County: AI Awareness and Data Privacy, AI Ethics and Responsibility, and AI Risk Management. Guidehouse will work the County to tailor training material to Lake County's existing workforce, and the work completed in the other scope areas so that County employees are familiar with AI concepts overall, and the County's policies and governance mechanisms.

1.3.1 Key Activities

- Design the curriculum based on what resources are available and catered to the needs of the County.
- Develop materials and agendas for execution of training curriculum.
- Implement the training curriculum via three workshops, each covering one of the three defined topics.

1.3.2 Guidehouse Expectations:

- Core delivery team will execute this scope area per the project plan and engagement governance framework. Subject matter experts will provide additional guidance and inputs as required.
- Develop AI training materials on AI Awareness and Data Privacy, AI Ethics and Responsibility, and AI Risk Management.
- Provide up to three virtual training sessions on AI.
- Document any broader training needs and future considerations.

1.3.3 County Expectations:

- Provide direction and insight on current County workforce priorities regarding AI engagement, literacy, and training.
- Review and provide direction on AI user personas and learning paths.
- Share relevant resources and curriculum available through the any existing learning systems and contracted vendors for consideration in learning path development.
- Provide feedback and review of relevant artifacts and deliverables.
- Identify stakeholders and participate in training sessions.



1.4 Project Deliverables

The term of this SOW will begin on the SOW Effective Date and run for 12 weeks with anticipated completion for each deliverable listed below.

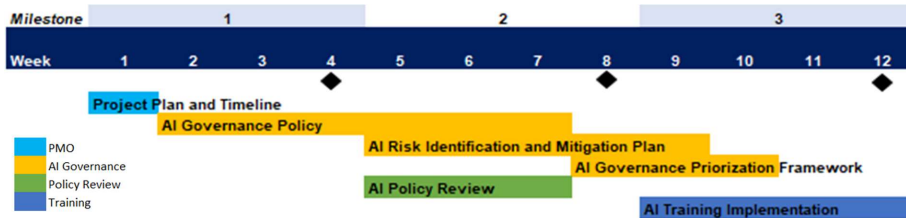
Scope Area	Deliverable Name	Description	Anticipated Completion
PMO	Project Plan and Timeline	<ul style="list-style-type: none"> Detailed project schedule with activities, dates, owners, and dependencies. Anticipated Format: MS Project, Smartsheet, or County preferred PMO Tool 	Week 1
PMO	Milestone Status Reports	<ul style="list-style-type: none"> Update on progress for each workstream. Summary of deliverables provided to date. Description of upcoming activities, risks, or issues. Anticipated format: PowerPoint 	Weeks 4, 8, 12
AI Governance	AI Governance Policy	<ul style="list-style-type: none"> Process flow showing steps to be followed upon receiving a request for AI Tools. Document detailing the governance and oversight of data privacy, security, and compliance of AI projects and tools. Roles and responsibilities matrix for oversight and use of AI. Anticipated Format: MS Word 	Week 7
AI Governance	AI Risk Identification and Mitigation Plan	<ul style="list-style-type: none"> Document detailing what to look for when adopting AI, common pitfalls, and ways to best mitigate or avoid risks associated with AI Adoption. Plan development will include discussions with necessary County stakeholders to identify the format and distribution of the plan. Anticipated Format: MS Word, Powerpoint and/or Excel. 	Week 9
AI Governance	AI Governance Prioritization Framework	<ul style="list-style-type: none"> Framework and process to support the County in prioritizing and deploying AI projects. Checklist of what to analyze and consider when looking to adopt AI. Development will include discussions with the County to understand priorities and distribution of the framework. Anticipated Format: MS PowerPoint 	Week 10



Policy Review	AI Usage Policy Review	<ul style="list-style-type: none"> Comprehensive review of Draft AI Policy. Detailed document/mark-up of existing policy to highlight best practices and areas to improve the policy prior to finalization. Anticipated Format: MS Word 	Week 7
Training Development and Implementation	AI Training Implementation	<ul style="list-style-type: none"> Three training sessions will be conducted to walk through best practices and provide demonstrations of how to responsibly use AI. Trainings will be recorded and made available to the County for use thereafter. Anticipated Format: Virtual training sessions with supporting materials. 	Week 12

1.5 Proposed Timeline and Pricing

Based on the scope of services described above, Guidehouse recommends the following high-level timeline of activities. The scope of services will be divided among each scope area and staggered throughout a 12-week period.



Payments will be made on a milestone basis as indicated in the timeline below. At each milestone, Guidehouse will generate a status report that summarizes work done to date, deliverables published, and next steps.

Milestone	Deliverables and Activities	Cost	Scheduled Completion
1	<ul style="list-style-type: none"> Project Plan and Timeline 	\$100k	Week 4
2	<ul style="list-style-type: none"> AI Governance Policy AI Policy Review 	\$100k	Week 8
3	<ul style="list-style-type: none"> AI Risk Identification and Mitigation Plan AI Governance Prioritization Framework AI Training Implementation 	\$100k	Week 12



2.0 Optional Services (not included in pricing):

2.1 AI Readiness and Strategy Development

Guidehouse may support the County by conducting a high-level AI Readiness Assessment within the Enterprise Information Technology team. These services include:

- Overview of the AI Readiness Assessment Framework and introduction to stakeholders.
- Survey collection of Readiness Assessment details from defined stakeholders.
- Gather and review up to six relevant artifacts (e.g., County IT and data strategy).
- 1-2 Stakeholder workshops to clarify inputs from survey collection.
- AI Readiness Assessment Report providing a high-level analysis of County Readiness across dimensions including estimated Level of Effort to get to target readiness for each dimension.
- Report will include observations on strengths and areas of improvement relative to best practices.

Based on the Assessment results and discussion with the County, Guidehouse can develop an AI Strategy and Roadmap. These services include:

- Collaborating with the leadership to define the AI vision, mission, principles, goals, and objectives.
- Building upon AI Readiness Report to determine specific recommendations and target timelines.
- Conducting an open comment with targeted stakeholders selected by the county for feedback and refinement of the strategy.
- Delivering an AI Strategy and Roadmap to align on vision and enable implementation and governance of AI initiatives.

2.2 AI Use Case Prioritization and Proof of Concepts

Guidehouse may support the County build upon their AI Strategy and Roadmap by gathering, prioritizing and implementing various AI Use Cases to support County Operations. These services may include:

- Establishing a process for collecting, refining, and prioritizing AI Use Cases from County stakeholders.
- Conducting workshops or visioning sessions to gather and ideate on potential use cases.
- Providing guidance on technical requirements or details of particular use cases along with potential solutions.
- Conducting proof of concept or use case development as discussed and agreed upon between the County and Guidehouse.

2.3 AI Program and Project Management

Guidehouse may support the County by providing program management (i.e., PMO support) and training support. These services include:

- Establishing and implementing AI governance practices and tools that can be used across all Bureau of Technology initiatives.
- Developing and implementing communication and engagement strategies to build a culture of AI responsibility and support business decisions that provide value to the county.
- Providing project management and coordination support, including tracking risks, issues, decisions, opportunities for collaboration, and general admin support related to the stand-up of AI program services.

2.4 Data Management Support Services

Guidehouse may support the County by providing various data management support services needed to enable effective AI. These services could include:

- Improving / establishing data governance capabilities to enhance the reliability of data.
- Establishing data quality capabilities to improve the integrity of data assets used to support AI efforts.



- Improving / preparing data for specific AI use cases and initiatives.
- Defining and implementing a target architecture to support AI consumption patterns.
- Establishing enhanced metadata management capabilities to enhance the ability to leverage unstructured datasets to support the development of AI models.
- Establishing data observability capabilities to monitor data processing activities and data health.

3.0 Fees and Staffing

3.1 Fees

Scope identified under this SOW will be billed according to the deliverable schedule indicated in Section 1.5 totaling to \$300,000.

Additional scope as outlined in Section 2.0 can be added at the below published rates or deliverable scopes amended by written change order agreed upon by Guidehouse and Lake County.

Position Title	Hourly Rates
Partner	\$390.00
Director/SME	\$311.50
Associate Director	\$253.00
Managing Consultant	\$220.00
Senior Consultant	\$200.00
Consultant	\$162.00

3.2 Staffing

Guidehouse will provide the necessary staff to conduct the readiness assessment and prepare the strategy and roadmap. We anticipate the team to include a Project Manager and 1-2 support staff with a



mix of subject matter experts that will be included to cover specific topics, discussions. Subject matter experts will also be leveraged to conduct internal reviews and provide insights to final deliverables.

Role	Level	Responsibilities
Engagement Lead	Partner	Responsible for overall account relationship, escalations, and final deliverable reviews.
Subject Matter Expert	Director/ Associate Director	Provide specific subject matter expertise, reviews, and guidance on final deliverables.
Engagement Manager	Associate Director	Manage client relationship, billing, and escalations.
Project Manager	Managing Consultant	Main point of contact and consolidation of activities across workstreams. Coordinates with team members to develop, refine, and finalize deliverables. Provides State/Local Government perspective to deliverables and discussions.
Project Support	Senior Consultant/ Consultant/ Associate	Support deliverable creation. Capture notes, discussion points and generate strategy and roadmap recommendations. Supports documentation and consolidation of gathered materials and discussions. Helps prepare materials and facilitate meeting discussions with stakeholders.

In the event any aforementioned project team members become unavailable for any reason; Guidehouse will endeavor to propose alternate individuals of like experience and expertise, who shall be reasonably acceptable to County. Guidehouse will make every reasonable effort to perform the assignment in a cost-effective manner.

4.0 Assumptions and Legal Terms

4.1 Assumptions

- Scope and price assume a 12-week period of performance, paid according to the schedule detailed in Section 1.5. Invoices will be sent alongside the final deliverable.
- In order to achieve the proposed scope in the specified timeline, it is assumed that stakeholders will respond to surveys and meeting requests within agreed upon timelines as outlined in the engagement kickoff.
- Lake County will have identified all stakeholders that need to participate in the AI Governance Policy working group by the conclusion of the first week of the engagement.
- The County's existing draft AI Policy will be provided by the County for Guidehouse review no later than the end of Week 4 of the engagement in order to allow ample time for review.

Commented [A1]: I assume you are comfortable with the 12-week period of performance, and the 4-weeks timeframe too. (To ponder: Might twelve weeks be a relatively quick turnaround if you need to coordinate many county departments?)

4.2 Additional Legal Terms Applicable to this SOW

- Limitation on Liability.** Notwithstanding the terms of any other provision, the total liability of Guidehouse and its affiliates, directors, officers, employees, subcontractors, agents and representatives for all claims of any kind arising out of this Agreement, whether in contract, tort or otherwise, shall be limited to the total fees paid to Guidehouse under this SOW. Neither Guidehouse nor County shall in any event be liable for any indirect, consequential or punitive damages, even if County or Guidehouse have been advised of the possibility of such damages.



- (b) **Standard of Care and Performance:** Guidehouse agrees that the Services provided for herein will be performed in a professional manner in accordance with recognized professional consulting standards for similar services and that qualified personnel will be assigned for that purpose. In providing the Services, Guidehouse and its personnel shall exercise reasonable care. Guidehouse cannot guarantee or assure the achievement of any particular performance objective, nor can Guidehouse guarantee or assure any particular outcome for County or any other person as a result of this Agreement or the performance of the Services. If, during the performance of these Services or within one year following completion of the Agreement, such Services will prove to be faulty or defective by reason of a failure to meet such standards, Guidehouse agrees that upon prompt written notification from County prior to the expiration of the one-year period following the completion of the Agreement of any such fault or defect, such faulty portion of the Services will be redone at no cost to County up to a maximum amount equivalent to the cost of the Services rendered under this Agreement. The foregoing will constitute Guidehouse's sole warranty with respect to the accuracy or completeness of the Services and the activities involved in its preparation, and is made in lieu of all other warranties and representations, express or implied, including any implied warranties of merchantability or fitness for a particular purpose.
- (c) **Intellectual Property.** Upon full payment of all amounts due Guidehouse in connection with this Agreement, all rights, title and interest in any information and items, including summaries, documents, reports and portions thereof Guidehouse provides to County (the "Guidehouse Deliverables") will become County's sole and exclusive property for its internal business purposes and uses pursuant to the scope set forth in the applicable SOW, subject to the exceptions set forth below. Guidehouse shall retain sole and exclusive ownership of all rights, title and interest in its work papers, proprietary information, processes, methodologies, know-how and software, including such information as existed prior to the delivery of the Services and, to the extent such information is of general application, anything that it may discover, create or develop during provision of the Services ("Guidehouse Property"). To the extent the Guidehouse Deliverables contain Guidehouse Property; County is granted a non-exclusive, non-assignable, royalty-free license to use it in connection with the subject of this Agreement.
- (d) **Acceptance:** Receipt of a deliverable occurs when the deliverable is provided to the County. The related invoice will be submitted at this time. Absent written notification of non-acceptance from County within 10 business days of receipt, deliverables and services will be construed as accepted. Any such notice shall specify in reasonable detail the reasons such deliverable or service has been deemed unacceptable. If the notice of non-acceptance is not sufficiently detailed to allow Contractor to determine why such deliverable or service is unacceptable, Contractor may request in writing that the County provide additional information. The passage of ten (10) business days from the date of such request without the provision of such additional information shall constitute final acceptance of such deliverable or service by the County. Within fifteen (15) days of receipt of the Client notice, Contractor shall, at its option, either correct the problems in such deliverable or service or present the County with a plan to fix such problems within a reasonable period of time under the circumstances. The deliverable or service shall be deemed accepted by the County after comments have been incorporated and the deliverable or service re-submitted. Acceptance by the County shall not be unreasonably withheld.

4.3 Incorporation by Reference; Conflict.

This SOW is governed by the terms and conditions of the Agreement. The terms of the Agreement are hereby expressly incorporated by reference into and made a part of this SOW. In the event of a conflict between the terms and conditions of the Agreement and this SOW, the terms of the Agreement shall take



precedence and control over those of this SOW unless otherwise and specifically agreed to in writing by all parties. In the event of a conflict between the terms and conditions of this SOW and any related exhibits, attachments, or proposals, the terms of this SOW shall take precedence and control over those of the exhibit, attachment, or proposal hereto unless otherwise agreed to in writing by all parties. Any defined terms not otherwise defined herein shall have the meanings set forth in the Agreement. This SOW may be executed (including by facsimile and PDF signature) in one or more counterparts, with the same effect as if the parties had signed the same document. This SOW may be modified or amended only by a written document signed by both parties. The parties hereto acknowledge having read this SOW and agree to be bound by its terms.

IN WITNESS WHEREOF, the parties have each caused this SOW to be signed and delivered by their duly authorized representatives, all as of the SOW Effective Date.

County of Lake

GUIDEHOUSE INC.

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: Partner

