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Header 1

[List View](#)
[General Information](#) | [Contact](#) | [Default Values](#) | [Discount](#) | [Document Information](#) | [Clarification Request](#)
Procurement Folder: 916358

Procurement Type: Central Purchase Order

Vendor ID: 000000202390

Legal Name: SUTTLE & STALNAKER PLLC

Alias/DBA:
Total Bid: \$22,000.00

Response Date: 08/17/2021

Response Time: 15:57

Responded By User ID: Dflint14

First Name: Diane

Last Name: Flint

Email: dflint@suttlecpas.com

Phone: 304-343-4126

SO Doc Code: CRFQ

SO Dept: 0313

SO Doc ID: DEP2200000002

Published Date: 8/2/21

Close Date: 8/18/21

Close Time: 13:30

Status: Closed

Solicitation Description: In Lieu Fee (ILF) Program Audit

Total of Header Attachments: 1

Total of All Attachments: 1



Department of Administration
Purchasing Division
2019 Washington Street East
Post Office Box 50130
Charleston, WV 25305-0130

State of West Virginia
Solicitation Response

Proc Folder: 916358
Solicitation Description: In Lieu Fee (ILF) Program Audit
Proc Type: Central Purchase Order

Solicitation Closes	Solicitation Response	Version
2021-08-18 13:30	SR 0313 ESR08172100000001129	1

VENDOR
000000202390
SUTTLE & STALNAKER PLLC

Solicitation Number: CRFQ 0313 DEP2200000002

Total Bid: 22000

Response Date: 2021-08-17

Response Time: 15:57:27

Comments:

FOR INFORMATION CONTACT THE BUYER

Joseph E Hager III
(304) 558-2306
joseph.e.hageriii@wv.gov

Vendor
Signature X

FEIN#

DATE

All offers subject to all terms and conditions contained in this solicitation

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
1	ILF Audit Services				22000.00

Comm Code	Manufacturer	Specification	Model #
84111600			

Commodity Line Comments:

Extended Description:

ILF Audit Services

COMMITMENT TO SERVE

West Virginia Department of Environmental Protection - West Virginia In Lieu Fee Mitigation Program



A Professional Limited Liability Company


**West Virginia Department of Environmental Protection –
West Virginia In Lieu Fee Mitigation Program**

Auditing Services

**Response to Request for Quotation
CRFQ 0313 DEP2200000002**

**Suttle & Stalnaker, PLLC
The Virginia Center, Suite 100
1411 Virginia Street East
Charleston, West Virginia 25301
(304) 343-4126
(800) 788-3844**

Contact Person:


Chris Lambert, CPA, CGMA, CCIFP, Member

August 17, 2021



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TRANSMITTAL LETTER



August 17, 2021

West Virginia Department of Environmental Protection
West Virginia In Lieu Fee Mitigation Program
601 57th Street, S.E.
Charleston, West Virginia 25304

We are pleased to submit our proposal to serve as independent Certified Public Accountants to perform an audit of the West Virginia Department of Environmental Protection, West Virginia In Lieu Fee Mitigation Program (the ILF) for the years ended December 31, 2016 through 2020. Suttle & Stalnaker, PLLC welcomes this opportunity to serve you. We are particularly well suited to serve you since our experience is especially strong in working with West Virginia State government and governmentally funded organizations.

The team which we have assembled to serve the ILF has a long-standing relationship with various State and local government organizations which means that we know and understand the difficult issues and how to address them. Our primary team members have extensive technical knowledge of and experience with Federal and State grants and will be available at your request. Your engagement member will be Kelly Shafer. She has worked with the ILF on several past engagements, including the financial statement audit, and serves as engagement partner for a number of other governmental organizations.

We will serve the ILF in a dedicated manner and you will be a top priority client of our office. We would appreciate the opportunity to meet personally to further discuss this written proposal. We possess all of the technical and professional qualifications to serve the ILF in the most effective manner. Please feel free to contact Chris Lambert in respect to any questions you may have concerning this proposal. This proposal is a firm and irrevocable offer for ninety (90) days.

Very truly yours,



Suttle & Stalnaker, PLLC

The Virginia Center
1411 Virginia Street, East | Suite 100
Charleston, WV 25301

MAIN (304) 343-4126
FAX (304) 343-8008

The Rivers Office Park
200 Star Avenue | Suite 220
PO Box 149
Parkersburg, WV 26102

MAIN (304) 485-6584
FAX (304) 485-0971

The Wharf District
68 Clay Street | Suite C
Morgantown, WV 26501

MAIN (304) 554-3371
FAX (304) 554-3410

suttlecpas.com
cpa@suttlecpas.com

RFQ - QUALIFICATIONS AND
MANDATORY REQUIREMENTS



We certify that we meet the following qualifications of the RFQ and the *Mandatory Requirements* that follow in this section.

QUALIFICATIONS

1. **QUALIFICATIONS:** Vendor, or Vendor's staff if requirements are inherently limited to individuals rather than corporate entities, shall have the following minimum qualifications:

1.1 Vendor Requirements:

- 1.1.1 Certified Public Accountant. The firm must be independent and licensed to practice in West Virginia.
- 1.1.2 All vendors must provide a copy of the last two AICPA peer reviews performed in the last 3 years. The vendor must have received a rating of pass or pass with deficiencies on all applicable peer reviews. A failed peer review will not be acceptable. No vendor should bid on the request with knowledge of a pending peer review that will likely be classified as failed. Peer reviews must be submitted with bid response.
- 3.1.3. All directors, principals or partner equivalents on the engagement must be licensed CPA's with at least 5 years or audit experience with governmental entities. All manger level employees on this engagement must be CPA's with 3 years of experience of governmental engagements. The state agency retains the right to approve or reject replacements based upon their qualifications, experience or performance.
- 3.1.4. The firm must have experience auditing/consulting with state (does not have to be West Virginia) government entities (agencies) over the past 5 years. The firm must submit a list of those state audits/consulting engagements.
- 3.1.5. The firm must have at least 5 licensed CPAs on staff within the audit firm that are strictly audit and not tax professionals. This insures we have a firm that has a breadth of experience that we are looking for and can substitute engagement members should turnover occur. At least 3 of these audit professionals must all be in the same location and cannot be spread amongst other firm locations.
- 3.1.6. The firm must not have had a final audit issued by the proposing firm that had to be reissued due to material errors or omissions discovered by West Virginia Financial Accounting and Reporting Section or other West Virginia state agency two times or more.
- 3.1.7. The firm must provide a statement that they are a member in good standing of the AICPA's Governmental Audit Quality Center.

2. MANDATORY REQUIREMENTS:

- 2.1 **Mandatory Contract Services Requirements and Deliverables:** Contract Services must meet or exceed the mandatory requirements listed below.

2.1.1 ILF Audit



2.1.1.1 Scope of Work: The DEP requires the auditor to express an opinion on the fair presentation of the ILF financial reports for the calendar years of 2016 through 2020. The financial reports have been prepared on the cash basis, a special purpose framework not in accordance with GAAP. The primary purpose of this audit is to provide assurance to the Army Corp of Engineers, the oversight entity of the program, that the amounts shown on the financial reports can be relied upon. To view the reports to be audited, go to <https://dep.wv.gov/wwe/programs/pages/in-lieu-fee.aspx>

2.1.1.2 Auditing Standards to be followed: The audit shall be performed in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States that require the auditor to obtain reasonable assurance about whether the ILF financial reports (2016 through 2020) are free from material misstatements.

2.1.1.3 Reports to be issued: Following the completion of the audit, the auditor shall issue a report on whether the financial reports are free from material misstatements.

2.1.1.3.1 Irregularities and Illegal Acts: Auditors shall be required to make an immediate, written report of all irregularities and illegal acts of which they become aware to the State Comptroller under the authority of Section 5A-2-33 of the State Code, as well as to the Secretary of the Department, the Division Director of the Division of Water and Waste Management (DWWM) and the Department's Chief Financial Officer.

2.1.1.3.2 Reporting to the Department's Secretary: The auditors shall assure themselves that the Department is informed of each of the following:

2.1.1.3.2.1 The auditor's responsibility as it relates to auditing financial statements prepared in accordance with special purpose frameworks.

2.1.1.3.2.2 Significant accounting policies.

2.1.1.3.2.3 Other information in documents containing audited financial statements.

2.1.1.3.2.4 Disagreements with management.

2.1.1.3.2.5 Difficulties encountered in performing the audit.



2.1.1.3.3 Working Paper Retention and Access to Working Papers: All working papers and reports must be retained, at the auditor's expense, for a period of five (5) years, unless the firm is notified in writing by the Department of the need to extend the retention period. The auditor will be required to make working papers available, upon request, to the following parties or their designees:

Chief Financial Officer
Department of Environmental Protection
State of West Virginia

Financial Accounting and Reporting Section
Department of Administration
State of West Virginia

United States Army Corps of Engineers
Huntington District
Huntington, WV 25701

In addition, the firm shall respond to the reasonable inquiries of successor audit firms and allow the review of working papers relating to matters of continuing accounting significance.

2.1.1.3.4 Description of the In Lieu Fee Mitigation Program:
Names and Telephone Numbers of Contact Persons and
Location of Work Offices.

The vendor's principal contact with the Division will be the Chief Financial Officer or a designated representative who will coordinate the assistance to be provided by the Department to the vendor.

List of key positions, office locations and telephone numbers:

Teresa M. Koon
Assistant Director
601 57th Street,
S.E.
Charleston, WV 25304
Telephone: 304-926-0499 ext. 43828

Randy Taylor
Chief Financial Officer
601 57th Street, S.E.
Charleston, WV 25304
Telephone: 304-926-0499 ext. 41952



Gary W. Rogers
 Accounting & Financial Reporting Manager
 601 57th Street, S.E.
 Charleston, WV 25304
 Telephone: 304-926-0499 ext. 41946

2.1.1.3.5 Background Information: The In Lieu Fee Mitigation Program is now established under the Instrument signed January 7, 2021. The purpose of this fund is to:

2.1.1.3.5.1 Accept compensatory mitigation fees as directed by the U.S. Army Corps of Engineers for impacts to aquatic resources authorized by the Clean Water Act (33 U.S.C. § 1251 et seq.).

2.1.1.3.5.2 Identify, purchase (if necessary), construct, and monitor ILF mitigation sites and projects as approved by the U.S. Army Corps of Engineers for ultimate release to third-party long-term stewards, and

2.1.1.3.5.3 Establish financial, technical, and legal mechanisms to ensure long-term success of the mitigation projects.

2.1.1.3.5.4 A description of the program can be found in the ILF Program Instrument –
<https://dep.wv.gov/www/programs/pages/in-lieu-fee.aspx>

2.1.1.3.6 The WVDEP Division of Water and Waste Management maintains responsibility for the operation and general management of this program. The program has been in operation since 2008.

The source of revenue for the ILF includes compensatory mitigation fees and interest earnings from the Investment Management Board.

2.1.1.3.7 Department Structure/Method of Reporting: The In Lieu Fee Mitigation program is administered by the Division of Water and Waste Management, with oversight by the Office of Administration, Fiscal Services.

The ILF operates as a special revenue unit within the Water Quality Management Fund of the Department. The unit is accounted for and reported as part of an enterprise fund in the West Virginia Comprehensive Annual Financial Report and in separately reported Calendar Year Annual Reports submitted to the U. S. Army, Corp of Engineers.



2.1.1.3.8 Maintenance and Tracking of Financial Operations: The financial operations of the Department are maintained as follows:

ILF revenues and expenditures are accounted for in WVOASIS and the ILF Calendar Year annual reports are maintained using Microsoft Excel.

2.1.1.3.9 Availability of Audit Reports and Work Papers: This is the first audit of the unit and there are no audit reports or work papers available. DEP conducts periodic internal financial reviews, otherwise there is no formal monitoring specific to the program. There are no internal or external reports issued related to best practices, consultations, or corrective actions for the period of the audit.

2.1.1.3.9.1 DEP has documented standard operating procedures (SOPs) for accounts payable and accounts receivable, as well as the ILF Program SOP for crediting and payments. DEP also maintains an ILF program flow chart of activities.

2.1.1.3.10 Audit of Investments: The ILF's investment portfolio is managed by and in the custody of the Investment Management Board (IMB) of the State of West Virginia. The IMB is audited annually by independent Certified Public Accountants. The auditor will be required by the Department to fully rely on this audit work.

2.1.1.4 Time Requirements:

2.1.1.4.1 Terms of Engagement: The contract is to audit the financial reports of the West Virginia In Lieu Fee Mitigation Program for calendar years 2016 through 2020 and provide an opinion as to whether those financial reports are fairly stated and/or are free from material misstatements in accordance with the special purpose framework of the cash basis.

2.1.1.4.1.1 Audit may be performed remotely or on site at the option of the vendor.

2.1.1.4.1.2 Information is ready for audit now

2.1.1.4.2 Timetable for Completion of Audit and Final Report:

Entrance Conference	Within 2 weeks of Award
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Field work completed and draft financial statements	January 31, 2022
Exit conference and draft audit report	February 28, 2022
Final audit report	March 31, 2022

2.1.1.4.2.1 The exit conference will be held with the Chief Financial Officer, the Program Manager and the Accounting and Financial Reporting Manager. The purpose of the meeting will be to summarize the results of the audit.

2.1.1.4.2.2 Ten bound and signed copies and an electronic copy of the Independent Auditor's Report on the firm's letterhead will be delivered to the Chief Financial Officer.

2.1.15 Assistance to be provided to the vendor and report preparation:

2.1.1.5.1 Fiscal Services Office and Clerical Assistance: Fiscal Services office staff and responsible management personnel will be available during the audit to assist the firm by providing information documentation and explanations. The preparation of confirmations, including copies for Fiscal Services, will be the responsibility of the auditor.

2.1.1.5.2 Fiscal Services Staff Assistance: The Chief Financial Officer and Accounting and Financial Reporting Manager will provide draft copies of the calendar year annual reports, relevant supporting work papers, and will be available to coordinate requests for additional information.

2.1.1.5.3 Report Preparation: Report preparation, editing, and printing shall be the responsibility of the auditor.

2.1.16 The bid shall contain all pricing information relative to performing the engagement as described in the Request for Quotation. The total all-inclusive price bid is to contain all direct and indirect costs including all out-of-pocket expenses.



Suttle & Stalnaker, PLLC

Suttle & Stalnaker, PLLC, Certified Public Accountants, has offices located at 1411 Virginia Street East, The Virginia Center, Suite 100, Charleston, West Virginia 25301; at The Rivers Office Park, 200 Star Avenue, Suite 220, PO Box 149, Parkersburg, West Virginia 26102; and at Wharf District, 68 Clay Street, Suite C, Morgantown, WV 26501. **The Firm currently consists of the following personnel: members/partners - 16, managers, seniors and staff accountants - 50, support staff - 15. We have 41 accounting professionals on staff that hold a CPA certificate in West Virginia.** Currently there are approximately 15 individuals in our governmental audit staff. The work performed will be coordinated by our Charleston office. We anticipate 4 to 5 full-time personnel assigned to the engagement. Various members and employees of the Firm are members of the American Institute of Certified Public Accountants, the West Virginia Society of Certified Public Accountants, Government Finance Officers' Association, and other professional organizations. **Suttle & Stalnaker, PLLC has been in business since 1973 and has performed governmental audits for over 48 years.**

We are experienced in and perform a full range of services. Our professionals are organized according to their functional discipline: accounting and auditing, tax and tax consulting, and management consulting. We consider ourselves business advisors who not only solve problems but also prevent them.

FIRM PERMITS

Suttle & Stalnaker, PLLC and all key professional staff are independent and properly licensed to practice in West Virginia.



State of West Virginia
West Virginia Board of Accountancy
405 Capitol Street, Suite 908
Charleston, WV 25301-1744
(304) 558-3557

The entity listed below was issued a
FIRM PERMIT
for the period beginning
July 1, 2020 through June 30, 2021

F0090A
SUTTLE & STALNAKER PLLC
1411 VIRGINIA ST E STE 100
CHARLESTON WV 25301-3086

Board President

Executive Director



State of West Virginia
West Virginia Board of Accountancy
405 Capitol Street, Suite 908
Charleston, WV 25301-1744
(304) 558-3557

The entity listed below was issued an
Authorization to Perform
Attest and/or Compilation Services
for the period beginning
July 1, 2020 through June 30, 2021

F0090A
SUTTLE & STALNAKER PLLC
1411 VIRGINIA ST E STE 100
CHARLESTON WV 25301-3086

Board President

Executive Director



ABOUT ALLINIAL GLOBAL



Allinial Global is an accounting firm association of legally independent accounting and consulting firms with offices in North America and throughout the world through international members and partnerships.

Allinial Global firms have the flexibility to find not just a good solution to your business challenges—but the best solution for you.

Working with an Allinial Global firm means that you have access to the experience and knowledge of every firm in our organization through our Transfer of Excellence.

And because the Allinial Global structure is fluid, our reach is broader and our member firms can be more responsive, both locally and globally. There aren't many business challenges that can't be resolved or questions that can't be answered by members of our association or their connections. Put the agility of Allinial Global to work for you.

Quick Stats:

Locations: 688

Member Firms: 248

Partners: 4,035

Staff: 26,011

Countries: 88

Net Fees: 4.178 billion

Largest Firm (millions): 440

Average Firm (millions): 13

The member firms of Allinial Global share education, marketing resources, and technical knowledge in a wide range of services and sectors. They have access to a broad array of resources and support that benefit both our member firms and their clients in eight key impact areas:



Learning & Development

- Become a leader you'd want to follow through progressive leadership development.
- Trust the guidance of an advisor up-to-date on the highest levels of technical training.



Human Resources

- Improve employee retention through the Retaining Employees Through Active Involvement Now (RETAIN©) program and develop talent from hire to retire.
- Collaborate with advisors who are in it for the long haul and dedicated to your continued success.





International Connection

- We'll go wherever we need to secure the highest quality solutions to your business needs, whether in or outside of our association.
- You're covered wherever you do business: get the best solution, not the best available.



Technical Support

- Depend on your Allinial Global Technical Support liaison to connect you directly to an experienced specialist.
- Have confidence that your advisor will provide a tailored solution to all your business needs.



Communities of Practice

- Tap our collective experience in a wide range of industries and service lines through our online portal and both in-person and virtual events.
- When advisors keep abreast of industry trends, you work with leaders who keep you ahead of the competition.



Marketing Resources

- Reduce your learning curve by connecting to peers who've already implemented the marketing projects you're considering.
- An Allinial Global firm won't bombard you with self-congratulatory promotions. Get the educational content that will help you make sound business decisions.



Information Technology

- IT services are like umpires: you shouldn't even notice they're at work. Keep your technology on track with our education and best practices-sharing.
- Rest assured that your personal data is protected by advisors who value your security and keep abreast of security best practices.



Practice Management

- Go through your firm with a fine-toothed comb: learn how you can improve your processes with the Firm Management Review and benchmarking tools.
- Work with a dynamic firm devoted to continuous improvement. Allinial Global firms are proud, but never satisfied.

At Suttle & Stalnaker, PLLC, our goal is to be your most trusted advisors, both locally and globally. Allinial Global helps us deliver. For more information, please visit www.allinialglobal.com.



PERSONNEL QUALIFICATIONS AND EXPERIENCE

We firmly believe that the true quality of service can be linked directly to competent people dedicated to excellence. The professionals selected to serve the ILF all have extensive governmental experience. We will provide for an organizational structure that ensures ongoing and knowledgeable supervision by management to ensure maximum efficiency. All members and managers assigned to your engagement have over 5 years of experience auditing governmental entities.

The following individuals will have responsibility to ensure that our services meet your requirements. Their CPA licenses are included below, and their resumes follow.



Chris Lambert, CPA, CGMA, CCIFP
Member

Chris will serve as the Engagement and Coordinating Member of Suttle & Stalnaker, PLLC. Chris will have overall responsibility for engagement activities and deliverables. Chris will work closely with management to coordinate and execute the engagement. Chris will be on-site to review the work of all staff assigned.

Name: Chris S. Lambert, CPA, CGMA, CCCIFP, Member
Address: Suttle & Stalnaker, PLLC
The Virginia Center, Suite 100
1411 Virginia Street East
Charleston, West Virginia 25301
Telephone: (304) 720-3102 direct
(304) 343-4126 main
Fax: (304) 343-8008
Email: CSLambert@suttlecpas.com



Chris Deweese, CPA, CGMA
Member

Chris Deweese, Member, will serve as Independent Review Member. Chris is an audit and consulting Member. Chris has served on numerous State of West Virginia engagements, including the West Virginia Department of Transportation, the West Virginia Division of Highways, WORKFORCE West Virginia, the West Virginia Lottery, the West Virginia Public Employees Insurance Agency, West Virginia Public Defender Services, West Virginia Consolidated Public Retirement Board, and for Suttle & Stalnaker, PLLC's portion of the State of West Virginia Single Audit. Chris also worked closely with the West Virginia Department of Administration regarding the implementation of GASB 45, *Other Post Employment Benefits*.





Marie Long, CPA
Senior Manager

Marie will be responsible for supervising staff assigned during the course of the engagement and executing the engagement plan. She is a Senior Manager who works primarily in the audit, accounting, and consulting areas of Suttle & Stalnaker, PLLC. Her responsibilities include, but are not limited to, carrying out engagement plans, supervising other staff and senior accountants, communication with clients during the course of the fieldwork, completion of final reports.

CPA Licenses



State of West Virginia
West Virginia Board of Accountancy
405 Capitol Street, Suite 908
Charleston, WV 25301-1744
(304) 558-3357

The person indicated below is
licensed as a
Certified Public Accountant
for the period beginning
July 1, 2020 through June 30, 2021

CHRISTOPHER S LAMBERT
SUTTLE & STALNAKER PLLC
1411 VIRGINIA STE STE 100
CHARLESTON WV 25301-3086

Rick M. Kaylous
Board President

Christopher D. DeWeese
Executive Director



State of West Virginia
West Virginia Board of Accountancy
405 Capitol Street, Suite 908
Charleston, WV 25301-1744
(304) 558-3357

The person indicated below is
licensed as a
Certified Public Accountant
for the period beginning
July 1, 2020 through June 30, 2021

CHRISTOPHER D DEWESEE
SUTTLE & STALNAKER PLLC
1411 VIRGINIA STE STE 100
CHARLESTON WV 25301-3086

Rick M. Kaylous
Board President

Christopher D. DeWeese
Executive Director



State of West Virginia
West Virginia Board of Accountancy
405 Capitol Street, Suite 908
Charleston, WV 25301-1744
(304) 558-3357

The person indicated below is
licensed as a
Certified Public Accountant
for the period beginning
July 1, 2020 through June 30, 2021

MARY MARIE LONG
SUTTLE & STALNAKER PLLC
1411 VIRGINIA STE STE 100
CHARLESTON WV 25301-3086

Rick M. Kaylous
Board President

Christopher D. DeWeese
Executive Director



CHRIS LAMBERT, CPA, CGMA, CCIFP
Member

- Chris will serve as the Engagement and Coordinating Member of Suttle & Stalnaker, PLLC. Chris will have overall responsibility for engagement activities and deliverables. Chris will work closely with management to coordinate and execute the engagement. Chris will be on-site to review the work of all staff assigned.
- Over 30 years of public accounting experience. Industry experience includes construction, pension, government and other not-for-profit entities. Additional experience in accounting systems, internal audit assistance, financial reporting consultation, audit preparation consulting, internal control systems, and operational improvement reviews. Chris has extensive consulting and audit experience with government clients.
- Bachelor's degree with a major in accounting from Marshall University.
- Chris is a certified public accountant, and a Chartered Global Management Accountant. He is a member of the American Institute of Certified Public Accountants, West Virginia Society of Certified Public Accountants (WVSCPA), and the Charleston Chapter of the WVSCPA. Chris has also achieved the designation of Certified Construction Industry Financial Professional. Chris has served on the board of the Susan G. Komen Foundation WV Affiliate, Big Green Scholarship Foundation, Charleston Quarterback Club, West Virginia Soccer Club and was a member of Leadership WV's Class of 2012.



CHRIS DEWEESE, CPA, CGMA
Member

- Chris will serve as the Independent Review Member of S&S. Chris is an audit and consulting Member and will be available to provide technical assistance as requested by the Board. He has served as engagement member for the audits of many government entities.
- Chris has over 25 years of public accounting experience. Industry experience includes non-profit, government, energy and other for-profit entities. Additional experience in accounting systems, internal audit assistance, financial reporting consultation, audit preparation consulting, internal control systems, and operational improvement reviews, including SOX consulting and compliance. Chris has extensive GASB 34 consulting and audit experience with Boards of Education and is a frequent speaker for this industry.
- Chris has a bachelor's degree with a major in accounting from the University of Charleston.
- Chris is a certified public accountant, and a Chartered Global Management Accountant. He is a member of the American Institute of Certified Public Accountants, a member of the West Virginia Society of Certified Public Accountants (WVSCPA), Past-President of the WVSCPA Executive Committee, and is the Past-President of the Board of Directors of the Charleston Chapter of the WVSCPA, past chair of the Accounting and Audit subcommittee of the WVSCPA, and past service on the West Virginia Accounting Procedures Committee. Chris also serves on several not-for-profit boards in the area. Chris was the 2004 recipient of the WVSCPA Young CPA of the Year Award.



MARIE LONG, CPA
Senior Manager

- Marie is a Senior Manager who works primarily in the audit, accounting, and consulting areas of Suttle & Stalnaker, PLLC. Her responsibilities include, but are not limited to, carrying out engagement plans, supervising other staff and senior accountants, communication with clients during the course of the fieldwork, and completion of final reports.
- Marie has over 14 years of experience in public accounting during which time she has specialized in audits of governmental and non-profit entities similar to the client being proposed on.
- Marie graduated from West Virginia State University with a Bachelor of Science degree in business administration with major concentrations in accounting, finance, and management and a minor in economics. She is a certified public accountant having received certificate number 4616 from the State of West Virginia.
- Marie is a member of the American Institute of Certified Public Accountants (AICPA), the West Virginia Society of Certified Public Accountants (WVSCPA) and the Charleston Chapter of the WVSCPA. Marie serves as the accountability chair and a past president of the Charleston Chapter of the Association of Governmental Accountants. Marie is the Chair of the Board of the West Virginia Children's Home Society and a member of the Finance Committee.
- Marie was the recipient of the 2014 WVSCPA Young CPA of the Year Award.

Other Staff

Audit staff assigned to the engagement will be responsible for carrying out the audit plan, completing the detailed testing, etc. Audit staff will be responsible for performing detailed testing of transactions and account balances.

ABILITY TO MAINTAIN QUALITY OF STAFF

Suttle & Stalnaker, PLLC realizes that our number one resource in effectively and efficiently serving our clients begins with our staff. As such, every effort will be taken to provide for staff continuity on your engagement team. In preparing and planning for the future success of Suttle & Stalnaker, PLLC and in an effort to provide our clients with the highest quality professional services, Suttle & Stalnaker, PLLC has established human resources policies that allow each individual the flexibility to establish personal work commitments, continuing education goals, and career goals while ensuring that our commitments to our clients are met. This flexibility in today's work environment has been an instant success in helping to attract dynamic career oriented personnel dedicated to achieving success for our clients. The direct results of this program for Suttle & Stalnaker, PLLC have been a significantly lower turnover than other firms in public accounting. This results in an increased ability to assign a core group of the same individuals to recurring engagements, thus improving client service, and audit effectiveness. However, over the course of the engagement, there may well be a need to change staff assigned to the engagement. We believe our hiring, promotion, and personnel assignment policies and practices will ensure the quality of staff assigned to the engagement.



If any key staff or specialists need to be changed during the engagement, we will provide ILF a resume similar to the ones included in this proposal, to ensure that ILF agrees that the new person is suitable for the engagement based on their qualifications, experience and performance. We will also maintain the same mix of credentials throughout the audit engagement. Suttle & Stalnaker, PLLC continually strives to hire the best personnel available to serve our clients. As outlined in the Quality Control Section of this proposal, we are committed to this effort in order to provide our clients with the high quality service they deserve.

STATE OF WEST VIRGINIA EXPERIENCE

Suttle & Stalnaker, PLLC has a long history of serving the State of West Virginia, having served virtually every major division and department in some capacity, including participating as a joint venturer/subcontractor in every Single Audit of the State of West Virginia. As part of the Single Audit, Suttle & Stalnaker, PLLC personnel have audited major programs across numerous state agencies, including the West Virginia Department of Health and Human Resources, Workforce West Virginia, and the West Virginia Department of Education.

Other engagements with the State of West Virginia over the past five years have included auditing component units, divisions, or programs to be incorporated into the State of West Virginia's Comprehensive Annual Financial Reports. These engagements include the West Virginia Division of Highways, West Virginia Offices of the Insurance Commissioner, West Virginia Consolidated Public Retirement Board, West Virginia State Rail Authority, West Virginia Parkways Authority, West Virginia Racing Commission, West Virginia Regional Technology Park, West Virginia Division of Corrections and Rehabilitation, Southern West Virginia Community and Technical College, West Virginia Osteopathic School of Medicine, New River Community and Technical College, Fairmont State University, Pierpont Community and Technical College, Eastern West Virginia Community and Technical College, BridgeValley Community and Technical College, and West Virginia Council for Community and Technical College Education. These engagements demonstrate our ability to meet the time parameters required by the Department of Administration's Financial and Reporting Section, as well as our ability to effectively and efficiently complete audits in the complex State government environment.

OUR GOVERNMENT AND NONPROFIT PRACTICE

Suttle & Stalnaker, PLLC has specialized in governmental and nonprofit agency auditing and accounting for over 48 years. This segment currently makes up the largest industry concentration of our audit practice, with our professional staff spending well over 25,000 hours per year on audits of governmental and nonprofit entities and programs. Virtually all of the governmental audits are for financial statements prepared in accordance with accounting standards promulgated by the Governmental Accounting Standards Board (GASB). Every member of our audit staff has both training and experience in governmental and nonprofit accounting and auditing.



The State of West Virginia and its departments, divisions, and component units are the cornerstone of our government practice. Through a joint venture, we participate in the audit of the State of West Virginia's financial statements, and perform extensive work related to the requirements of the Single Audit Act and Office of Management and Budget's Uniform Guidance. In addition, Suttle & Stalnaker, PLLC personnel provided assistance with the State's GAAP conversion project and initial Comprehensive Annual Financial Report. Our Firm has served numerous other governmental and nonprofit clients and similar entities requiring audits in accordance with *Government Auditing Standards*, developing a strong reputation for providing quality services in the West Virginia market. This preeminence in governmental and nonprofit services is not the result of casual experience acquired through an on-going accounting practice. Rather, it results from the commitment of our Firm to the highest standards of service in the governmental and nonprofit sector.

CLIENTS SERVED

The following list illustrates Suttle & Stalnaker, PLLC's experience and diversity in serving governmental clients and similar entities over the last five years:

- Workforce West Virginia
- West Virginia Offices of the Insurance Commissioner
- Single Audit of the State of West Virginia, including the following:
 - Department of Health and Human Resources
 - Temporary Assistance for Needy Families
 - Social Services Block Grant
 - Low Income Housing and Emergency Assistance Program
 - Special Supplemental Nutrition Program for Women, Infants and Children
 - Foster Care - Title IV
 - Adoption Assistance
 - Child Care Development Fund
 - Child Support Enforcement
 - Medicaid
 - Supplemental Nutrition Assistance Program
 - Bureau of Employment Programs
 - Unemployment Insurance Programs
 - Employment Services
 - JTPA Programs
 - WIA Programs
 - West Virginia Development Office
 - Community Development Block Grant Program
 - Department of Education
 - Child Nutrition Cluster
 - Office of Special Education
 - Vocational Education
 - Title I - Grants to Local Education Agencies
 - Department of Environmental Protection
 - Office of Abandoned Mine Lands
- West Virginia Lottery - Drawing auditors



- Five County Boards of Education - Single Audits
- West Virginia Consolidated Public Retirement Board
- West Virginia Regional Jail and Correctional Facility Authority
- West Virginia Division of Corrections and Rehabilitation
- West Virginia Parkways Authority
- West Virginia Regional Technology Park
- West Virginia Racing Commission
- Southern West Virginia Community and Technical College
- New River Community and Technical College
- West Virginia School of Osteopathic Medicine
- Glenville State College
- Mountwest Community and Technical College
- Fairmont State University
- Pierpont Community and Technical College
- BridgeValley Community and Technical College
- Eastern West Virginia Community and Technical College
- West Virginia Council for Community and Technical College Education



REFERENCES OF PRIOR ENGAGEMENTS WITH THE STATE OF WEST VIRGINIA

Engagement	Scope of Work	Date	Engagement Member	Avg. Annual Hours	Client Contact	Telephone Number
Single Audit of the State of WV Building 1, Room E-119 1900 Kanawha Blvd., E. Charleston, WV 25305-0120	Participation in financial and compliance auditing for several departments, including numerous federal award programs	1986 thru present	Chris Deweese	3,500	Stephanie Bailes	304.558.4083
WV Division of Highways Building 5, Room 109 1900 Kanawha Blvd., E. Charleston, WV 25305-0403	Annual Financial Statement Audit including assistance with CAFR and FARS forms, including numerous federal award programs	2001 thru 2006; 2013 - 2014, 2017 thru present	Chris Lambert / Chris Deweese / Horace Emery/ Natalie Luppold	800 to 1,000	Aaron Allred	304.347.4800
West Virginia State Rail Authority PO Box 470 Moorefield, WV 26836	Annual Financial Statement Audit	2001 thru 2006; 2013 -present	Chris Deweese	300	Lucinda Butler	304.538.2305
West Virginia Parkways Authority 3310 Piedmont Road Charleston, WV 25306-6633	Annual Financial Statement Audit including assistance with CAFR	2011 thru present	Chris Lambert	285	Parrish French	304.926.1900
WV Offices of the Insurance Commissioner 900 Pennsylvania Avenue Charleston, WV 25302	Annual Financial Statement Audit	2000 thru 2011; 2015 - present	Natalie Luppold	1,250	Melinda Ashworth Kiss	304.558.3029 X1205
West Virginia Division of Corrections and Rehabilitation 1201 Greenbrier Street Charleston, WV 25311	Annual Financial Statement Audit	2019 thru present	Chris Lambert	800 to 1,000	Bryan D. Arthur	304.558.2350
West Virginia Consolidated Public Retirement Board 4101 MacCorkle Avenue SE Charleston, WV 25304	Annual Financial Statement Audit including assistance with CAFR	2016 thru 2019	Chris Deweese	2,000	John Galloway	304.558.3570 Ext. 52426
West Virginia Racing Commission 900 Pennsylvania Avenue, Suite 533 Charleston, WV 25301	Annual Financial Statement Audit	2012 thru present	Chris Lambert	300	Joe Moore	304.558.2150



Suttle & Stalnaker, PLLC has 41 licensed CPAs: 32 in our Charleston office, of which 19 are audit professionals. The engagement will be staffed out of our Charleston office.

Suttle & Stalnaker, PLLC has not had to have an audit reissued due to material errors or omissions discovered by the West Virginia Financial Accounting and Reporting Section or another West Virginia state agency.

Suttle & Stalnaker, PLLC belongs to both the Governmental Audit Quality Center and the Employee Benefit Plans Audit Quality Center established by the American Institute of Certified Public Accountants. Membership in the audit quality centers requires specific rigorous policies and procedures regarding quality control, education, and training, and it provides the Firm with additional resources from the Centers in the form of webcasts, email blasts, and technical support from the Centers' websites or telephone access to Center personnel. The Firm is currently a member in good standing of the AICPA's Governmental Audit Quality Center.

Audit Timeline

<u>Deliverables/Event</u>	<u>Time Period</u>
Entrance Conference (Planning Event)	Within 2 weeks of award
Field work completed and draft financial statements	January 31, 2022
Exit conference and draft audit report	February 28, 2022
Final audit report	March 31, 2022

Peer Reviews

Suttle & Stalnaker's most recent two peer reviews of our system of quality control performed by an independent CPA Firm in accordance with standards established by the American Institute of Certified Public Accountants were completed in 2017 and 2020. For both years and **we received a pass rating with no deficiencies identified**. In accordance with peer review standards, the peer review included a review of selected specific governmental engagements. A copy of the reports and the AICPA acceptance letters are included in this proposal on the following four pages.





**Kelley Galloway
Smith Goolsby, PSC**

Certified Public Accountants and Advisors

1200 Corporate Court • P.O. Box 990 • Ashland, Kentucky 41105

• Phone (606) 329-1811 (606) 329-1171 • Fax (606) 329-8756 (606) 325-0590

• Web www.kgsgcpa.com Member of  **AICPA** GLOBAL.

Report on the Firm's System of Quality Control

To the Members of Suttle & Stalnaker, PLLC
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Suttle and Stalnaker, PLLC (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended May 31, 2020. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act, and audits of employee benefit plans.

As part of our review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Suttle & Stalnaker, PLLC applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended May 31, 2020, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Suttle & Stalnaker, PLLC has received a peer review rating of *pass*.

Kelley Galloway Smith Goolsby, PSC

Ashland, Kentucky
December 14, 2020

Pikeville, KY

Cincinnati, OH





National Peer
Review Committee

March 01, 2021

Robert Newton
Suttle & Stalnaker, PLLC
1411 Virginia St E Ste 100
Charleston, WV 25301

Dear Robert Newton:

It is my pleasure to notify you that on February 24, 2021, the National Peer Review Committee accepted the report on the most recent System Review of your firm. The due date for your next review is November 30, 2023. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Thank you for your cooperation.

Sincerely,

A handwritten signature in black ink that reads 'Michael Fawley'.

Michael Fawley
Chair, National PRC
+1.919.402.4502

cc: Phillip Layne, Christopher Deweese

Firm Number: 900010069900

Review Number: 579680

220 Leigh Farm Road, Durham, NC 27707-8110
T: +1.919.402.4502 F: +1.919.419.4713
aicpaglobal.com | cimaglobal.com | aicpa.org | cima.org





**Kelley Galloway
Smith Goolsby, PSC**

Certified Public Accountants and Advisors

1200 Corporate Court • P.O. Box 990 • Ashland, Kentucky 41105

• Phone (606) 329-1811 (606) 329-1171 • Fax (606) 329-8756 (606) 325-0590

• Web www.ksgcpa.com Member of **Allinial** GLOBAL

Report on the Firm's System of Quality Control

To the Members of Suttle & Stalnaker, PLLC
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Suttle and Stalnaker, PLLC (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended May 31, 2017. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act, and audits of employee benefit plans.

As part of our review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Suttle & Stalnaker, PLLC applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended May 31, 2017, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Suttle & Stalnaker, PLLC has received a peer review rating of *pass*.

Kelley Galloway Smith Goolsby, PSC

Ashland, Kentucky
December 6, 2017

Pikeville, KY

Cold Spring, KY

Cincinnati, OH





American Institute of CPAs
220 Leigh Farm Road
Durham, NC 27707-8110

March 16, 2018

Robert Newton
Suttle & Stalnaker, PLLC
1411 Virginia St E Ste 100
Charleston, WV 25301

Dear Robert Newton:

It is my pleasure to notify you that on March 14, 2018, the National Peer Review Committee accepted the report on the most recent System Review of your firm. The due date for your next review is November 30, 2020. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Thank you for your cooperation and support of the profession's practice-monitoring programs.

Sincerely,



Michael Fawley
Chair - National PRC
nprc@aicpa.org 919-402-4502
National Peer Review Committee

CC: Phillip Layne, Christopher Deweese

Firm Number: 900010069900

Review Number: 551907



SCOPE OF SERVICES



SCOPE OF SERVICES

We understand that West Virginia Department of Environmental Protection, West Virginia In Lieu Fee Mitigation Program (the ILF) requires an independent audit for the years ended December 31, 2016 through 2020. The audits are to be performed in accordance with *Government Auditing Standards* and the Accounting Principles Generally Accepted in the United States of America.

We believe that planning is the single most important ingredient in the conduct of a quality audit. Suttle & Stalnaker, PLLC will be prepared to begin the planning of the engagement within three weeks after receiving the signed contract and accordingly, we will schedule the work at a mutually agreeable time. The following is an outline of our audit plan to use as a guideline for your understanding of our process. This plan is flexible, innovative, and at the leading edge of technology. It will be altered as necessary, ensuring that your needs are met.

Audit plan:

- Planning and terms of engagement
- Meeting with management to determine level of involvement of accounting staff in audit process
- Communicating with the Audit Committee regarding the audit plan
- Gathering knowledge of entity and assessing risk
- Identifying transaction types, sources of audit evidence and potential errors
- Identifying and reviewing of various accounts, including evaluating for proper accounting and presentation
- Documenting systems descriptions
- Evaluating internal controls
- Developing the overall audit plan
- Coordinating client assistance
- Designing internal control, compliance, and substantive procedures (including loan loss review)
- Performing tests of transactions
- Designing substantive procedures for year-end balances
- Finalizing compliance and internal control testing
- Performing substantive testing of year-end balances
- Importing the trial balance and preparing adjustments
- Preparing independent audit reports
- Meeting with management and audit committee to review results of audit



REQUEST FOR QUOTATION





Department of Administration
Purchasing Division
2019 Washington Street East
Post Office Box 50130
Charleston, WV 25305-0130

State of West Virginia
Centralized Request for Quote
Service - Prof

Proc Folder: 916358			Reason for Modification:
Doc Description: In Lieu Fee (ILF) Program Audit			
Proc Type: Central Purchase Order			
Date Issued	Solicitation Closes	Solicitation No	Version
2021-08-02	2021-08-18 13:30	CRFQ 0313 DEP2200000002	1

BID RECEIVING LOCATION

BID CLERK
DEPARTMENT OF ADMINISTRATION
PURCHASING DIVISION
2019 WASHINGTON ST E
CHARLESTON WV 25305
US

VENDOR

Vendor Customer Code: 000000202390
Vendor Name : Suttle & Stalnaker, PLLC
Address :
Street : 1411 Virginia Street East, Suite 100
City : Charleston
State : WV **Country :** USA **Zip :** 25301
Principal Contact : Chris S. Lambert, CPA, CGMA, CCIFP, Member
Vendor Contact Phone: 304-343-4126 **Extension:** 3102

FOR INFORMATION CONTACT THE BUYER

Joseph E Hager III
(304) 558-2306
joseph.e.hageriii@wv.gov

Vendor

Signature X

Chris Lambert

FEIN# 55-0538163

DATE 08/17/2021

All offers subject to all terms and conditions contained in this solicitation

ADDITIONAL INFORMATION

The West Virginia Purchasing Division is soliciting bids on behalf of West Virginia Department of Environmental Protection to establish a contract for Certified Public Accountants to provide an audit of the financial reports of the West Virginia In Lieu Fee Mitigation Program for Calendar years 2016 through 2020 per the attached specifications and terms and conditions.

INVOICE TO

ENVIRONMENTAL
PROTECTION
OFFICE OF ADMINISTRATION
601 57TH ST SE
CHARLESTON WV
US

SHIP TO

ENVIRONMENTAL
PROTECTION
OFFICE OF ADMINISTRATION
601 57TH ST SE
CHARLESTON WV
US

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
1	ILF Audit Services				

Comm Code	Manufacturer	Specification	Model #
84111600			

Extended Description:

ILF Audit Services

SCHEDULE OF EVENTS

<u>Line</u>	<u>Event</u>	<u>Event Date</u>
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INSTRUCTIONS TO VENDORS SUBMITTING BIDS

1. REVIEW DOCUMENTS THOROUGHLY: The attached documents contain a solicitation for bids. Please read these instructions and all documents attached in their entirety. These instructions provide critical information about requirements that if overlooked could lead to disqualification of a Vendor's bid. All bids must be submitted in accordance with the provisions contained in these instructions and the Solicitation. Failure to do so may result in disqualification of Vendor's bid.

2. MANDATORY TERMS: The Solicitation may contain mandatory provisions identified by the use of the words "must," "will," and "shall." Failure to comply with a mandatory term in the Solicitation will result in bid disqualification.

3. PREBID MEETING: The item identified below shall apply to this Solicitation.

☒ A pre-bid meeting will not be held prior to bid opening

☐ A **MANDATORY PRE-BID** meeting will be held at the following place and time:

All Vendors submitting a bid must attend the mandatory pre-bid meeting. Failure to attend the mandatory pre-bid meeting shall result in disqualification of the Vendor's bid. No one individual is permitted to represent more than one vendor at the pre-bid meeting. Any individual that does attempt to represent two or more vendors will be required to select one vendor to which the individual's attendance will be attributed. The vendors not selected will be deemed to have not attended the pre-bid meeting unless another individual attended on their behalf.

An attendance sheet provided at the pre-bid meeting shall serve as the official document verifying attendance. Any person attending the pre-bid meeting on behalf of a Vendor must list on the attendance sheet his or her name and the name of the Vendor he or she is representing.

Additionally, the person attending the pre-bid meeting should include the Vendor's E-Mail address, phone number, and Fax number on the attendance sheet. It is the Vendor's responsibility to locate the attendance sheet and provide the required information. Failure to complete the attendance sheet as required may result in disqualification of Vendor's bid.

All Vendors should arrive prior to the starting time for the pre-bid. Vendors who arrive after the starting time but prior to the end of the pre-bid will be permitted to sign in but are charged with knowing all matters discussed at the pre-bid.

Questions submitted at least five business days prior to a scheduled pre-bid will be discussed at the pre-bid meeting if possible. Any discussions or answers to questions at the pre-bid meeting
Revised 07/01/2021

are preliminary in nature and are non-binding. Official and binding answers to questions will be published in a written addendum to the Solicitation prior to bid opening.

4. VENDOR QUESTION DEADLINE: Vendors may submit questions relating to this Solicitation to the Purchasing Division. Questions must be submitted in writing. All questions must be submitted on or before the date listed below and to the address listed below to be considered. A written response will be published in a Solicitation addendum if a response is possible and appropriate. Non-written discussions, conversations, or questions and answers regarding this Solicitation are preliminary in nature and are nonbinding.

Submitted e-mails should have solicitation number in the subject line.

Question Submission Deadline: 08/10/2021 @ 4:00 PM ET

Submit Questions to: Josh Hager
2019 Washington Street, East
Charleston, WV 25305
Fax: (304) 558-4115 (Vendors should not use this fax number for bid submission)
Email: Joseph.E.HagerIII@wv.gov

5. VERBAL COMMUNICATION: Any verbal communication between the Vendor and any State personnel is not binding, including verbal communication at the mandatory pre-bid conference. Only information issued in writing and added to the Solicitation by an official written addendum by the Purchasing Division is binding.

6. BID SUBMISSION: All bids must be submitted electronically through wvOASIS or signed and delivered by the Vendor to the Purchasing Division at the address listed below on or before the date and time of the bid opening. Any bid received by the Purchasing Division staff is considered to be in the possession of the Purchasing Division and will not be returned for any reason. The Purchasing Division will not accept bids, modification of bids, or addendum acknowledgment forms via e-mail. Acceptable delivery methods include electronic submission via wvOASIS, hand delivery, delivery by courier, or facsimile.

The bid delivery address is:
Department of Administration, Purchasing Division
2019 Washington Street East
Charleston, WV 25305-0130

A bid that is not submitted electronically through wvOASIS should contain the information listed below on the face of the envelope or the bid may be rejected by the Purchasing Division.:

SEALED BID: In Lieu Fee (ILF) Program Audit
BUYER: Josh Hager
SOLICITATION NO.: CRFQ 0313 DEP2200000002
BID OPENING DATE: See next page
BID OPENING TIME: See next page
FAX NUMBER: 304-558-3970

Revised 07/01/2021

The Purchasing Division may prohibit the submission of bids electronically through wvOASIS at its sole discretion. Such a prohibition will be contained and communicated in the wvOASIS system resulting in the Vendor's inability to submit bids through wvOASIS. Submission of a response to a Request for Proposal is not permitted in wvOASIS.

For Request For Proposal ("RFP") Responses Only: In the event that Vendor is responding to a request for proposal, the Vendor shall submit one original technical and one original cost proposal prior to the bid opening date and time identified in Section 7 below, plus NA convenience copies of each to the Purchasing Division at the address shown above. Additionally, the Vendor should clearly identify and segregate the cost proposal from the technical proposal in a separately sealed envelope.

7. BID OPENING: Bids submitted in response to this Solicitation will be opened at the location identified below on the date and time listed below. Delivery of a bid after the bid opening date and time will result in bid disqualification. For purposes of this Solicitation, a bid is considered delivered when confirmation of delivery is provided by wvOASIS (in the case of electronic submission) or when the bid is time stamped by the official Purchasing Division time clock (in the case of hand delivery).

Bid Opening Date and Time: 08/18/2021 @ 1:30 PM ET

Bid Opening Location: Department of Administration, Purchasing Division
2019 Washington Street East
Charleston, WV 25305-0130

8. ADDENDUM ACKNOWLEDGEMENT: Changes or revisions to this Solicitation will be made by an official written addendum issued by the Purchasing Division. Vendor should acknowledge receipt of all addenda issued with this Solicitation by completing an Addendum Acknowledgment Form, a copy of which is included herewith. Failure to acknowledge addenda may result in bid disqualification. The addendum acknowledgement should be submitted with the bid to expedite document processing.

9. BID FORMATTING: Vendor should type or electronically enter the information onto its bid to prevent errors in the evaluation. Failure to type or electronically enter the information may result in bid disqualification.

10. ALTERNATE MODEL OR BRAND: Unless the box below is checked, any model, brand, or specification listed in this Solicitation establishes the acceptable level of quality only and is not intended to reflect a preference for, or in any way favor, a particular brand or vendor. Vendors may bid alternates to a listed model or brand provided that the alternate is at least equal to the model or brand and complies with the required specifications. The equality of any alternate being bid shall be determined by the State at its sole discretion. Any Vendor bidding an alternate model or brand should clearly identify the alternate items in its bid and should include manufacturer's specifications, industry literature, and/or any other relevant documentation demonstrating the equality of the alternate items. Failure to provide information for alternate items may be grounds for rejection of a Vendor's bid.

☐ This Solicitation is based upon a standardized commodity established under W. Va. Code § 5A-3-61. Vendors are expected to bid the standardized commodity identified. Failure to bid the standardized commodity will result in your firm's bid being rejected.

11. EXCEPTIONS AND CLARIFICATIONS: The Solicitation contains the specifications that shall form the basis of a contractual agreement. Vendor shall clearly mark any exceptions, clarifications, or other proposed modifications in its bid. Exceptions to, clarifications of, or modifications of a requirement or term and condition of the Solicitation may result in bid disqualification.

12. COMMUNICATION LIMITATIONS: In accordance with West Virginia Code of State Rules §148-1-6.6, communication with the State of West Virginia or any of its employees regarding this Solicitation during the solicitation, bid, evaluation or award periods, except through the Purchasing Division, is strictly prohibited without prior Purchasing Division approval. Purchasing Division approval for such communication is implied for all agency delegated and exempt purchases.

13. REGISTRATION: Prior to Contract award, the apparent successful Vendor must be properly registered with the West Virginia Purchasing Division and must have paid the \$125 fee, if applicable.

14. UNIT PRICE: Unit prices shall prevail in cases of a discrepancy in the Vendor's bid.

15. PREFERENCE: Vendor Preference may be requested in purchases of motor vehicles or construction and maintenance equipment and machinery used in highway and other infrastructure projects. Any request for preference must be submitted in writing with the bid, must specifically identify the preference requested with reference to the applicable subsection of West Virginia Code § 5A-3-37, and must include with the bid any information necessary to evaluate and confirm the applicability of the requested preference. A request form to help facilitate the request can be found at:

<http://www.state.wv.us/admin/purchase/vrc/Venpref.pdf>.

15A. RECIPROCAL PREFERENCE: The State of West Virginia applies a reciprocal preference to all solicitations for commodities and printing in accordance with W. Va. Code § 5A-3-37(b). In effect, non-resident vendors receiving a preference in their home states, will see that same preference granted to West Virginia resident vendors bidding against them in West Virginia. Any request for reciprocal preference must include with the bid any information necessary to evaluate and confirm the applicability of the preference. A request form to help facilitate the request can be found at: <http://www.state.wv.us/admin/purchase/vrc/Venpref.pdf>.

16. SMALL, WOMEN-OWNED, OR MINORITY-OWNED BUSINESSES: For any solicitations publicly advertised for bid, in accordance with West Virginia Code §5A-3-37(a)(7) and W. Va. CSR § 148-22-9, any non-resident vendor certified as a small, women-owned, or minority-owned business under W. Va. CSR § 148-22-9 shall be provided the same preference made available to any resident vendor. Any non-resident small, women-owned, or minority-owned business must identify itself as such in writing, must submit that writing to the Purchasing Division with its bid, and must be properly certified under W. Va. CSR § 148-22-9 prior to contract award to receive the preferences made available to resident vendors. Preference

for a non-resident small, women-owned, or minority owned business shall be applied in accordance with W. Va. CSR § 148-22-9.

17. WAIVER OF MINOR IRREGULARITIES: The Director reserves the right to waive minor irregularities in bids or specifications in accordance with West Virginia Code of State Rules § 148-1-4.6.

18. ELECTRONIC FILE ACCESS RESTRICTIONS: Vendor must ensure that its submission in wvOASIS can be accessed and viewed by the Purchasing Division staff immediately upon bid opening. The Purchasing Division will consider any file that cannot be immediately accessed and viewed at the time of the bid opening (such as, encrypted files, password protected files, or incompatible files) to be blank or incomplete as context requires, and are therefore unacceptable. A vendor will not be permitted to unencrypt files, remove password protections, or resubmit documents after bid opening to make a file viewable if those documents are required with the bid. A Vendor may be required to provide document passwords or remove access restrictions to allow the Purchasing Division to print or electronically save documents provided that those documents are viewable by the Purchasing Division prior to obtaining the password or removing the access restriction.

19. NON-RESPONSIBLE: The Purchasing Division Director reserves the right to reject the bid of any vendor as Non-Responsible in accordance with W. Va. Code of State Rules § 148-1-5.3, when the Director determines that the vendor submitting the bid does not have the capability to fully perform or lacks the integrity and reliability to assure good-faith performance.”

20. ACCEPTANCE/REJECTION: The State may accept or reject any bid in whole, or in part in accordance with W. Va. Code of State Rules § 148-1-4.5. and § 148-1-6.4.b.”

21. YOUR SUBMISSION IS A PUBLIC DOCUMENT: Vendor’s entire response to the Solicitation and the resulting Contract are public documents. As public documents, they will be disclosed to the public following the bid/proposal opening or award of the contract, as required by the competitive bidding laws of West Virginia Code §§ 5A-3-1 et seq., 5-22-1 et seq., and 5G-1-1 et seq. and the Freedom of Information Act West Virginia Code §§ 29B-1-1 et seq.

DO NOT SUBMIT MATERIAL YOU CONSIDER TO BE CONFIDENTIAL, A TRADE SECRET, OR OTHERWISE NOT SUBJECT TO PUBLIC DISCLOSURE.

Submission of any bid, proposal, or other document to the Purchasing Division constitutes your explicit consent to the subsequent public disclosure of the bid, proposal, or document. The Purchasing Division will disclose any document labeled “confidential,” “proprietary,” “trade secret,” “private,” or labeled with any other claim against public disclosure of the documents, to include any “trade secrets” as defined by West Virginia Code § 47-22-1 et seq. All submissions are subject to public disclosure without notice.

22. INTERESTED PARTY DISCLOSURE: West Virginia Code § 6D-1-2 requires that the vendor submit to the Purchasing Division a disclosure of interested parties to the contract for all contracts with an actual or estimated value of at least \$1 million. That disclosure must occur on the form prescribed and approved by the WV Ethics Commission prior to contract award.

A copy of that form is included with this solicitation or can be obtained from the WV Ethics Commission. This requirement does not apply to publicly traded companies listed on a national or international stock exchange. A more detailed definition of interested parties can be obtained from the form referenced above.

23. WITH THE BID REQUIREMENTS: In instances where these specifications require documentation or other information with the bid, and a vendor fails to provide it with the bid, the Director of the Purchasing Division reserves the right to request those items after bid opening and prior to contract award pursuant to the authority to waive minor irregularities in bids or specifications under W. Va. CSR § 148-1-4.6. This authority does not apply to instances where state law mandates receipt with the bid.

24. E-MAIL NOTIFICATION OF AWARD: The Purchasing Division will attempt to provide bidders with e-mail notification of contract award when a solicitation that the bidder participated in has been awarded. For notification purposes, bidders must provide the Purchasing Division with a valid email address in the bid response. Bidders may also monitor wvOASIS or the Purchasing Division's website to determine when a contract has been awarded.

GENERAL TERMS AND CONDITIONS:

1. CONTRACTUAL AGREEMENT: Issuance of an Award Document signed by the Purchasing Division Director, or his designee, and approved as to form by the Attorney General's office constitutes acceptance by the State of this Contract made by and between the State of West Virginia and the Vendor. Vendor's signature on its bid, or on the Contract if the Contract is not the result of a bid solicitation, signifies Vendor's agreement to be bound by and accept the terms and conditions contained in this Contract.

2. DEFINITIONS: As used in this Solicitation/Contract, the following terms shall have the meanings attributed to them below. Additional definitions may be found in the specifications included with this Solicitation/Contract.

2.1. "Agency" or "Agencies" means the agency, board, commission, or other entity of the State of West Virginia that is identified on the first page of the Solicitation or any other public entity seeking to procure goods or services under this Contract.

2.2. "Bid" or "Proposal" means the vendors submitted response to this solicitation.

2.3. "Contract" means the binding agreement that is entered into between the State and the Vendor to provide the goods or services requested in the Solicitation.

2.4. "Director" means the Director of the West Virginia Department of Administration, Purchasing Division.

2.5. "Purchasing Division" means the West Virginia Department of Administration, Purchasing Division.

2.6. "Award Document" means the document signed by the Agency and the Purchasing Division, and approved as to form by the Attorney General, that identifies the Vendor as the contract holder.

2.7. "Solicitation" means the official notice of an opportunity to supply the State with goods or services that is published by the Purchasing Division.

2.8. "State" means the State of West Virginia and/or any of its agencies, commissions, boards, etc. as context requires.

2.9. "Vendor" or "Vendors" means any entity submitting a bid in response to the Solicitation, the entity that has been selected as the lowest responsible bidder, or the entity that has been awarded the Contract as context requires.

3. CONTRACT TERM; RENEWAL; EXTENSION: The term of this Contract shall be determined in accordance with the category that has been identified as applicable to this Contract below:

☐ **Term Contract**

Initial Contract Term: This Contract becomes effective on _____ and the initial contract term extends until _____.

Renewal Term: This Contract may be renewed upon the mutual written consent of the Agency, and the Vendor, with approval of the Purchasing Division and the Attorney General's office (Attorney General approval is as to form only). Any request for renewal should be delivered to the Agency and then submitted to the Purchasing Division thirty (30) days prior to the expiration date of the initial contract term or appropriate renewal term. A Contract renewal shall be in accordance with the terms and conditions of the original contract. Unless otherwise specified below, renewal of this Contract is limited to _____ successive one (1) year periods or multiple renewal periods of less than one year, provided that the multiple renewal periods do not exceed the total number of months available in all renewal years combined. Automatic renewal of this Contract is prohibited. Renewals must be approved by the Vendor, Agency, Purchasing Division and Attorney General's office (Attorney General approval is as to form only)

☐ **Alternate Renewal Term** – This contract may be renewed for _____ successive _____ year periods or shorter periods provided that they do not exceed the total number of months contained in all available renewals. Automatic renewal of this Contract is prohibited. Renewals must be approved by the Vendor, Agency, Purchasing Division and Attorney General's office (Attorney General approval is as to form only)

Delivery Order Limitations: In the event that this contract permits delivery orders, a delivery order may only be issued during the time this Contract is in effect. Any delivery order issued within one year of the expiration of this Contract shall be effective for one year from the date the delivery order is issued. No delivery order may be extended beyond one year after this Contract has expired.

☐ **Fixed Period Contract:** This Contract becomes effective upon Vendor's receipt of the notice to proceed and must be completed within _____ days.

☐ **Fixed Period Contract with Renewals:** This Contract becomes effective upon Vendor's receipt of the notice to proceed and part of the Contract more fully described in the attached specifications must be completed within _____ days. Upon completion of the work covered by the preceding sentence, the vendor agrees that maintenance, monitoring, or warranty services will be provided for _____ year(s) thereafter.

☒ **One Time Purchase:** The term of this Contract shall run from the issuance of the Award Document until all of the goods contracted for have been delivered, but in no event will this Contract extend for more than one fiscal year.

☐ **Other:** See attached _____
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4. AUTHORITY TO PROCEED: Vendor is authorized to begin performance of this contract on the date of encumbrance listed on the front page of the Award Document unless either the box for “Fixed Period Contract” or “Fixed Period Contract with Renewals” has been checked in Section 3 above. If either “Fixed Period Contract” or “Fixed Period Contract with Renewals” has been checked, Vendor must not begin work until it receives a separate notice to proceed from the State. The notice to proceed will then be incorporated into the Contract via change order to memorialize the official date that work commenced.

5. QUANTITIES: The quantities required under this Contract shall be determined in accordance with the category that has been identified as applicable to this Contract below.

☐ **Open End Contract:** Quantities listed in this Solicitation/Award Document are approximations only, based on estimates supplied by the Agency. It is understood and agreed that the Contract shall cover the quantities actually ordered for delivery during the term of the Contract, whether more or less than the quantities shown.

☐ **Service:** The scope of the service to be provided will be more clearly defined in the specifications included herewith.

☒ **Combined Service and Goods:** The scope of the service and deliverable goods to be provided will be more clearly defined in the specifications included herewith.

☐ **One Time Purchase:** This Contract is for the purchase of a set quantity of goods that are identified in the specifications included herewith. Once those items have been delivered, no additional goods may be procured under this Contract without an appropriate change order approved by the Vendor, Agency, Purchasing Division, and Attorney General’s office.

6. EMERGENCY PURCHASES: The Purchasing Division Director may authorize the Agency to purchase goods or services in the open market that Vendor would otherwise provide under this Contract if those goods or services are for immediate or expedited delivery in an emergency. Emergencies shall include, but are not limited to, delays in transportation or an unanticipated increase in the volume of work. An emergency purchase in the open market, approved by the Purchasing Division Director, shall not constitute a breach of this Contract and shall not entitle the Vendor to any form of compensation or damages. This provision does not excuse the State from fulfilling its obligations under a One Time Purchase contract.

7. REQUIRED DOCUMENTS: All of the items checked below must be provided to the Purchasing Division by the Vendor as specified below.

☐ **BID BOND (Construction Only):** Pursuant to the requirements contained in W. Va. Code § 5-22-1(c), All Vendors submitting a bid on a construction project shall furnish a valid bid bond in the amount of five percent (5%) of the total amount of the bid protecting the State of West Virginia. The bid bond must be submitted with the bid.

☐ **PERFORMANCE BOND:** The apparent successful Vendor shall provide a performance bond in the amount of 100% of the contract. The performance bond must be received by the Purchasing Division prior to Contract award.

☐ **LABOR/MATERIAL PAYMENT BOND:** The apparent successful Vendor shall provide a labor/material payment bond in the amount of 100% of the Contract value. The labor/material payment bond must be delivered to the Purchasing Division prior to Contract award.

In lieu of the Bid Bond, Performance Bond, and Labor/Material Payment Bond, the Vendor may provide certified checks, cashier's checks, or irrevocable letters of credit. Any certified check, cashier's check, or irrevocable letter of credit provided in lieu of a bond must be of the same amount and delivered on the same schedule as the bond it replaces. A letter of credit submitted in lieu of a performance and labor/material payment bond will only be allowed for projects under \$100,000. Personal or business checks are not acceptable. Notwithstanding the foregoing, West Virginia Code § 5-22-1 (d) mandates that a vendor provide a performance and labor/material payment bond for construction projects. Accordingly, substitutions for the performance and labor/material payment bonds for construction projects is not permitted.

☐ **MAINTENANCE BOND:** The apparent successful Vendor shall provide a two (2) year maintenance bond covering the roofing system. The maintenance bond must be issued and delivered to the Purchasing Division prior to Contract award.

☒ **LICENSE(S) / CERTIFICATIONS / PERMITS:** In addition to anything required under the Section of the General Terms and Conditions entitled Licensing, the apparent successful Vendor shall furnish proof of the following licenses, certifications, and/or permits upon request and in a form acceptable to the State. The request may be prior to or after contract award at the State's sole discretion.

☒ Certified Public Accountant

☐

☐

☐

The apparent successful Vendor shall also furnish proof of any additional licenses or certifications contained in the specifications regardless of whether or not that requirement is listed above.

8. 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 prior to Contract award. The insurance coverages identified below must be maintained throughout the life of this contract. Thirty (30) 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 apparent successful Vendor shall also furnish proof of any additional insurance requirements contained in the specifications prior to Contract award regardless of whether that insurance requirement is listed in this section.

Vendor must maintain:

☒ **Commercial General Liability Insurance** in at least an amount of: 1,000,000.00 per occurrence.

☒ **Automobile Liability Insurance** in at least an amount of: 1,000,000.00 per occurrence.

☒ **Professional/Malpractice/Errors and Omission Insurance** in at least an amount of: 1,000,000.00 per occurrence. Notwithstanding the forgoing, Vendor's are not required to list the State as an additional insured for this type of policy.

☐ **Commercial Crime and Third Party Fidelity Insurance** in an amount of: _____ per occurrence.

☐ **Cyber Liability Insurance** in an amount of: _____ per occurrence.

☐ **Builders Risk Insurance** in an amount equal to 100% of the amount of the Contract.

☐ **Pollution Insurance** in an amount of: _____ per occurrence.

☐ **Aircraft Liability** in an amount of: _____ per occurrence.

☐☐☐☐

Notwithstanding anything contained in this section to the contrary, the Director of the Purchasing Division reserves the right to waive the requirement that the State be named as an additional insured on one or more of the Vendor's insurance policies if the Director finds that doing so is in the State's best interest.

9. WORKERS' COMPENSATION INSURANCE: Vendor shall comply with laws relating to workers compensation, shall maintain workers' compensation insurance when required, and shall furnish proof of workers' compensation insurance upon request.

10. [Reserved]

11. LIQUIDATED DAMAGES: This clause shall in no way be considered exclusive and shall not limit the State or Agency's right to pursue any other available remedy. Vendor shall pay liquidated damages in the amount specified below or as described in the specifications:

☐ _____ for _____.

☐ Liquidated Damages Contained in the Specifications.

☐ Liquidated Damages Are Not Included in this Contract.

12. ACCEPTANCE: Vendor's signature on its bid, or on the certification and signature page, constitutes an offer to the State that cannot be unilaterally withdrawn, signifies that the product or service proposed by vendor meets the mandatory requirements contained in the Solicitation for that product or service, unless otherwise indicated, and signifies acceptance of the terms and conditions contained in the Solicitation unless otherwise indicated.

13. PRICING: The pricing set forth herein is firm for the life of the Contract, unless specified elsewhere within this Solicitation/Contract by the State. A Vendor's inclusion of price adjustment provisions in its bid, without an express authorization from the State in the Solicitation to do so, may result in bid disqualification. Notwithstanding the foregoing, Vendor must extend any publicly advertised sale price to the State and invoice at the lower of the contract price or the publicly advertised sale price.

14. PAYMENT IN ARREARS: Payments for goods/services will be made in arrears only upon receipt of a proper invoice, detailing the goods/services provided or receipt of the goods/services, whichever is later. Notwithstanding the foregoing, payments for software maintenance, licenses, or subscriptions may be paid annually in advance.

15. PAYMENT METHODS: Vendor must accept payment by electronic funds transfer and P-Card. (The State of West Virginia's Purchasing Card program, administered under contract by a banking institution, processes payment for goods and services through state designated credit cards.)

16. TAXES: The Vendor shall pay any applicable sales, use, personal property or any other taxes arising out of this Contract and the transactions contemplated thereby. The State of West Virginia is exempt from federal and state taxes and will not pay or reimburse such taxes.

17. ADDITIONAL FEES: Vendor is not permitted to charge additional fees or assess additional charges that were not either expressly provided for in the solicitation published by the State of West Virginia, included in the Contract, or included in the unit price or lump sum bid amount that Vendor is required by the solicitation to provide. Including such fees or charges as notes to the solicitation may result in rejection of vendor's bid. Requesting such fees or charges be paid after the contract has been awarded may result in cancellation of the contract.

18. FUNDING: This Contract shall continue for the term stated herein, contingent upon funds being appropriated by the Legislature or otherwise being made available. In the event funds are not appropriated or otherwise made available, this Contract becomes void and of no effect beginning on July 1 of the fiscal year for which funding has not been appropriated or otherwise made available. If that occurs, the State may notify the Vendor that an alternative source of funding has been obtained and thereby avoid the automatic termination. Non-appropriation or non-funding shall not be considered an event of default.

19. CANCELLATION: 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.

20. TIME: Time is of the essence regarding all matters of time and performance in this Contract.

21. APPLICABLE LAW: This Contract is governed by and interpreted under West Virginia law without giving effect to its choice of law principles. Any information provided in specification manuals, or any other source, verbal or written, which contradicts or violates the West Virginia Constitution, West Virginia Code, or West Virginia Code of State Rules is void and of no effect.

22. COMPLIANCE WITH LAWS: Vendor shall comply with all applicable federal, state, and local laws, regulations and ordinances. By submitting a bid, Vendor acknowledges that it has reviewed, understands, and will comply with all applicable laws, regulations, and ordinances.

SUBCONTRACTOR COMPLIANCE: Vendor shall notify all subcontractors providing commodities or services related to this Contract that as subcontractors, they too are required to comply with all applicable laws, regulations, and ordinances. Notification under this provision must occur prior to the performance of any work under the contract by the subcontractor.

23. ARBITRATION: Any references made to arbitration contained in this Contract, Vendor's bid, or in any American Institute of Architects documents pertaining to this Contract are hereby deleted, void, and of no effect.

24. MODIFICATIONS: This writing is the parties' final expression of intent. Notwithstanding anything contained in this Contract to the contrary no modification of this Contract shall be binding without mutual written consent of the Agency, and the Vendor, with approval of the Purchasing Division and the Attorney General's office (Attorney General approval is as to form only). Any change to existing contracts that adds work or changes contract cost, and were not included in the original contract, must be approved by the Purchasing Division and the Attorney General's Office (as to form) prior to the implementation of the change or commencement of work affected by the change.

25. WAIVER: The failure of either party to insist upon a strict performance of any of the terms or provision of this Contract, or to exercise any option, right, or remedy herein contained, shall not be construed as a waiver or a relinquishment for the future of such term, provision, option, right, or remedy, but the same shall continue in full force and effect. Any waiver must be expressly stated in writing and signed by the waiving party.

26. SUBSEQUENT FORMS: The terms and conditions contained in this Contract shall supersede any and all subsequent terms and conditions which may appear on any form documents submitted by Vendor to the Agency or Purchasing Division such as price lists, order forms, invoices, sales agreements, or maintenance agreements, and includes internet websites or other electronic documents. Acceptance or use of Vendor's forms does not constitute acceptance of the terms and conditions contained thereon.

27. ASSIGNMENT: Neither this Contract nor any monies due, or to become due hereunder, may be assigned by the Vendor without the express written consent of the Agency, the Purchasing Division, the Attorney General's office (as to form only), and any other government agency or office that may be required to approve such assignments.

28. WARRANTY: The Vendor expressly warrants that the goods and/or services covered by this Contract will: (a) conform to the specifications, drawings, samples, or other description furnished or specified by the Agency; (b) be merchantable and fit for the purpose intended; and (c) be free from defect in material and workmanship.

29. STATE EMPLOYEES: State employees are not permitted to utilize this Contract for personal use and the Vendor is prohibited from permitting or facilitating the same.

30. PRIVACY, SECURITY, AND CONFIDENTIALITY: The Vendor agrees that it will not disclose to anyone, directly or indirectly, any such personally identifiable information or other confidential information gained from the Agency, unless the individual who is the subject of the information consents to the disclosure in writing or the disclosure is made pursuant to the Agency's policies, procedures, and rules. Vendor further agrees to comply with the Confidentiality Policies and Information Security Accountability Requirements, set forth in <http://www.state.wv.us/admin/purchase/privacy/default.html>.

31. YOUR SUBMISSION IS A PUBLIC DOCUMENT: Vendor's entire response to the Solicitation and the resulting Contract are public documents. As public documents, they will be disclosed to the public following the bid/proposal opening or award of the contract, as required by the competitive bidding laws of West Virginia Code §§ 5A-3-1 et seq., 5-22-1 et seq., and 5G-1-1 et seq. and the Freedom of Information Act West Virginia Code §§ 29B-1-1 et seq.

DO NOT SUBMIT MATERIAL YOU CONSIDER TO BE CONFIDENTIAL, A TRADE SECRET, OR OTHERWISE NOT SUBJECT TO PUBLIC DISCLOSURE.

Submission of any bid, proposal, or other document to the Purchasing Division constitutes your explicit consent to the subsequent public disclosure of the bid, proposal, or document. The Purchasing Division will disclose any document labeled "confidential," "proprietary," "trade secret," "private," or labeled with any other claim against public disclosure of the documents, to include any "trade secrets" as defined by West Virginia Code § 47-22-1 et seq. All submissions are subject to public disclosure without notice.

32. LICENSING: In accordance with West Virginia Code of State Rules § 148-1-6.1.e, Vendor must be licensed and in good standing in accordance with any and all state and local laws and requirements by any state or local agency of West Virginia, including, but not limited to, the West Virginia Secretary of State's Office, the West Virginia Tax Department, West Virginia Insurance Commission, or any other state agency or political subdivision. Obligations related to political subdivisions may include, but are not limited to, business licensing, business and occupation taxes, inspection compliance, permitting, etc. Upon request, the Vendor must provide all necessary releases to obtain information to enable the Purchasing Division Director or the Agency to verify that the Vendor is licensed and in good standing with the above entities.

SUBCONTRACTOR COMPLIANCE: Vendor shall notify all subcontractors providing commodities or services related to this Contract that as subcontractors, they too are required to be licensed, in good standing, and up-to-date on all state and local obligations as described in this section. Obligations related to political subdivisions may include, but are not limited to, business licensing, business and occupation taxes, inspection compliance, permitting, etc. Notification under this provision must occur prior to the performance of any work under the contract by the subcontractor.

33. ANTITRUST: In submitting a bid to, signing a contract with, or accepting a Award Document from any agency of the State of West Virginia, the Vendor agrees to convey, sell, assign, or transfer to the State of West Virginia all rights, title, and interest in and to all causes of action it may now or hereafter acquire under the antitrust laws of the United States and the State of West Virginia for price fixing and/or unreasonable restraints of trade relating to the particular commodities or services purchased or acquired by the State of West Virginia. Such assignment shall be made and become effective at the time the purchasing agency tenders the initial payment to Vendor.

34. VENDOR CERTIFICATIONS: By signing its bid or entering into this Contract, Vendor certifies (1) that its bid or offer was made without prior understanding, agreement, or connection with any corporation, firm, limited liability company, partnership, person or entity submitting a bid or offer for the same material, supplies, equipment or services; (2) that its bid or offer is in all respects fair and without collusion or fraud; (3) that this Contract is accepted or entered into without any prior understanding, agreement, or connection to any other entity that could be considered a violation of law; and (4) that it has reviewed this Solicitation in its entirety; understands the requirements, terms and conditions, and other information contained herein.

Vendor's signature on its bid or offer also affirms that neither it nor its representatives have any interest, nor shall acquire any interest, direct or indirect, which would compromise the performance of its services hereunder. Any such interests shall be promptly presented in detail to the Agency. The individual signing this bid or offer on behalf of Vendor certifies that he or she is authorized by the Vendor to execute this bid or offer or any documents related thereto on Vendor's behalf; that he or she is authorized to bind the Vendor in a contractual relationship; and that, to the best of his or her knowledge, the Vendor has properly registered with any State agency that may require registration.

35. VENDOR RELATIONSHIP: The relationship of the Vendor to the State shall be that of an independent contractor and no principal-agent relationship or employer-employee relationship is contemplated or created by this Contract. The Vendor as an independent contractor is solely liable for the acts and omissions of its employees and agents. Vendor shall be responsible for selecting, supervising, and compensating any and all individuals employed pursuant to the terms of this Solicitation and resulting contract. Neither the Vendor, nor any employees or subcontractors of the Vendor, shall be deemed to be employees of the State for any purpose whatsoever. Vendor shall be exclusively responsible for payment of employees and contractors for all wages and salaries, taxes, withholding payments, penalties, fees, fringe benefits, professional liability insurance premiums, contributions to insurance and pension, or other deferred compensation plans, including but not limited to, Workers' Compensation and Social Security obligations, licensing fees, etc. and the filing of all necessary documents, forms, and returns pertinent to all of the foregoing.

Vendor shall hold harmless the State, and shall provide the State and Agency with a defense against any and all claims including, but not limited to, the foregoing payments, withholdings, contributions, taxes, Social Security taxes, and employer income tax returns.

36. INDEMNIFICATION: The Vendor agrees to indemnify, defend, and hold harmless the State and the Agency, their officers, and employees from and against: (1) Any claims or losses for services rendered by any subcontractor, person, or firm performing or supplying services, materials, or supplies in connection with the performance of the Contract; (2) Any claims or losses resulting to any person or entity injured or damaged by the Vendor, its officers, employees, or subcontractors by the publication, translation, reproduction, delivery, performance, use, or disposition of any data used under the Contract in a manner not authorized by the Contract, or by Federal or State statutes or regulations; and (3) Any failure of the Vendor, its officers, employees, or subcontractors to observe State and Federal laws including, but not limited to, labor and wage and hour laws.

37. PURCHASING AFFIDAVIT: In accordance with West Virginia Code §§ 5A-3-10a and 5-22-1(i), the State is prohibited from awarding a contract to any bidder that owes a debt to the State or a political subdivision of the State, Vendors are required to sign, notarize, and submit the Purchasing Affidavit to the Purchasing Division affirming under oath that it is not in default on any monetary obligation owed to the state or a political subdivision of the state.

38. CONFLICT OF INTEREST: Vendor, its officers or members or employees, shall not presently have or acquire an interest, direct or indirect, which would conflict with or compromise the performance of its obligations hereunder. Vendor shall periodically inquire of its officers, members and employees to ensure that a conflict of interest does not arise. Any conflict of interest discovered shall be promptly presented in detail to the Agency.

39. REPORTS: Vendor shall provide the Agency and/or the Purchasing Division with the following reports identified by a checked box below:

☐ Such reports as the Agency and/or the Purchasing Division may request. Requested reports may include, but are not limited to, quantities purchased, agencies utilizing the contract, total contract expenditures by agency, etc.

☐ Quarterly reports detailing the total quantity of purchases in units and dollars, along with a listing of purchases by agency. Quarterly reports should be delivered to the Purchasing Division via email at purchasing.division@wv.gov.

40. BACKGROUND CHECK: In accordance with W. Va. Code § 15-2D-3, the State reserves the right to prohibit a service provider's employees from accessing sensitive or critical information or to be present at the Capitol complex based upon results addressed from a criminal background check. Service providers should contact the West Virginia Division of Protective Services by phone at (304) 558-9911 for more information.

41. PREFERENCE FOR USE OF DOMESTIC STEEL PRODUCTS: Except when authorized by the Director of the Purchasing Division pursuant to W. Va. Code § 5A-3-56, no contractor may use or supply steel products for a State Contract Project other than those steel products made in the United States. A contractor who uses steel products in violation of this section may be subject to civil penalties pursuant to W. Va. Code § 5A-3-56. As used in this section:

- a. "State Contract Project" means any erection or construction of, or any addition to, alteration of or other improvement to any building or structure, including, but not limited to, roads or highways, or the installation of any heating or cooling or ventilating plants or other equipment, or the supply of and materials for such projects, pursuant to a contract with the State of West Virginia for which bids were solicited on or after June 6, 2001.
- b. "Steel Products" means products rolled, formed, shaped, drawn, extruded, forged, cast, fabricated or otherwise similarly processed, or processed by a combination of two or more or such operations, from steel made by the open hearth, basic oxygen, electric furnace, Bessemer or other steel making process.
- c. The Purchasing Division Director may, in writing, authorize the use of foreign steel products if:

1. The cost for each contract item used does not exceed one tenth of one percent (.1%) of the total contract cost or two thousand five hundred dollars (\$2,500.00), whichever is greater. For the purposes of this section, the cost is the value of the steel product as delivered to the project; or
2. The Director of the Purchasing Division determines that specified steel materials are not produced in the United States in sufficient quantity or otherwise are not reasonably available to meet contract requirements.

42. PREFERENCE FOR USE OF DOMESTIC ALUMINUM, GLASS, AND STEEL: In Accordance with W. Va. Code § 5-19-1 et seq., and W. Va. CSR § 148-10-1 et seq., for every contract or subcontract, subject to the limitations contained herein, for the construction, reconstruction, alteration, repair, improvement or maintenance of public works or for the purchase of any item of machinery or equipment to be used at sites of public works, only domestic aluminum, glass or steel products shall be supplied unless the spending officer determines, in writing, after the receipt of offers or bids, (1) that the cost of domestic aluminum, glass or steel products is unreasonable or inconsistent with the public interest of the State of West Virginia, (2) that domestic aluminum, glass or steel products are not produced in sufficient quantities to meet the contract requirements, or (3) the available domestic aluminum, glass, or steel do not meet the contract specifications. This provision only applies to public works contracts awarded in an amount more than fifty thousand dollars (\$50,000) or public works contracts that require more than ten thousand pounds of steel products.

The cost of domestic aluminum, glass, or steel products may be unreasonable if the cost is more than twenty percent (20%) of the bid or offered price for foreign made aluminum, glass, or steel products. If the domestic aluminum, glass or steel products to be supplied or produced in a “substantial labor surplus area”, as defined by the United States Department of Labor, the cost of domestic aluminum, glass, or steel products may be unreasonable if the cost is more than thirty percent (30%) of the bid or offered price for foreign made aluminum, glass, or steel products. This preference shall be applied to an item of machinery or equipment, as indicated above, when the item is a single unit of equipment or machinery manufactured primarily of aluminum, glass or steel, is part of a public works contract and has the sole purpose or of being a permanent part of a single public works project. This provision does not apply to equipment or machinery purchased by a spending unit for use by that spending unit and not as part of a single public works project.

All bids and offers including domestic aluminum, glass or steel products that exceed bid or offer prices including foreign aluminum, glass or steel products after application of the preferences provided in this provision may be reduced to a price equal to or lower than the lowest bid or offer price for foreign aluminum, glass or steel products plus the applicable preference. If the reduced bid or offer prices are made in writing and supersede the prior bid or offer prices, all bids or offers, including the reduced bid or offer prices, will be reevaluated in accordance with this rule.

43. INTERESTED PARTY SUPPLEMENTAL DISCLOSURE: W. Va. Code § 6D-1-2 requires that for contracts with an actual or estimated value of at least \$1 million, the vendor must submit to the Agency a supplemental disclosure of interested parties reflecting any new or differing interested parties to the contract, which were not included in the original pre-award interested party disclosure, within 30 days following the completion or termination of the contract. A copy of that form is included with this solicitation or can be obtained from the WV Ethics Commission. This requirement does not apply to publicly traded companies listed on a national or international stock exchange. A more detailed definition of interested parties can be obtained from the form referenced above.

44. PROHIBITION AGAINST USED OR REFURBISHED: Unless expressly permitted in the solicitation published by the State, Vendor must provide new, unused commodities, and is prohibited from supplying used or refurbished commodities, in fulfilling its responsibilities under this Contract.

45. VOID CONTRACT CLAUSES – This Contract is subject to the provisions of West Virginia Code § 5A-3-62, which automatically voids certain contract clauses that violate State law.

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.

Chris S. Lambert, CPA, CGMA, CCIFP, Member

(Name, Title)

Chris S. Lambert, CPA, CGMA, CCIFP, Member

(Printed Name and Title)

1411 Virginia Street East, Suite 100, Charleston, WV 25301

(Address)

304-343-4126 / 304-343-8008

(Phone Number) / (Fax Number)

CSLambert@suttlecpas.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.

By signing below, I further certify that I understand this Contract is subject to the provisions of West Virginia Code § 5A-3-62, which automatically voids certain contract clauses that violate State law.

Suttle & Stalnaker, PLLC

(Company)



(Authorized Signature) (Representative Name, Title)

Chris S. Lambert, CPA, CGMA, CCIFP, Member

(Printed Name and Title of Authorized Representative)

08/17/2021

(Date)

304-343-4126 / 304-343-8008

(Phone Number) (Fax Number)

ADDENDUM ACKNOWLEDGEMENT FORM
SOLICITATION NO.: CRFQ 0313 DEP 2200000002

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)

- ☐ Addendum No. 1
- ☐ Addendum No. 2
- ☐ Addendum No. 3
- ☐ Addendum No. 4
- ☐ Addendum No. 5

- ☐ Addendum No. 6
- ☐ Addendum No. 7
- ☐ Addendum No. 8
- ☐ Addendum No. 9
- ☐ 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.

Suttle & Stalnaker, PLLC

Company



Authorized Signature

08/17/2021

Date

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

REQUEST FOR QUOTATION
In Lieu Fee (ILF) Program Reports Audit

SPECIFICATIONS

- 1. PURPOSE AND SCOPE:** The West Virginia Purchasing Division is soliciting bids on behalf of West Virginia Department of Environmental Protection to establish a contract for Certified Public Accountants to provide an audit of the financial reports of the West Virginia In Lieu Fee Mitigation Program for Calendar years 2016 through 2020.
- 2. DEFINITIONS:** The terms listed below shall have the meanings assigned to them below. Additional definitions can be found in section 2 of the General Terms and Conditions.
 - 2.1 “Contract Services”** means auditing and reporting as more fully described by these specifications.
 - 2.2 “Pricing Page”** means the pages, contained wvOASIS or attached hereto as Exhibit A, upon which Vendor should list its proposed price for the Contract Services.
 - 2.3 “Solicitation”** means the official notice of an opportunity to supply the State with goods or services that is published by the Purchasing Division.
 - 2.4 “WVDEP and DEP”** means the West Virginia Department of Environmental Protection.
 - 2.5 “ILF”** means the In Lieu Fee Program.
 - 2.6 “Special Purpose Framework”** means a financial reporting framework other than US GAAP, which for the purpose of this audit will be the Cash Basis.
- 3. QUALIFICATIONS:** Vendor, or Vendor’s staff if requirements are inherently limited to individuals rather than corporate entities, shall have the following minimum qualifications:

3.1 Vendor Requirements:

- 3.1.1** Certified Public Accountant. The firm must be independent and licensed to practice in West Virginia.
- 3.1.2** All vendors must provide a copy of the last two AICPA peer reviews performed in the last 3 years. The vendor must have received a rating of pass or pass with deficiencies on all applicable peer reviews. A failed peer review will not be acceptable. No vendor should bid on the request with knowledge of a pending peer review that will likely be classified as failed. Peer reviews must be submitted with bid response.

REQUEST FOR QUOTATION
In Lieu Fee (ILF) Program Reports Audit

- 3.1.3. All directors, principals or partner equivalents on the engagement must be licensed CPA's with at least 5 years or audit experience with governmental entities. All manger level employees on this engagement must be CPA's with 3 years of experience of governmental engagements. The state agency retains the right to approve or reject replacements based upon their qualifications, experience or performance.
- 3.1.4. The firm must have experience auditing/consulting with state (does not have to be West Virginia) government entities (agencies) over the past 5 years. The firm must submit a list of those state audits/consulting engagements.
- 3.1.5. The firm must have at least 5 licensed CPAs on staff within the audit firm that are strictly audit and not tax professionals. This insures we have a firm that has a breadth of experience that we are looking for and can substitute engagement members should turnover occur. At least 3 of these audit professionals must all be in the same location and cannot be spread amongst other firm locations.
- 3.1.6. The firm must not have had a final audit issued by the proposing firm that had to be reissued due to material errors or omissions discovered by West Virginia Financial Accounting and Reporting Section or other West Virginia state agency two times or more.
- 3.1.7. The firm must provide a statement that they are a member in good standing of the AICPA's Governmental Audit Quality Center.

4. MANDATORY REQUIREMENTS:

4.1 Mandatory Contract Services Requirements and Deliverables: Contract Services must meet or exceed the mandatory requirements listed below.

4.1.1 ILF Audit

4.1.1.1 Scope of Work: The DEP requires the auditor to express an opinion on the fair presentation of the ILF financial reports for the calendar years of 2016 through 2020. The financial reports have been prepared on the cash basis, a special purpose framework not in accordance with GAAP. The primary purpose of this audit is to provide assurance to the Army Corp of Engineers, the oversight entity of the program, that the amounts shown on the financial reports can be relied upon. To view the reports to be audited, go to <https://dep.wv.gov/wwe/programs/pages/in-lieu-fee.aspx>

REQUEST FOR QUOTATION
In Lieu Fee (ILF) Program Reports Audit

4.1.1.2 Auditing Standards to be followed: The audit shall be performed in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States that require the auditor to obtain reasonable assurance about whether the ILF financial reports (2016 through 2020) are free from material misstatements.

4.1.1.3 Reports to be issued: Following the completion of the audit, the auditor shall issue a report on whether the financial reports are free from material misstatements.

4.1.1.3.1 Irregularities and Illegal Acts: Auditors shall be required to make an immediate, written report of all irregularities and illegal acts of which they become aware to the State Comptroller under the authority of Section 5A-2-33 of the State Code, as well as to the Secretary of the Department, the Division Director of the Division of Water and Waste Management (DWWM) and the Department's Chief Financial Officer.

4.1.1.3.2 Reporting to the Department's Secretary: The auditors shall assure themselves that the Department is informed of each of the following:

4.1.1.3.2.1 The auditor's responsibility as it relates to auditing financial statements prepared in accordance with special purpose frameworks.

4.1.1.3.2.2 Significant accounting policies.

4.1.1.3.2.3 Other information in documents containing audited financial statements.

4.1.1.3.2.4 Disagreements with management.

4.1.1.3.2.5 Difficulties encountered in performing the audit.

4.1.1.3.3 Working Paper Retention and Access to Working Papers: All working papers and reports must be retained, at the auditor's expense, for a period of five (5) years, unless the firm is notified in writing by the Department of the need to extend the retention period. The auditor will be

REQUEST FOR QUOTATION
In Lieu Fee (ILF) Program Reports Audit

required to make working papers available, upon request, to the following parties or their designees:

Chief Financial Officer
Department of Environmental Protection
State of West Virginia

Financial Accounting and Reporting Section
Department of Administration
State of West Virginia

United States Army Corps of Engineers
Huntington District
Huntington, WV 25701

In addition, the firm shall respond to the reasonable inquiries of successor audit firms and allow the review of working papers relating to matters of continuing accounting significance.

4.1.1.3.4 Description of the In Lieu Fee Mitigation Program:

Names and Telephone Numbers of Contact Persons and Location of Work Offices.

The vendor's principal contact with the Division will be the Chief Financial Officer or a designated representative who will coordinate the assistance to be provided by the Department to the vendor.

List of key positions, office locations and telephone numbers:

Teresa M. Koon
Assistant Director
601 57th Street, S.E.
Charleston, WV 25304
Telephone: 304-926-0499 ext. 43828

Randy Taylor
Chief Financial Officer
601 57th Street, S.E.
Charleston, WV 25304
Telephone: 304-926-0499 ext. 41952

REQUEST FOR QUOTATION
In Lieu Fee (ILF) Program Reports Audit

Gary W. Rogers
Accounting & Financial Reporting Manager
601 57th Street, S.E.
Charleston, WV 25304
Telephone: 304-926-0499 ext. 41946

4.1.1.3.5 Background Information: The In Lieu Fee Mitigation Program is now established under the Instrument signed January 7, 2021. The purpose of this fund is to:

4.1.1.3.5.1 Accept compensatory mitigation fees as directed by the U.S. Army Corps of Engineers for impacts to aquatic resources authorized by the Clean Water Act (33 U.S.C. § 1251 et seq.).

4.1.1.3.5.2 Identify, purchase (if necessary), construct, and monitor ILF mitigation sites and projects as approved by the U.S. Army Corps of Engineers for ultimate release to third-party long-term stewards, and

4.1.1.3.5.3 Establish financial, technical, and legal mechanisms to ensure long-term success of the mitigation projects.

4.1.1.3.5.4 A description of the program can be found in the ILF Program Instrument – <https://dep.wv.gov/www/programs/pages/in-lieu-fee.aspx>

4.1.1.3.6 The WVDEP Division of Water and Waste Management maintains responsibility for the operation and general management of this program. The program has been in operation since 2008.

The source of revenue for the ILF includes compensatory mitigation fees and interest earnings from the Investment Management Board.

4.1.1.3.7 Department Structure/Method of Reporting: The In Lieu Fee Mitigation program is administered by the Division of Water and Waste Management, with oversight by the Office of Administration, Fiscal Services.

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In Lieu Fee (ILF) Program Reports Audit

The ILF operates as a special revenue unit within the Water Quality Management Fund of the Department. The unit is accounted for and reported as part of an enterprise fund in the West Virginia Comprehensive Annual Financial Report and in separately reported Calendar Year Annual Reports submitted to the U. S. Army, Corp of Engineers.

4.1.1.3.8 Maintenance and Tracking of Financial Operations:

The financial operations of the Department are maintained as follows:

ILF revenues and expenditures are accounted for in WVOASIS and the ILF Calendar Year annual reports are maintained using Microsoft Excel.

4.1.1.3.9 Availability of Audit Reports and Work Papers: This is the first audit of the unit and there are no audit reports or work papers available. DEP conducts periodic internal financial reviews, otherwise there is no formal monitoring specific to the program. There are no internal or external reports issued related to best practices, consultations, or corrective actions for the period of the audit.

4.1.1.3.9.1 DEP has documented standard operating procedures (SOPs) for accounts payable and accounts receivable, as well as the ILF Program SOP for crediting and payments. DEP also maintains an ILF program flow chart of activities.

4.1.1.3.10 Audit of Investments: The ILF's investment portfolio is managed by and in the custody of the Investment Management Board (IMB) of the State of West Virginia. The IMB is audited annually by independent Certified Public Accountants. The auditor will be required by the Department to fully rely on this audit work.

4.1.1.4 Time Requirements:

4.1.1.4.1 Terms of Engagement: The contract is to audit the financial reports of the West Virginia In Lieu

REQUEST FOR QUOTATION
In Lieu Fee (ILF) Program Reports Audit

Fee Mitigation Program for calendar years 2016 through 2020 and provide an opinion as to whether those financial reports are fairly stated and/or are free from material misstatements in accordance with the special purpose framework of the cash basis.

4.1.1.4.1.1 Audit may be performed remotely or on site at the option of the vendor.

4.1.1.4.1.2 Information is ready for audit now

4.1.1.4.2 Timetable for Completion of Audit and Final Report:

Entrance Conference	Within 2 weeks of Award
Field work completed and draft financial statements	January 31, 2022
Exit conference and draft audit report	February 28, 2022
Final audit report	March 31, 2022

4.1.1.4.2.1 The exit conference will be held with the Chief Financial Officer, the Program Manager and the Accounting and Financial Reporting Manager. The purpose of the meeting will be to summarize the results of the audit.

4.1.1.4.2.2 Ten bound and signed copies and an electronic copy of the Independent Auditor's Report on the firm's letterhead will be delivered to the Chief Financial Officer.

4.1.1.5 Assistance to be provided to the vendor and report preparation:

4.1.1.5.1 Fiscal Services Office and Clerical Assistance: Fiscal Services office staff and responsible management personnel will be available during the audit to assist the firm by providing information documentation and explanations. The preparation of confirmations, including copies for Fiscal Services, will be the responsibility of the auditor.

4.1.1.5.2 Fiscal Services Staff Assistance: The Chief Financial Officer and Accounting and Financial Reporting Manager will provide draft copies of the calendar year annual reports, relevant supporting work papers, and will be

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available to coordinate requests for additional information.

4.1.1.5.3 Report Preparation: Report preparation, editing, and printing shall be the responsibility of the auditor.

4.1.1.6 The bid shall contain all pricing information relative to performing the engagement as described in the Request for Quotation. The total all-inclusive price bid is to contain all direct and indirect costs including all out-of-pocket expenses.

5. CONTRACT AWARD:

5.1 Contract Award: The Contract is intended to provide Agency with a purchase price for the Contract Services. The Contract shall be awarded to the Vendor that provides the Contract Services meeting the required specifications for the lowest overall total cost as shown on the Pricing Pages.

5.2 Pricing Page: Vendor should complete the Pricing Page by filling in the contract price for services. Vendor should complete the Pricing Page in full as failure to complete the Pricing Page in its entirety may result in Vendor's bid being disqualified.

Vendor should type or electronically enter the information into the Pricing Pages through wvOASIS, if available, or as an electronic document. In most cases, the Vendor can request an electronic copy of the Pricing Pages for bid purposes by sending an email request to the following address: Joseph.E.HagerIII@wv.gov.

- 6. PERFORMANCE:** Vendor and Agency shall agree upon a schedule for performance of Contract Services and Contract Services Deliverables, unless such a schedule is already included herein by Agency. In the event that this Contract is designated as an open-end contract, Vendor shall perform in accordance with the release orders that may be issued against this Contract.
- 7. PAYMENT:** Agency shall pay one single payment not to exceed the contract price, as shown on the Pricing Pages, for all Contract Services performed and accepted under this Contract. Vendor shall accept payment in accordance with the payment procedures of the State of West Virginia.
- 8. TRAVEL:**
Vendor shall be responsible for all mileage and travel costs, including travel time, associated with performance of this Contract. Any anticipated mileage or travel costs may be included in

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In Lieu Fee (ILF) Program Reports Audit

the flat fee or hourly rate listed on Vendor's bid, but such costs will not be paid by the Agency separately.

9. FACILITIES ACCESS: Performance of Contract Services may require access cards and/or keys to gain entrance to Agency's facilities. In the event that access cards and/or keys are required:

- 9.1.** Vendor must identify principal service personnel which will be issued access cards and/or keys to perform service.
- 9.2.** Vendor will be responsible for controlling cards and keys and will pay replacement fee, if the cards or keys become lost or stolen.
- 9.3.** Vendor shall notify Agency immediately of any lost, stolen, or missing card or key.
- 9.4.** Anyone performing under this Contract will be subject to Agency's security protocol and procedures.
- 9.5.** Vendor shall inform all staff of Agency's security protocol and procedures.

10. VENDOR DEFAULT:

10.1. The following shall be considered a vendor default under this Contract.

- 10.1.1.** Failure to perform Contract Services in accordance with the requirements contained herein.
- 10.1.2.** Failure to comply with other specifications and requirements contained herein.
- 10.1.3.** Failure to comply with any laws, rules, and ordinances applicable to the Contract Services provided under this Contract.

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10.1.4. Failure to remedy deficient performance upon request.

10.2. The following remedies shall be available to Agency upon default.

10.2.1. Immediate cancellation of the Contract.

10.2.2. Immediate cancellation of one or more release orders issued under this Contract.

10.2.3. Any other remedies available in law or equity.

11. MISCELLANEOUS:

11.1. Contract Manager: During its performance of this Contract, Vendor must designate and maintain a primary contract manager responsible for overseeing Vendor's responsibilities under this Contract. The Contract manager must be available during normal business hours to address any customer service or other issues related to this Contract. Vendor should list its Contract manager and his or her contact information below.

Contract Manager: Chris S. Lambert, CPA, CGMA, CCIFP, Member

Telephone Number: 304-343-4126

Fax Number: 304-343-8008

Email Address: CSLambert@suttlecpas.com

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 eleven 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: Suttle & Stalnaker, PLLC

Authorized Signature: Chris Lambert Date: 08/17/2021

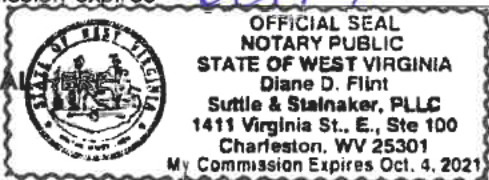
State of West Virginia

County of Kanawha, to-wit:

Taken, subscribed, and sworn to before me this 17 day of August, 2021.

My Commission expires Oct. 4, 2021.

AFFIX SEAL



NOTARY PUBLIC

Diane D. Flint

Purchasing Affidavit (Revised 01/19/2018)