



The following documentation is an electronically-submitted vendor response to an advertised solicitation from the *West Virginia Purchasing Bulletin* within the Vendor Self-Service portal at ***wvOASIS.gov***. As part of the State of West Virginia's procurement process, and to maintain the transparency of the bid-opening process, this documentation submitted online is publicly posted by the West Virginia Purchasing Division at ***WVPurchasing.gov*** with any other vendor responses to this solicitation submitted to the Purchasing Division in hard copy format.

Header 4

List View

General Information | Contact | Default Values | Discount | Document Information | Clarification Request

Procurement Folder: 1077957

Procurement Type: Central Master Agreement

Vendor ID:

Legal Name: KROLL GOVERNMENT SOLUTIONS LLC

Alias/DBA:

Total Bid: \$525,000.00

Response Date:

Response Time:

Responded By User ID:

First Name:

Last Name:

Email:

Phone:

SO Doc Code: CRFQ

SO Dept: 1300

SO Doc ID: STO2300000001

Published Date: 8/30/22

Close Date: 9/7/22

Close Time: 13:30

Status: Closed

Solicitation Description:

Total of Header Attachments: 4

Total of All Attachments: 4



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:** 1077957  
**Solicitation Description:** Addendum No.4 Audit Services for Unclaimed Property  
**Proc Type:** Central Master Agreement

Solicitation Closes	Solicitation Response	Version
2022-09-07 13:30	SR 1300 ESR08192200000000949	1

VENDOR

000000163205  
KROLL GOVERNMENT SOLUTIONS LLC

**Solicitation Number:** CRFQ 1300 STO2300000001  
**Total Bid:** 525000  
**Response Date:** 2022-09-07  
**Response Time:** 12:28:26  
**Comments:**

FOR INFORMATION CONTACT THE BUYER  
Toby L Welch  
(304) 558-8802  
toby.l.welch@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	Audit services				500000.00

Comm Code	Manufacturer	Specification	Model #
84111600			

**Commodity Line Comments:** Contract Amount - Estimate based on last contract period.

**Extended Description:**

Audit/Collection of Property per section 4.1.21 of Specifications. Rate shall not exceed 10.5% Vendor must enter their percentage and affirmation on Exhibit A Pricing Page and return with their bids.

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
2	Audit services				25000.00

Comm Code	Manufacturer	Specification	Model #
84111600			

**Commodity Line Comments:** Contract Amount is estimated.

**Extended Description:**

Audit / Voluntary Compliance Program per section 4.2.10 of Specifications. Rate shall be flat rate of 9% Vendor must enter their percentage and affirmation on Exhibit A Pricing Page and return with their bids.

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
3	Audit services	0.00000	HOUR	100.000000	0.00

Comm Code	Manufacturer	Specification	Model #
84111600			

**Commodity Line Comments:** Unit Price is \$100.00 per hour.

**Extended Description:**

Audit /Other Services per section 4.3.1 of Specifications. Rate shall not exceed \$100 per hour. Vendor must enter their hourly rate and affirmation on Exhibit A Pricing Page and return with their bids.





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  
Consulting

Proc Folder: 1077957

Doc Description: Addendum No.4 Audit Services for Unclaimed Property

Reason for Modification:

Addendum No 4 is issued to  
correct an error

Proc Type: Central Master Agreement

Date Issued	Solicitation Closes	Solicitation No	Version
2022-08-30	2022-09-07 13:30	CRFQ 1300 STO2300000001	5

BID RECEIVING LOCATION

BID CLERK

DEPARTMENT OF ADMINISTRATION

PURCHASING DIVISION

2019 WASHINGTON ST E

CHARLESTON WV 25305

US

VENDOR

Vendor Customer Code: 000000163205

Vendor Name: Kroll Government Solutions, LLC

Address :

Street : 500 Chase Parkway

City : Waterbury

State : CT

Country : U.S.

Zip : 06708

Principal Contact : Caroline Marshall

Vendor Contact Phone: 646-597-4705

Extension:

FOR INFORMATION CONTACT THE BUYER

Toby L Welch

(304) 558-8802

toby.l.welch@wv.gov

Vendor

Signature X

*Caroline Marshall*

FEIN# 26-1717497

DATE

*9/1/2022*

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

**ADDITIONAL INFORMATION**

Addendum No. 4 is issued for the following reasons:

- 1) To correct an error from Addendum No. 3
- 2) To publish a revised Exhibit A Pricing page
- 3) To publish a modifications to the specifications - Section 4.1.21 (Fees)

As per attached documentation.

---no other changes---

**INVOICE TO**

WEST VIRGINIA STATE  
TREASURERS OFFICE  
322 70TH ST SE

CHARLESTON  
US

WV

**SHIP TO**

WEST VIRGINIA STATE  
TREASURERS OFFICE  
322 70TH ST SE

CHARLESTON  
US

WV

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
1	Audit services				

**Comm Code****Manufacturer****Specification****Model #**

84111600

**Extended Description:**

Audit/Collection of Property per section 4.1.21 of Specifications. Rate shall not exceed 10.5% Vendor must enter their percentage and affirmation on Exhibit A Pricing Page and return with their bids.

**INVOICE TO**

WEST VIRGINIA STATE  
TREASURERS OFFICE  
322 70TH ST SE

CHARLESTON  
US

WV

**SHIP TO**

WEST VIRGINIA STATE  
TREASURERS OFFICE  
322 70TH ST SE

CHARLESTON  
US

WV

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
2	Audit services				

**Comm Code****Manufacturer****Specification****Model #**

84111600

**Extended Description:**

Audit / Voluntary Compliance Program per section 4.2.10 of Specifications. Rate shall be flat rate of 9% Vendor must enter their percentage and affirmation on Exhibit A Pricing Page and return with their bids.

INVOICE TO				SHIP TO			
WEST VIRGINIA STATE TREASURERS OFFICE 322 70TH ST SE				WEST VIRGINIA STATE TREASURERS OFFICE 322 70TH ST SE			
CHARLESTON		WV		CHARLESTON		WV	
US				US			

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
3	Audit services	0.00000	HOUR		

Comm Code	Manufacturer	Specification	Model #
84111600			

**Extended Description:**

Audit /Other Services per section 4.3.1 of Specifications. Rate shall not exceed \$100 per hour. Vendor must enter their hourly rate and affirmation on Exhibit A Pricing Page and return with their bids.

**SCHEDULE OF EVENTS**

<u>Line</u>	<u>Event</u>	<u>Event Date</u>
1	Questions are due by 4:00 p.m.	2022-08-10

	Document Phase	Document Description	Page 4
STO2300000001	Final	Addendum No.4 Audit Services for Unclaimed Property	

#### **ADDITIONAL TERMS AND CONDITIONS**

See attached document(s) for additional Terms and Conditions

**SOLICITATION NUMBER: CRFQ STO2300000001**

**Addendum Number: 04**

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The purpose of this addendum is to modify the solicitation identified as CRFQ STO2300000001 ("Solicitation") to reflect the change(s) identified and described below.

**Applicable Addendum Category:**

- ☐ Modify bid opening date and time
- ☒ Modify specifications of product or service being sought
- ☐ Attachment of vendor questions and responses
- ☐ Attachment of pre-bid sign-in sheet
- ☐ Correction of error
- ☒ Other

- 1) To publish a revised Exhibit A Pricing Page (Rev 8/30/22)**
- 2) To publish a modification to the Specifications, Section 4.1.21 - Fees**

**Terms and Conditions:**

1. All provisions of the Solicitation and other addenda not modified herein shall remain in full force and effect.
2. Vendor should acknowledge receipt of all addenda issued for this Solicitation by completing an Addendum Acknowledgment, 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.

**ADDENDUM ACKNOWLEDGEMENT FORM**  
**SOLICITATION NO.: CRFQ STO2300000001**

**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)

<input checked="" type="checkbox"/> Addendum No. 1	<input type="checkbox"/> Addendum No. 6
<input checked="" type="checkbox"/> Addendum No. 2	<input type="checkbox"/> Addendum No. 7
<input checked="" type="checkbox"/> Addendum No. 3	<input type="checkbox"/> Addendum No. 8
<input checked="" type="checkbox"/> Addendum No. 4	<input type="checkbox"/> Addendum No. 9
<input type="checkbox"/> Addendum No. 5	<input type="checkbox"/> 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 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.

Kroll Government Solutions, LLC

Company

Caroline Marshall

Authorized Signature

9/7/2022

Date

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

**Agency Modification to Specifications**  
**Solicitation # CRFQ STO2300000001**  
**ADDENDUM #04**

Regarding a question received that was a part of Addendum #02 (question #3) regarding the set pricing as required per Section 4.1.21: After further review and research, the Agency wishes to modify the specification as follows – and correct Addendum #03:

**Section 4.1.21.1** Except as provided in Section 4.2.10 and Section 4.3.1, all Vendor fees for the identification and collection of unclaimed property will be a flat 10.5 percent (10.5%) of the net unclaimed property remitted to the WV STO.

**The Price Sheet is also modified to reflect the change above as well and attached to this Addendum.**

**REQUEST FOR QUOTATION  
Professional Auditing Services**

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**EXHIBIT A – PRICING PAGE (Revised 8/30/22)**

**Vendor affirms by their signature or submission of a bid response that they will accept the fee schedule as listed for all STO mandatory, requested and approved services. All vendor expenses must be included in the established fee schedule and shall not be reimbursed separately.**

**Note: Vendor is not required to provide services considered Optional. Such response will have no bearing on a contract award.**

**MANDATORY SERVICES:**

**Per Section 4.1.21.1:** Vendor fees for the identification and collection of unclaimed property will be a flat 10.5 percent (10.5%) of the net unclaimed property remitted to the WV STO.

**OPTIONAL SERVICES (Non-mandatory):**

**Per Section 4.2.10: Compensation:** All Vendor fees for the Voluntary Compliance Program will be a flat 9 percent (9%) of the net unclaimed property remitted to the STO. Net unclaimed property is the gross value of all unclaimed property, minus the value of all unclaimed property delivered by the Holder, if any, that otherwise would have been delivered pursuant to the reporting practices of the Holder as they existed prior to the execution of the agreement with Vendor.

**Fee: Flat Rate of 9%**

**Vendor will offer this service:**      Yes   X                        No       

**Per Section 4.3.1: Compensation:** Audit Agreed Upon Procedures related to a Holder which is outside of the scope of a multistate audit, West Virginia state specific audit, or Vendor-assisted self-audits will be paid on an hourly basis at the rate of \$100 per hour, and the total cost will be capped in a release order, if selected.

**Fee: Not to Exceed \$100/hour**

**Vendor will offer this service:**      Yes   X                        No



**REQUEST FOR QUOTATION**  
**Professional Auditing Services**

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**I/We agree to the established fee schedule for the mandatory services listed within this solicitation and resultant contract award, including any of the selected optional services affirmed above:**

Company Name: Kroll Government Solutions, LLC

Printed Name of Signatory: Caroline Marshall

Title of Signatory: President

Signature: Caroline Marshall

September 7, 2022

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

**Re: CRFQ STO2300000001 – Audit Services for Unclaimed Property**

Dear Sir/Madam:

I am pleased to submit the proposal of Kroll Government Solutions, LLC (“KGS”) for Professional Auditing Services in response to the Request for Quotation CRFQ STO2300000001 - Audit Services for Unclaimed Property (the “RFQ”) for the West Virginia State Treasurer’s Office, Unclaimed Property Division (“STO”).

As President of KGS, I am legally authorized to bind and make representations on behalf of KGS. I represent that KGS has read and understands all of the provisions of the RFQ, together with Addendum Nos. 1 through 4. I further represent that KGS is committed to performing the services requested by the STO in the RFQ.

As described in further detail in its proposal, KGS was expressly established to provide services related to the identification and recovery of unclaimed property to state unclaimed property offices and divisions. KGS’ mission is to conduct complex unclaimed property audits of national financial institutions and other large companies in a variety of industries on behalf of KGS’ client states. KGS’ approach combines investigative skills, sophisticated forensic auditing services, detailed legal analysis, and a patented powerful computing and data processing platform that is capable of compiling and analyzing massive volumes of information from multiple public and private sources. KGS is uniquely qualified to conduct examinations designed to uncover improper practices that may be employed by holders to avoid reporting and delivering unclaimed property due to be remitted to West Virginia. Based on these unique abilities, KGS believes that it is a qualified respondent which can provide the services called for by the RFQ.

Please contact me if you require any additional information in order to evaluate KGS' response to the RFQ or if you have any questions regarding the response. I thank you for your consideration of KGS as a bidder in response to this RFQ.

Very truly yours,

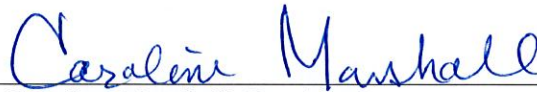
A handwritten signature in blue ink that reads "Caroline Marshall". The signature is written in a cursive style with a large initial "C".

Caroline Marshall  
President

CM/smm  
Attachment

**Title: Solicitation No. CRFQ STO2300000001  
Audit Services for Unclaimed Property  
Response to CRFQ STO2300000001**

Submitted by:



Caroline Marshall, President  
Kroll Government Solutions, LLC  
500 Chase Parkway  
Waterbury, CT 06708  
Tel: (888) 308-3787  
Fax: (203) 574-5555  
E-mail: [caroline.marshall@kroll.com](mailto:caroline.marshall@kroll.com)

Date of Proposal Opening: September 7, 2022 at 1:30 p.m

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### Exhibits

- Exhibit 1 – Organizational Chart
- Exhibit 2 – Certificate of Authorization
- Exhibit 3 – Data and Information Security Overview
- Exhibit 4 – Resumes

## **RESPONSE TO SPECIFICATIONS**

### **3. QUALIFICATIONS**

#### **3.1. Knowledge**

Vendor shall have sufficient knowledge of the *West Virginia Unclaimed Property Act* (the “Act”), set forth in W.Va. Code §36-8-1, et seq., court rulings regarding the Act, and its regulations. Vendor must comply with the Act and correctly apply the law to the Holder examination.

##### **Vendor Response:**

Kroll Government Solutions, LLC (“KGS”) legal staff has engaged in extensive research and analysis of the unclaimed property laws of the various states, including West Virginia. Our legal staff possesses in-depth knowledge of the Act set forth in W.Va. Code §36-8-1, et seq.; relevant court holdings, including Texas v. New Jersey, 85 S. Ct. 1136 (1965); Pennsylvania v. New York, 92 S. Ct. 2880 (1972) and Delaware v. New York, 113 S. Ct. 1550 (1993); and rules and regulations applicable to unclaimed property examination. KGS certifies it will comply with the Act and correctly apply the law to the Holder examination.

#### **3.2. Organization**

Vendor must be of sufficient size and organization to provide the Services required by the STO. Provide an organizational chart identifying key staff members who will be providing the audit services required by this RFQ. Describe Vendor, discussing organizational structure size, ownership, number of employees, location of offices, experience and Vendor’s ability, capacity, data processing capabilities, and qualifications for performing the services contemplated by this RFQ.

##### **Vendor Response:**

KGS is a limited liability company organized under the laws of the State of Delaware and in existence since December 2007.

KGS' operations are separated into four primary departments: Operations, Legal, Technology, and Finance. KGS' Operations department is responsible for the examination of holders, identifying, auditing and reporting unclaimed property to client states. Legal is responsible for ensuring compliance with state contracts and confidentiality agreements, providing legal advice and support to the Operations department, and ensuring the secure storage, transfer and use of confidential data and KGS' resources. KGS' Technology department designs, maintains and enhances KGS' technical resources and proprietary software systems. Finally, the Finance department oversees the collection and remittance of unclaimed property.

The Operations department is headed by Steven Haley, KGS' Managing Director. This department includes 22 employees. In addition to the Managing Director,

management of the Operations area includes 2 Managing Directors and 2 Directors of Audit Operations.

In addition to Operations department management staff, KGS currently utilizes a staff of 18 primary audit employees, Managers and Counsels, responsible for the day-to-day operations of the examinations and 2 Senior Counsels who perform a variety of legal functions supporting ongoing examinations. Audit focused employees primarily have backgrounds in auditing functions, project management, and/or unclaimed property or industry-specific knowledge essential to the auditing process. These employees are responsible for direct day-to-day communications with companies under examination, review and intake of all responses from companies under examination, and varying levels of review and testing related to data sets received from companies under examination. Counsels are all bar licensed attorneys with specialized knowledge in unclaimed property law and compliance and possessing experience reviewing company procedures and documents for deficiencies which may lead to unreported property.

The Legal Department is led by Ed Hall, Managing Director/Chief Information Security Officer and Felecia Stern, General Counsel. This department includes four employees, including the Associate General Counsel, Counsels, and a Senior Associate. These employees are responsible for ensuring compliance with state contracts and confidentiality agreements, providing legal advice and support to the Audit department, and ensuring the secure storage, transfer and use of confidential data and KGS' resources.

KGS' Technology Department is headed by Peter Lee, Managing Director and includes 37 employees. This department designs, maintains and enhances KGS' technical resources and proprietary software systems. In addition, under the supervision of the Operations department, this department is responsible for detailed analysis of data provided by holders under examination.

KGS' Finance department is headed by James DeAngelis, Chief Financial Officer. This department includes 4 employees and oversees the collection and remittance of unclaimed property as well as traditional financial activities.

All four of these departments are overseen by KGS' principal staff, which (1) monitor the progress of examinations and other company activities; (2) review and modify, as necessary, staffing levels and technological enhancements to ensure reliable ongoing service to client states; and (3) prepare and review schedules for all examinations on a regular basis to ensure that examinations progress according to schedule. The employees outlined are internal staff and direct KGS employees. These employees are the only staff which KGS plans to use in carrying out the services called for by this RFQ. KGS does not plan to use external staff such as subcontractors in its performance of the services called for by this RFQ.

KGS employs a Managing Director/Client Relations Manager, whose role it is to ensure regular communication with client states, to communicate the results and progress of examinations and ensure that any efforts of the STO are coordinated with KGS.

Attached as *Exhibit 1* is an organizational chart of KGS. As the entire staff of KGS assists in performing the activities related to any contract awarded, the organizational chart includes the entire organizational structure of KGS. KGS has 73 employees nationally. It is headquartered in Waterbury, Connecticut. In addition, it has offices in New York, Massachusetts, California and Texas.

As set forth herein, KGS is a firm established to perform unclaimed property audit services to state clients that is fully able to conduct examinations of companies in accordance with unclaimed property laws that are enforceable by West Virginia. KGS has been performing unclaimed property examinations on behalf of state clients since 2008. Further, KGS has an exceptionally qualified team with years of cumulative experience in unclaimed property examination, legal analysis, and complex general ledger audit and has developed the technical capabilities necessary to perform the requested services, including the identification of unclaimed property in the possession of holders and the examination, processing, collection, reporting and delivery of such property to West Virginia, where it may be held in custody until it is returned to its rightful owners.

Currently KGS has entered into contracts with forty-eight state agencies representing over 97% of the overall population of the United States, to perform the same type of unclaimed property auditing services called for by this RFQ. As of the date of our response, KGS has entered into contracts with the following states: Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, and Wyoming. Pursuant to these contracts, KGS has performed hundreds of complex general ledger unclaimed property audits, many of which include West Virginia as a participant and many of which are currently ongoing. KGS' ongoing performance of these examinations makes it particularly well-suited to be awarded a contract pursuant to the Solicitation.

As a result of its examinations and agreements resolving them, to date KGS has remitted and state clients have accepted over seven million properties with a value of over six billion dollars (\$6.213B) in unclaimed property related to these examinations, including over four million dollars (\$4.413M) reported to the STO.



The expertise of its personnel along with its advanced technical capabilities described below, enable KGS to readily identify those holders whose records should be subjected to examination as well as the identity of property records that should be examined. As a result, KGS believes that it will be able to expeditiously identify and recover substantial amounts of unclaimed property from holders in a manner that is unmatched by other unclaimed property auditors.

In conjunction with the investigative skills of its key personnel, KGS has developed data analytics functionality that enables it to analyze massive amounts of data regarding holders and identify those which may have large amounts of unclaimed property reasonably believed to be in their possession.

KGS' computing platform enables the company to:

- Create workflow streams to manage the processing of each owner record.
- Automate the generation of all of the necessary paperwork to document property due to the State and ensure compliance with all statutory and regulatory requirements.
- Automate all accounting features.
- Create a full audit trail for each owner/holder record in system.
- Monitor the examination process from initial review through verification and ultimate delivery of property to the State.

In addition to recovering unclaimed property, KGS' goal in conducting the examinations shall be to bring the holders into compliance with the requirements of the Act so that the holders will file future reports directly with the State and remit unclaimed property as required, without the need for further audits. Finally, in order to assist the STO in its endeavor to return as much unclaimed property as possible to its rightful owners, the services provided by KGS will ensure that all property records are accurate and as detailed as possible, in order to increase the chances of successfully locating the property owners.

KGS does not simply offer standard auditing services that may be applied to conduct ministerial reviews of records. KGS is uniquely qualified to conduct forensic investigations designed to uncover improper practices that may be employed by holders to avoid reporting and delivering unclaimed property due to be remitted to West Virginia and ensure that holders conduct themselves in compliance with the unclaimed property laws in the future.

### **3.3 Location**

Vendor must be authorized to conduct business in the state of West Virginia. Vendor must store, process, and maintain data for the State, or a third-party under audit, within the continental United States always.

**Vendor Response:**

KGS is authorized to conduct business in the State of West Virginia. Attached hereto as ***Exhibit 2*** is a copy of KGS' Certificate of Authorization with the West Virginia Secretary of State.

KGS certifies that its data for the State, or a third-party under audit, is always stored, processed and maintained within the continental United States.

**3.4 Quality Control Review**

The Vendor must have favorable quality control reviews for its work if requested by the STO. The Vendor's external quality control review contents should provide either a positive or a non-negative review of the Vendor.

**Vendor Response:**

With regard to security and internal controls, KGS adheres to the ISO 27001/27002 security standards, which we believe are a more appropriate set of standards for an organization of our size and KGS has undergone an annual ISO 27001 certification process. In addition, KGS has had SOC 2 assessments completed for the past eight years. Due to the confidential nature of these reports, KGS can provide them separately, upon request. Please see the KGS Data and Information Security Overview attached hereto as ***Exhibit 3***, for an outline of the security measures implemented by KGS to comply with these security standards and which display KGS' quality control mechanisms.

**3.5 Internal Controls, Security and Technology**

- 3.5.1** A. Vendor must use a secure transfer method to collect audit data.
- SFTP/FTPS (secure file transfer over TLS 1.2 or higher or secure file transfer over SSH).
  - Secure Web Transfer using HTTPS with TLS 1.2 or higher.
- B. Vendor must have data-at-rest encryption for transferred data.
- For cloud storage vendors, link their compliance information for data-at-rest encryption of blob/object storage.
  - For on-premises storage, provide information on the data-at-rest encryption technology implemented.
- C. Vendor must use a "least privileged" access model.
- Only auditors working on the audit have access to the data.
  - Administrative access or permission changes are logged.

**Vendor Response**

KGS understands and will comply with the guidelines set forth herein.

KGS uses a layered approach of overlapping controls, monitoring, and authentication to ensure overall security of KGS' data, network, and system resources.

All data received as part of its auditing services is stored (1) in a siloed environment specific to KGS; (2) with access limited to KGS employees engaged on a particular audit; (3) on servers located in the United States; and (4) in a manner that ensure a minimum of AES-256 encryption when any data is either in transit or at rest.

KGS utilizes the services and controls of either cloud or third party data centers located within the United States for hosting critical production systems, development servers and the necessary networking equipment. The cloud or third party data centers have SOC 2 Type 2 audits completed annually. Firewalls are used on the production and corporate networks to control access. KGS employees access network equipment and data stored at the third party data center remotely through secure VPN tunnels. VPN tunnels use encryption to protect customer and KGS data in transit, including IPsec network layer encryption for site-to-site VPN connections and all remote user VPN connection as well.

Only users with a need to view information are granted access. KGS conducts and documents quarterly reviews of access rights. Access is centrally managed throughout KGS via Active Directory.

- 3.5.2** Vendor must ensure that any data communications whether remote or internal, with the state or with an entity under audit, must be secured using a minimum of TLS v1.2. **Any required cipher suites, protocols or encryption technology that has been publicly exploited (published CVE) must be immediately remediated upon discovery, including any aforementioned minimum-security requirements.**

**Vendor Response**

KGS understands and will comply with the guidelines set forth herein.

- 3.5.3** Vendor must not require the usage of Java, Silverlight, Adobe Flash, Active X Controls or any additional third-party plugins from the state or any third-party under audit.

**Vendor Response**

KGS understands and will comply with the guidelines set forth herein.

- 3.5.4** Vendor must export and return data to the state in a commonly used format at no additional cost to the state, upon request.

**Vendor Response**

KGS understands and will comply with the guidelines set forth herein.

- 3.5.6** Within one month of a contract award pursuant to this solicitation, and annually thereafter, Vendor must provide American Institute of Certified Public Accountants (AICPA) SOC-1, Type 2; or SOC 2, Type 2; or ISO 27001:2013 Certification from an ANSI accredited certification body; or CSTAR Level 2 State RAMP Moderate Certification to the state with bridge letters to provide assurance that controls are operating during any intervening periods. The SOC-1, Type 2 report should cover all the requirements listed in AICPA's Statement of Standards for Attestation Engagements No. 18 (SSAE No. 18). If the requirements are not met annually, the STO will not authorize audits and may cancel participation in existing multi-state audits.

**Vendor Response**

KGS understands and will comply with the guidelines set forth herein. KGS undergoes an annual ISO 27001 certification process as well as annual SOC 2, Type 2 assessments.

**3.6 References**

The Vendor must have satisfactory references. Please provide the names of at least three (3) references from governmental agencies which administer unclaimed property programs for which the Vendor performed unclaimed property audits in the past five (5) years. The references must show that the Vendor has previously conducted unclaimed property audits in a competent and professional manner or must otherwise demonstrate the ability of the Vendor to perform the Services specified in this RFQ. The STO reserves the right to contract any person or entity it believes prudent and to inquire about the Vendor.

**Vendor Response**

The following is reference information for three of the states that KGS has contracted with to perform unclaimed property auditing services. Each of the following states has contracted with KGS to perform services similar to those called for by the RFQ and may be contacted to verify KGS' ability to perform the services:

**Pennsylvania**

Contact: Barb Benkovic, Division Manager, Bureau of Unclaimed Property  
Address: 4<sup>th</sup> Fl. Riverfront Office, 1101 S Front St., Harrisburg, PA 17104  
Phone: 717-705-2958  
Email: bbenkovic@patreasury.gov

Tennessee

Contact: John Gabriel, Director of Tennessee Unclaimed Property Division  
Address: 502 Deaderick Street, Nashville, TN 37243  
Phone: 615-253-5354  
Email: [john.gabriel@tn.gov](mailto:john.gabriel@tn.gov)

Washington

Contact: Barbie Proffitt, Unclaimed Property Audit Manager  
Address: 6400 Linderson Way SW, Tumwater, WA 98501  
Phone: 360-534-1480  
Email: [barbiep@dor.wa.gov](mailto:barbiep@dor.wa.gov)

**3.7 Experience**

The Vendor must have at least five (5) years experience in providing unclaimed property multi-state audit services for state governments. Please describe Vendor's experience, including years of providing audit services, average number of engagements per year, the nature of Vendor's current customers, and the types of industries in which it has auditing experience.

**Vendor Response**

KGS is a firm established to perform unclaimed property audit services to state clients that is fully able to conduct examinations of companies in accordance with unclaimed property laws that are enforceable by West Virginia. KGS has been performing unclaimed property examinations on behalf of state clients since 2008 and in the last ten years has had over fifty engagements per year on average. Further, KGS has an exceptionally qualified team with years of cumulative experience in unclaimed property examination, legal analysis, and complex general ledger audit and has developed the technical capabilities necessary to perform the requested services, including the identification of unclaimed property in the possession of holders and the examination, processing, collection, reporting and delivery of such property to West Virginia where it may be held in custody until it is returned to its rightful owners.

If selected to perform services as a result of this RFQ, KGS will assign all of its key employees and any additional employees as necessary to its engagement with West Virginia. As outlined in Section 3.9, KGS' personnel have a wealth of experience in the identification, collection, and processing of unclaimed property for state clients. Specifically, Caroline Marshall, James Hartley, Charles Hellman, Edward Hall, and Steven Haley have been employed at KGS for over 13 years providing identification, collection, and processing of unclaimed property to KGS' state clients. Each of these employees has direct involvement in and oversight of KGS' day-to-day performance of the services called for by the RFQ. In addition, as outlined in Section 3.9, many of KGS' employees have substantial experience in the field of unclaimed property auditing gained from employment at other entities doing similar audit work and working directly for the state itself. Specifically,

Dennis Curnyn, Tara Mastroserio, and Shaun Kennedy have extensive previous experience in the identification, collection, and processing of unclaimed property.

KGS believes that there are many holders who are not in compliance with West Virginia's unclaimed property laws. KGS believes it is likely that these holders remain in possession of a substantial amount of unclaimed property that is owed to citizens of West Virginia, and have prevented West Virginia from acquiring the requisite information that would allow it to both identify the amount of unclaimed property due to be turned over to West Virginia and attempt to locate the property owners. KGS is readily able to conduct examinations of these holders believed to be non-compliant and, thereby, assist in rectifying this situation.

Currently KGS has entered into contracts with forty-eight states representing over 97% of the overall population of the United States, to perform the same type of unclaimed property auditing services called for by its contract with West Virginia. KGS has been performing the same type of services for its client states for over 13 years. Pursuant to these contracts, KGS has performed hundreds of complex general ledger unclaimed property audits, many of which include West Virginia as a participant and many of which are currently ongoing. KGS' ongoing performance of these examinations makes it particularly well-suited to be awarded a contract pursuant to the RFQ.

As a result of its examinations and agreements resolving them, to date KGS has remitted and state clients have accepted over seven million properties with a value of over six billion dollars (\$6.213B) in unclaimed property related to these examinations, including over four million dollars (\$4.413M) reported to the STO.

### **3.8 Standards**

Vendor must comply with the professional standards required by the American Institute of Certified Public Accountants (AICPA). The audit and identification of unclaimed property from the records of Holders, the processing of records and the demands for payment of the property to the STO shall be made in accordance with the Act, Generally Accepted Accounting Principles (GAAP) and property audits. Vendor shall adhere to neutral, unbiased accounting and financial reporting standards based on the core value of independence as outlined by the Governmental Accounting Standards Board (GASB).

#### **Vendor Response**

KGS understands and will comply with the guidelines set forth herein.

KGS strives to adhere to the highest standards available when performing examinations on behalf of client states. KGS was established expressly for the purpose of providing services related to the identification and recovery of unclaimed property to state unclaimed property offices and divisions and does not provide any consultancy services to holders. KGS audits are conducted under

Generally Accepted Government Auditing Standards (GAGAS), as authored by the U.S. Government Accountability Office and which incorporates A.I.C.P.A. Professional Standards AU Section 220 and GAAS standards for fieldwork, ethical standards and reporting as well as Statements on Auditing Standards. KGS' auditors apply GAAP and GAAS in the identification, collection and delivery of unclaimed property, as well as any examination/auditing procedures promulgated under state and federal laws. Each of these standards incorporate strict ethical standards and KGS staff will adhere to these ethical standards during the course of any examination conducted on behalf of the STO. Further, KGS will adhere to neutral, unbiased accounting and financial reporting standards based on the core value of independence as outlined by the Governmental Accounting Standards Board (GASB).

### **3.9 Staff Qualifications**

#### **3.9.1 Experienced Staff**

Vendor must provide experienced staff. All personnel assigned to examinations for the STO must have at least five (5) years of auditing experience in unclaimed property auditing. Vendor must maintain a full-time licensed attorney on staff or retainer. Include the names and contact information of the specific staff to be assigned to the STO contract and a resume for each staff member listed.

#### **Vendor Response**

KGS understands and will comply with the guidelines set forth herein.

As an organization, KGS has been providing audit services to state clients since 2008. The key personnel of KGS have a wealth of experience that is utilized during the examination process and which unquestionably qualifies them to provide the services called for by this RFQ. This experience includes forensic accounting, auditing, investigative skills, technical proficiency in developing and maintaining large volumes of data, as well as expertise and practical skills in dealing and negotiating with a variety of large and small companies in law enforcement, legal and regulatory contexts.

KGS' audit teams will be under the direct supervision of management with decades of combined experience in the fields of unclaimed property, law and regulation, and accounting, including Certified Public Accountants. The audit personnel used during the examinations have experience which encompasses financial as well as regulatory compliance auditing.

The combination of the skills of KGS' key personnel in conjunction with the remainder of KGS' staff has established an audit environment which is consistent with the minimum qualifications of the RFQ. The majority of KGS' key personnel have been with the company since at or near its inception and together this team has provided services similar to those called for by the RFQ for well over a decade.

As a result of these efforts of KGS' employees, significant results have been demonstrated through the over six billion dollars which has been returned to state clients since our audit services began. These efforts have involved the combination of the KGS staff's auditing, legal, technical, and subject matter expertise.

The following is a description of KGS' key personnel who will be responsible for overseeing the services performed for West Virginia under any contract awarded pursuant to this RFQ. The resumes of these personnel, as well as other personnel involved in the provision of services called for by the RFQ, are attached hereto as *Exhibit 4*.

**Caroline Marshall, President**

Ms. Marshall is responsible for the overall oversight and management of KGS and its senior executive management team, ensuring the optimal delivery of services to state agencies. Ms. Marshall previously served as General Counsel for over ten years, directly managing the performance of hundreds of complex examinations of some of the largest companies in the United States and was essential in negotiating the terms of comprehensive agreements resolving those examinations, which resulted in the return of well over ten billion dollars. Ms. Marshall began her career as a prosecutor at the New York County District Attorney's office and in the course of her career in public and private practice, has represented a wide variety of clients, including state pension funds and other institutional investors.

**Steven Haley, Managing Director**

Mr. Haley oversees all data related aspects of KGS' auditing services and manages activities relating to the examination process and audit staff. Mr. Haley has decades of experience in providing a wide range of unclaimed property related services, including identification and quantification of unclaimed property liabilities through extensive data analysis of administrative systems, the analysis of general ledger accounts, and the review of detailed policies and procedures. Mr. Haley has directly managed the performance of hundreds of complex unclaimed property examinations, with a focus on the intake, processing and evaluation of data records resulting in the identification of well over ten billion dollars in unclaimed property.

Prior to joining KGS, Mr. Haley was a member of KPMG's National Unclaimed Property Practice, where he was employed since 2006, advising clients on their unclaimed property procedures and reporting obligations. Prior to joining KPMG, Mr. Haley was a Senior Client Service Officer at ACS Unclaimed Property Clearinghouse, Inc., where he was employed for approximately nine years.

**Charles Hellman, Managing Director**

Mr. Hellman advises KGS regarding its auditing services and all activity relating to the examination processes. Mr. Hellman has extensive experience in all legal aspects of unclaimed property examinations conducted on behalf of government agencies. He has also consulted with the National Association of Unclaimed



Property Administrators on a variety of legal and legislative matters. He is an attorney with extensive experience representing clients in a variety of commercial business and litigation matters. Many of the cases Mr. Hellman has worked on have involved significant analysis and application of accounting and auditing principles as well as regulatory rules and procedures. Mr. Hellman is a graduate of Bard College. He received his Juris Doctorate degree in 1996 from New York Law School (summa cum laude) and began his career as an associate at Weil Gotshal & Manges LLP. Mr. Hellman has been associated with KGS since the company's inception.

**James Hartley, Jr., Managing Director and Senior Advisor**

Mr. Hartley is responsible for developing the overall strategy of the organization and the relationship and interactions between the company and state clients. Mr. Hartley served as the lead negotiator in comprehensive agreements with some of the largest corporations in the United States that resulted in those companies returning billions of dollars to both consumers and our state clients.

He is an experienced attorney who has represented a wide variety of clients including municipalities, corporations and businesses. He was lead counsel in the seminal Uniform Securities Act case of *Connecticut National Bank v. Giacomini*, as well as lead counsel in the matter of *In re Colonial Realty Litigation Securities Fraud*. Mr. Hartley has also worked with Attorneys Generals in various states prosecuting actions on behalf of businesses and citizens of those states.

**Edward Hall, Managing Director, Chief Information Security Officer**

Mr. Hall directly oversees legal aspects of unclaimed property examinations as well as the provision of data analytics services at KGS, including but not limited to the management of activities relating to examinations processes and audit staff, negotiating the terms of agreements relating to companies under examination by KGS as well as agreements with state agencies for the provision of examination and data analytics services. Mr. Hall also has extensive experience in data security and regulatory compliance, establishing and overseeing KGS' data security program, and developing KGS' detailed auditing procedures and processes. Prior to joining KGS, Mr. Hall had an established career in complex litigation.

**Marc Posner, Managing Director**

Mr. Posner oversees and determines strategy on a variety of legal issues related to the performance of unclaimed property examinations and manages some of the activities relating to the examination process and audit staff. Prior to joining the company, Mr. Posner focused on complex corporate and securities litigation. Mr. Posner's background also includes extensive corporate transactional experience as Of Counsel to Stratos Global, an international telecommunications provider.

**Felecia Stern, General Counsel**

Ms. Stern serves an integral role advising the company on legal strategy and has detailed experience and knowledge in a variety of legal and legislative matters related to the performance of unclaimed property examinations. Ms. Stern manages operations of the Legal Department. Prior to joining the company, Ms. Stern focused on complex civil litigation, including securities fraud litigation and multidistrict consumer fraud and mass tort litigation. Ms. Stern also has substantial experience in all aspects of various corporate internal investigations and investigations conducted by state and federal regulatory agencies. Ms. Stern's background also includes extensive experience with mediation.

**Dennis Curnyn, Director – Audit Operations**

Mr. Curnyn oversees the review of company files and other aspects of KGS' auditing services. Mr. Curnyn manages all file review operations of the Audit Department. Mr. Curnyn is a Certified Public Accountant (inactive) with decades of internal audit experience in unclaimed property and the insurance industry. For many of these years, Mr. Curnyn worked within internal audit with two of the largest insurers in the United States, where he provided internal audit management over teams within various corporate financial areas, including controller, accounts payable, treasury, investor relations, administrative units, stand-alone insurance subsidiaries, life and annuity policy service centers, retirement, annuity, and investment products. While auditing these areas, Mr. Curnyn frequently identified unclaimed property risks and evaluated applicable controls. In addition, for many years Mr. Curnyn provided internal audit and Sarbanes-Oxley regulatory compliance services to a number of other national enterprises on a consulting basis.

**James DeAngelis, Chief Financial Officer**

Mr. DeAngelis oversees all company accounting practices, directs company financial strategy, and establishes and optimizes day-to-day operations in the company. Mr. DeAngelis directly manages the Finance Department. Prior to joining the company, he served as a senior financial officer in various public and private companies, which designed and delivered technical and financial solutions for leading edge, technology-driven businesses.

**Peter Lee, Managing Director**

Mr. Lee oversees and manages KGS' data analytics team, which is responsible for the detailed analysis of over a billion records of data, and serves an integral role in developing and expanding the toolkit of data analytics services that KGS can offer to states. Mr. Lee also developed KGS' proprietary methods to perform sophisticated data analytics and designed and implemented KGS' entire technological framework and infrastructure with an emphasis on service delivery and data security. Mr. Lee has decades of experience in providing business process and information technology services to insurance, healthcare and financial service industries, among others. Prior to joining KGS, Mr. Lee served as an outsourced lead project manager for a variety of public and private entities, including Los

Angeles County Dept. of Health Services, Toyota Financial Service, Rockwell Collins Passenger Systems Division, and PacifiCare Health Systems, Inc., assisting them in developing and implementing sophisticated data systems.

**Joseph Marcelonis, Managing Director and Client Relations Manager**

Mr. Marcelonis oversees KGS' relationships with state clients and has detailed experience as a veteran of the unclaimed property industry. Mr. Marcelonis has decades of experience handling unclaimed property matters and has been responsible for building and maintaining relationships with the company's clients as well as serving a key role in advising the executive and management teams at the company on detailed strategies relating to state matters. While employed at ACS Unclaimed Property Clearinghouse, Inc., Mr. Marcelonis was involved in day-to-day operation and audit workflow processes as well as acted as client liaison for state clients. Mr. Marcelonis developed and improved workflow efficiencies, ensured proper delivery of unclaimed property to clients, conducted webinars, provided internal training, and communicated regularly with clients on new developments, important unclaimed property issues, and new initiatives.

Similar to the experience of our key personnel, the remaining personnel of KGS have a variety of experience qualifying them to provide the services called for by this RFQ. This includes auditing, forensic accounting, technical skills and legal expertise.

The audit personnel of KGS have decades of combined experience in identifying, auditing, and processing reports of unclaimed property. KGS employees have aided holders in determining appropriate application of states' dormancy criteria, reviewed accounting documentation to determine unclaimed property reporting liabilities and advised holders on all issues regarding unclaimed property compliance and reporting requirements. The experience of KGS' employees ranges from providing services on behalf of unclaimed property auditing firms to providing services on behalf of financial service firms advising holders of their requirements under unclaimed property laws.

Our personnel are also experienced in working directly in unclaimed property transfer agent services or securities divisions. This experience has involved reviewing millions of shareholder records on behalf of client states, analyzing demutualization terms, and managing unclaimed property departments. Employees of KGS have experience reviewing the records of transfer agents and brokerage houses in positions at both unclaimed property auditing firms and financial services firms advising transfer agents and brokerage houses of their requirements under unclaimed property laws. Additionally, KGS personnel have decades of additional experience with securities and mutual funds, including decades of diverse experience conducting examinations, including examinations which address financial investments and securities and years of experience reviewing records of transfer agents or brokerage houses.

In addition, our audit personnel have substantial experience in reviewing automated data for large corporations. Our staff is experienced in using standard general ledger, policy administrative, and profile management applications used by large corporations. Our staff also possesses an intimate knowledge of the proprietary applications used in holder industries, which is necessary as many corporations use custom software that is tailored to their specific procedures.

The legal staff of KGS has engaged in extensive research and analysis of the unclaimed property laws of the various states, including West Virginia. Currently, KGS has eleven bar licensed attorneys on staff and KGS' legal personnel have conducted a careful review of West Virginia's unclaimed property statutes, rules, and regulations and have gained a thorough understanding of the requirements contained therein. These statutes, rules and regulations have been fully integrated into KGS' procedures relevant to the services to be provided pursuant to this RFQ. Additionally, at least one attorney is assigned and involved in each audit being performed. As a result, in conducting examinations on behalf of the STO, KGS has developed the requisite knowledge and has the appropriate personnel to ensure that all of its processes are fully compliant with applicable West Virginia unclaimed property law and to provide the full scope of services called for by the RFQ.

Accordingly, KGS does not simply offer standard auditing personnel and services that may be applied to conduct ministerial reviews of records. Further, KGS guarantees to the STO that sufficient resources are available and will be utilized by KGS to successfully comply with the terms and conditions set forth in this RFQ and any contract resulting from an award. KGS further guarantees that it possesses and will use the required number of skilled personnel, sufficient resources to complete the contract and sufficient expertise, qualifications, and resources necessary to perform the work set forth in this RFQ. Furthermore, KGS will perform the services outlined in the RFQ in a highly professional manner and with utmost integrity.

### **3.9.2. Partner & Supervisory Qualifications**

Vendor must identify all principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists who would be assigned to the audit engagements. They must have a minimum of five (5) years experience in conducting multi-state unclaimed property compliance audits.

#### **Vendor Response:**

The description of the background and qualifications of the principal KGS employees who will be responsible for overseeing all of the services performed for West Virginia under any contract awarded pursuant to this RFQ is set forth in Section 3.9.1 above and has been provided as *Exhibit 4* to this response.

### **3.9.3. Continuation of Quality Staff**

Vendor shall provide quality of staff over the term of the contract and ensure that any new or additional staff members have the same qualifications, training and experience as the staff members Vendor provided in its bid to this RFQ. Vendor shall inform the STO in writing of any personnel or staff changes that would affect the Services provided to the STO.

#### **Vendor Response:**

KGS has a robust interview and vetting process for prospective employees, selecting only individuals with the utmost qualifications and ethical integrity for positions. If at any time there is an addition or change to either the management or project teams as outlined, KGS will notify the STO regarding the proposed change and outline the qualifications and experience of the individual in question.

### **3.9.4 Subcontractors**

Vendor must disclose any potential subcontractor in its bid to this RFQ. In the event Vendor proposes providing the required Services through a subcontractor, the bid must include the name, address, contact information, experience and staff qualifications of the potential subcontractor. Any proposed subcontractor must meet the same mandatory requirements to provide the Services in this RFQ prior to entering into any agreement with Vendor. A bid that includes Services provided by a Subcontractor is not considered a joint bid. The STO will consider Vendor to be the sole point of contact regarding all contractual matters. Vendor is solely responsible and liable for payment of all financial matters in connection with its employees, contractors and subcontractors. The State reserves the right to review and approve all subcontractors, review services conducted by subcontractors, and refuse payment on projects where subcontractors are used without foreknowledge or approval by the STO.

#### **Vendor Response:**

KGS provides all-encompassing unclaimed property audit services that require neither subcontractors nor outside experts to identify, collect, report or remit unclaimed property. Consequently, KGS has not entered into any agreements with subcontractors, transfer agents or joint ventures. In the event a subcontractor is engaged, the STO will be notified of said subcontractor and services the subcontractor will provide.

## **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 Specific Work Plan – Audits**

For each planned audit, Vendor must set forth a work plan for the audit, including an explanation for the methodology to be followed and any specialized

methodologies to be used by Vendor. The scope of the audit is to ensure that the Holders are in compliance with the Act. This work plan must be communicated with the Holder prior to the beginning of the audit. The STO reserves the right to provide Vendor with Audit Guidelines governing activities for conducting these audits under the Act.

**Vendor Response**

KGS understands and will comply with the guidelines set forth herein..

KGS has developed technical expertise and specialization in the realm of unclaimed property auditing. KGS does not simply offer standard auditing services that may be applied to conduct typical accounting reviews of records. Rather, KGS is qualified to conduct complex forensic investigations of holders. KGS' audits are specifically designed to uncover practices that may be employed by holders to avoid reporting and delivering unclaimed property due to be remitted to West Virginia, and ensure that holders conduct themselves in compliance with the unclaimed property laws in the future. Additionally, KGS has the ability to conduct multiple examinations of holders simultaneously and can devote the resources of a team of highly experienced auditors.

KGS has engaged in extensive research and analysis of the unclaimed property laws of the various states, including West Virginia. KGS' legal personnel have conducted a careful review of West Virginia's unclaimed property statutes, rules, and regulations and have gained a thorough understanding of the requirements contained therein. These statutes, rules and regulations have been fully integrated into KGS' computing system and procedures relevant to the services to be provided pursuant to this RFQ. As a result, in conducting examinations on behalf of the STO, KGS has developed the requisite knowledge and has the appropriate personnel to ensure that all of its processes are fully compliant with applicable West Virginia unclaimed property law and to provide the full scope of services called for by the RFQ.

KGS has fully read and informed itself of the requirements set forth in Section 4 "Mandatory Requirements" and agrees to comply with these requirements in carrying out the services called for by this RFQ. Following is an outline of the audit procedures that KGS would use in carrying out the Contract Services set forth in Section 4 for the State of West Virginia.

*Approach*

KGS has developed detailed work plans and audit procedures to be used in conducting examinations in connection with any contract awarded pursuant to this RFQ. KGS is readily able to audit and process records of unclaimed property obtained from holders and/or their agents, prepare and submit unclaimed property reports in the appropriate format, demand that holders and/or their agents deliver

all unclaimed property determined to be owed under West Virginia law, and ensure that such property is forwarded to the State of West Virginia or its designee within the required timeframe.

KGS' policies are designed to ensure that all audits are conducted in a timely manner. As an initial matter, even before an audit is undertaken, KGS' systems are capable of compiling and analyzing massive volumes of information from multiple public and proprietary sources in order to identify whether it believes property is in the possession of certain holders that has met the statutory conditions to be presumed abandoned and has not been reported. The ability to perform this pre-audit analysis also enables KGS to clearly identify the scope of holder records that will need to be examined and simplify the actual audit process.

After obtaining authorization from the STO to proceed with an audit, KGS shall take steps to begin the examination as soon as practicable. KGS' key personnel have significant experience dealing with entities in successfully resolving any disputes that may arise in connection with conducting the examinations contemplated by this RFQ. As a result, KGS has the ability to engage in the necessary negotiations to obtain holders' cooperation to commence the audit process and address any disputes at any point in the audit process. Finally, KGS has the personnel and technical resources to provide the necessary staffing and support to ensure that once an audit is begun, it is completed accurately and expeditiously.

KGS has a sophisticated software platform that enables the company to input public and proprietary information, as well as information gathered by reviewing holders' electronic and paper files during the audit process in order to accurately identify the amount of unreported unclaimed property due to be remitted to the State. KGS is able to make an initial determination of the approximate potential amount of unclaimed property believed to be in the possession of certain holders before an audit has begun. Thereafter, KGS shall confirm the amount of unclaimed property due to be remitted to the Treasurer through appropriate audit procedures and an on-site review of the electronic and paper files of the holders. Finally, KGS shall maintain audit stream records for the purpose of supporting all determinations that identified property has been abandoned, as well as all other relevant pieces of information necessary to establish that the property is due to be remitted to the STO.

Further, KGS has undertaken appropriate measures to ensure that all information obtained in connection with the audit and reporting process is kept confidential and only authorized personnel have access to this information for appropriate purposes.

#### *Procedures*

All audits will be conducted in accordance with the requirements of the RFQ as well as the Act and the regulations promulgated by the STO. KGS' Work Plan will

be communicated with the Holder prior to the beginning of any audit. The following is a brief outline of the processes that KGS shall follow in providing services called for by this RFQ:

- **Scope of Examinations** - KGS shall undertake to identify and collect all types of unclaimed property from holders that have either never reported or historically improperly reported or underreported unclaimed property to the State of West Virginia. In performing any examination, KGS shall always act in the best interest of the State.
- **Pre-Examination Analysis** – KGS is able to work with the STO to identify holders whose records are to be examined and the appropriate methods to be used in conducting the examinations. In connection with this process, KGS shall review any reports previously filed by particular holders and/or analyze available data regarding these holders to determine whether there is reason to believe that they are in possession of unclaimed property due to be remitted to the State. Subject to the State's approval, examinations may be undertaken on behalf of West Virginia alone or in conjunction with one or more other states with similar unclaimed property laws, or West Virginia may join as a participant in examinations initiated by other states.
- **Authorization Request** – KGS shall submit a request electronically to the Unclaimed Property Compliance Director to conduct an unclaimed property audit of an identified holder. KGS' request for authorization shall include (i) Holder name and mailing address; (ii) Federal Employee Identification Number (FEIN); (iii) Name, title and telephone number of Contact Person; (iv) State of Incorporation; (v) Principal place of business; (vi) Examination Schedule identifying all major activities and responsible parties; and (vii) Description of records to be examined (i.e. general ledger, securities).
- **Notice of Intent to Examine** – After obtaining authorization from the STO, KGS shall provide notice to each holder that it has been selected to have its records examined pursuant to West Virginia's unclaimed property laws.
- **Initial Meeting with Holder** – An opening meeting will be held between the holder subject to examination and KGS to discuss the examination procedures and document production requirements. The meeting shall be followed by a letter further outlining the scope of the procedures to be followed in connection with the examination.
- **Examination of Records** – As soon as practicable, KGS shall commence the examination following the agreed upon procedures. During the



examination, KGS shall analyze and review the holders' records to determine the type and amount of unclaimed property in the holders' possession due to be remitted to the State. It is anticipated that holder records will be in various storage media including paper, TIFF images, microfiche and electronic data, among others. An initial assessment of the state of the required documents and the quality of the information will be undertaken during the initial meeting. All data received will be catalogued, coded and indexed. Depending upon the volume of paper, TIFF or microfiche data, it may be necessary to convert the provided data to an electronic format by means of scanning, imaging, optical character recognition, and manual coding prior to the substantive analysis.

- Policy and Procedure Review - During the course of the examination, KGS will request detailed information and documentation from the holder regarding its policies and procedures surrounding both the identification and reporting of unclaimed property as well as any documentation regarding any other processes which may identify that unclaimed property exists but is not being characterized as such. Based on the responses received by holders, KGS may request additional documentation or clarification from the holder or schedule in-person walkthroughs of the processes by the employees which perform them.
- Data Analysis – During the course of the examination, KGS will request information regarding and detailed records from the administrative systems of the holder. This will include data from those systems used to track unclaimed property as well as administrative data from those systems used to administer the type of product which is the focus of the examination. Following receipt of data, KGS will perform detailed procedures, which may include testing sessions with the holder, to validate that the data received by KGS is complete and accurate. After data is validated, KGS performs detailed analysis using its patented proprietary systems that identifies those properties which meet the criteria for abandonment and have not yet been reported.
- Priority of Escheatment and Disclosure of Findings - If KGS is requesting West Virginia to join an audit initiated by another state or states, KGS agrees to initiate the examination process by providing written justification for conducting the examination to the STO and that no audit shall be conducted absent the written authorization of the STO. In processing records of holders of unclaimed property, making findings in connection with the review of such records, and making demands for payment of unclaimed property, KGS shall adhere to the holdings of the U.S. Supreme Court in *Texas v. New Jersey*, 379 US 674 (1965), and *Pennsylvania v. New York*, 407 US 206 (1972), as well as any other

applicable West Virginia statutes and regulations and any federal legislation regarding which state has the right to escheat property.

KGS agrees that it will be permitted to disclose information it acquires pursuant to its contract with the State to other states, pursuant to a plan, approved by the State, whereby all states agree to identical reciprocal disclosures. Except as may be expressly allowed in such an Agreement, KGS agrees that it shall not be permitted to disclose any information it may obtain performing the services and all such information shall be held confidentially for the State.

- **Uncooperative Holders --** In the event that a holder is unwilling to provide appropriate access to its records, is uncooperative in an ongoing audit or refuses to remit payable property identified by the audit, KGS shall engage the holder in a process designed to identify the precise nature of the holder's reasons for its unwillingness to cooperate and try to resolve any legitimate concerns that the holder may have regarding the examination process. KGS believes that through this process, it will be able to obtain the holders' cooperation. However, in the event that KGS is unsuccessful, it shall provide the State with written notification of a holder's refusal to remit records to be reviewed or a holder's failure or refusal to report or deliver unclaimed property. KGS shall not initiate any further action unless advised otherwise in writing by the State.
- **Monthly Reports –** KGS shall provide monthly Work In Progress ("WIP") reports detailing the status of all examinations assigned, work in progress, and examinations completed. This shall include, but is not limited to, the name and FEIN of the holder, date of opening conference with holder, date of last contact with holder, audit period and a status of all work.
- **Due Diligence Requirements and Subsequent Reporting –** KGS shall inform holders of their statutory obligations to notify owners of unclaimed property and ensure that the holders have complied with all due diligence requirements before property is deemed unclaimed and delivered to West Virginia. Upon conclusion of any audit, KGS will advise the holder in writing of its continuing obligation to report unclaimed property directly to the State.
- **Closing Meeting –** At the conclusion of the examination, KGS shall provide the holder with a written audit report informing the holder of the amount of unclaimed property that has been identified as due to be remitted to the State of West Virginia and demand that it be delivered. KGS shall meet with the holder to reconcile and agree upon the report to be filed with the State of West Virginia prior to the delivery of the

property demanded. Further, upon completion of the initial examination of the holder's records, KGS shall instruct holder, or its agent, to file all future reports directly with the State pursuant to West Virginia's unclaimed property laws. In doing so, KGS shall meet with the holder and/or its agents to go over the reporting requirements to ensure that the holder fully understands its reporting obligations on a going-forward basis. KGS agrees that it will be permitted to disclose information it acquires pursuant to its contract with the State to other states, pursuant to a plan, approved by the State, whereby all states agree to identical reciprocal disclosures. Except as may be expressly allowed in such an Agreement, KGS agrees that it shall not be permitted to disclose any information it may obtain performing the services and all such information shall be held confidentially for the State.

- Reporting - KGS shall advise all holders that property to be reported and remitted must conform to the STO's reporting requirements. KGS shall ensure holders prepare and submit to the STO reports of property in accordance with the requirements of West Virginia's unclaimed property laws. Upon completion of the examination, KGS shall advise the holder that future reports of unclaimed property must be filed directly with the STO. KGS agrees to the use of report format in conformance with the National Association of Unclaimed Property Administrator (NAUPA) standards and acceptable to the State. KGS agrees to follow any reporting instructions and specifications for electronic reporting provided by the STO.

KGS shall deliver Holder Reports to the State which shall include, but not be limited to: a. Holder name; b. Holder address; c. A holder contact, familiar with the records processed and the property transferred; d. Federal Employer Identification Number of the holder; e. Owners' beneficiaries names; f. Owners' beneficiaries last known addresses; g. Owners' beneficiaries social security number or Federal Tax Identification Number; h. Type of property; i. Any unique property identifier or number used by the holder (for example, an account number or a date of birth); j. Amount (in US dollars) of the property; k. CUSIP number, and certificate numbers for any securities, if applicable; l. Bond numbers and coupon numbers accompanied with call date, if applicable; m. Name of security; n. Class of security; o. Description of any securities, including maturity dates, interest rates and interest, dividends or corporate actions due, if applicable; p. Number of shares for each issue; q. Market value for each share at time of receipt by the State of West Virginia, as applicable. Valuation date will be included; Date of last transaction with the owner with respect to the property; s. Check or wire information for all cash remitted in delivery; t. A listing of the property remitted and total value of the remittance for each Holder

Report. When groups of two or more related Holder Reports are delivered at the same time, the grand total shall be for all reports in that group. KGS will show a breakdown of each report and clearly state the grand total represents a group of reports; u. A separate record will be included within the remitted Holder Report for each owner and for each property type; v. Security Transfers - Securities will be delivered to the State of West Virginia by holder; w. All certificates will be registered according to the State's instructions.

- Issuance of Final Report – A final report detailing the findings, quantifying the aggregate dollar amount due along with the detailed breakdown of individual unclaimed property, and the methodology for determining the amount of unclaimed property in the holder's possession will be submitted to the STO. The final report shall include all information called for by the RFQ and shall be submitted in electronic format conforming to the NAUPA standard or any other format specified by the STO.
- Custodial Procedures – KGS shall, pending delivery to the STO, retain cash of the STO in a separate bank account or accounts in the name of KGS for the account of West Virginia, subject only to draft or order by KGS acting pursuant to an agreement between West Virginia and KGS. KGS shall receive delivery of securities through the DTC and register securities in the nominee name. KGS shall maintain in hard copy form records of all receipts, deliveries and locations of securities, together with a current inventory thereof.
- Security Valuation - KGS shall determine the value of securities by the closing price on the applicable stock exchange, or in the pink sheets, on the third business day prior to delivery to West Virginia. The value of an unlisted security, or other personal property, shall be determined by the generally accepted valuation method applicable to such property.
- Delivery of Property – KGS shall ensure that holders deliver the unclaimed property identified during the review process and included in the report for remittance to the State. KGS shall ensure that property received from holders is delivered to the State of West Virginia within 30 calendar days of KGS taking control of the property.
- Recordkeeping Requirements – KGS agrees to maintain all records related to its contract with West Virginia for a period of ten (10) years following termination of the contract with the State and all records related to each examination for a period of ten (10) years following its completion of the examination. KGS agrees to produce any such records as may be, from time to time, requested by the State. Further, all records,

data and other information obtained by KGS from holders shall be deemed to constitute the property of the State. KGS acknowledges that the State reserves the right to review all records maintained by KGS to ensure KGS' compliance with all terms and conditions of the contract with the State. KGS shall properly document the examinations that it performs on behalf of the STO and make audit working papers available for review on the request of the STO, including but not limited to, planning information, findings, calculations, analysis and summarizations. Matters involving litigation shall be kept for one year following the termination of litigation, including all appeals. In the event litigation results from work performed in the fulfillment of a contract, KGS shall provide necessary support to the State. KGS will hold all information obtained in the course of an audit as confidential, and shall take affirmative steps to ensure that all employees and authorized subcontractors take adequate steps to ensure the confidentiality of the information.

#### **4.1.2 Audit Examinations**

Vendor shall conduct audit examinations of holders as required by the STO. Audits shall be conducted offsite virtually through electronic means. However, audits may be conducted onsite in-person if technical limitations exist which the audit vendor finds to make an offsite examination impracticable. Vendor shall undertake to identify and collect all types of unclaimed property from Holders that have never reported, have been improperly reported or are presumed to potentially have in their possession unclaimed property that is subject to report and delivery under the Act and within scope of the audit. It shall be the Vendor's responsibility to review the records of such Holders to determine if all property within the scope of the audit has been reported and remitted to the state. The property shall be reported and remitted to the state for owners with a last known address in West Virginia, or in the absence of records of owner names, where the Holder is domiciled in West Virginia. The *West Virginia Property Type Codes Table* with applicable abandonment periods is attached as **Exhibit B**.

#### **Vendor Response**

KGS understands and will comply in accordance with the guidelines set forth herein and as further outlined in the Work Plan provided in response to subsection 4.1.1.

An opening meeting will be held between the Holder subject to examination and KGS to discuss the examination procedures and document production requirements. The meeting shall be followed by a letter further outlining the scope of the procedures to be followed in connection with the examination.

As soon as practicable, KGS shall commence the examination following the agreed upon procedures. During the examination, KGS shall analyze and review the holders' records to determine the type and amount of unclaimed property in the

holders' possession due to be remitted to the State. It is anticipated that holder records will be in various storage media including paper, TIFF images, microfiche and electronic data, among others. An initial assessment of the state of the required documents and the quality of the information will be undertaken during the initial meeting. All data received will be catalogued, coded and indexed. Depending upon the volume of paper, TIFF or microfiche data, it may be necessary to convert the provided data to an electronic format by means of scanning, imaging, optical character recognition, and manual coding prior to the substantive analysis.

#### **4.1.3 Requesting Multi-State Audit Examinations**

Prior to the commencement of any audit, Vendor shall draft and submit electronically, to the Unclaimed Property Compliance Director, a request for audit. The request for audit should include the following information, if available. The auditor is not required to submit information regarding another state if confidential by law or by contract. Failure to provide sufficient information may result in the rejection of the audit.

**4.1.3.1** All invited and participating states.

**4.1.3.2** All Holders, including all subsidiaries or affiliated holders and the parent company, included in the scope of the audit, identified by both FEIN and Legal Name and any name they are doing business under.

**4.1.3.3** Time period of records to be examined based upon the cutoff date. The cutoff date is defined by the property's last activity date.

**4.1.3.4** Explanation of factors qualifying the Holder for audit.

**4.1.3.5** Specific scope of types of records and/or transactions to be audited, including but not limited to:

**A.** Type of audit, as defined as, but not limited to:

1. General ledger audit – Includes property other than securities. Vendor cannot classify an audit that includes a book review of securities as a general ledger audit. An audit that includes forms of ownership other than securities may still qualify as a general ledger audit, OR
2. Securities audit – Includes only securities, OR
3. Full scope audit – includes all possible property types, OR
4. Virtual currency audit.

**B.** Parent company's date of formation and date of incorporation.

C. Holder's state of incorporation and principal place of business.

D. Indication of whether the holder currently or at any time previously has been located in, doing business in, or has been incorporated in West Virginia.

**Vendor Response**

KGS understands and will comply in accordance with the guidelines set forth herein and as further outlined in the Work Plan provided in response to subsection 4.1.1.

KGS shall submit a request electronically to the Unclaimed Property Compliance Director to conduct an unclaimed property audit of an identified holder, including all subsidiaries or affiliated holders and the parent company. KGS' request for authorization shall include, but not be limited to (i) Holder name and mailing address; (ii) Federal Employee Identification Number (FEIN); (iii) Name, title and telephone number of Contact Person; (iv) State of Incorporation; (v) Principal place of business; (vi) Examination Schedule identifying all major activities and responsible parties; and (vii) Description of records to be examined (i.e. general ledger, securities, etc.).

**4.1.4** The STO may request Vendor conduct a West Virginia State specific audit of an entity or evaluate if a multistate audit is beneficial. The audit examination process and procedures will be consistent with multistate audit authorizations.

**Vendor Response**

KGS understands and will comply in accordance with the guidelines set forth herein and as further outlined in the Work Plan provided in response to subsection 4.1.1.

Subject to the State's approval, examinations may be undertaken on behalf of West Virginia alone or in conjunction with one or more other states with similar unclaimed property laws, or West Virginia may join as a participant in examinations initiated by other states.

**4.1.5 Audit Authorization**

Prior to commencing an audit, Vendor must obtain written approval in the form of a standardized Authorization Letter approved by the STO, on STO letterhead. The STO has the final and sole authority to determine who, if anyone, will conduct an examination of Holders. All unclaimed property funds or securities submitted by the Vendor or the Holder pursuant to an examination conducted without an Authorization Letter from the STO shall be received by the STO without compensation to Vendor. The STO will advise Vendor of a rejected audit examination request within 60 days of the initial request.

The STO reserves the right to require the Audit Guidelines described in Section 4.1.1 be included as an attachment with the Authorization Letter.

**Vendor Response**

KGS understands and will comply in accordance with the guidelines set forth herein and as further outlined in the Work Plan provided in response to subsection 4.1.1.

**4.1.6 Multi-state Audit Authorizations**

In the event of multi-state audits, and if in agreement with some or all participating states, Vendor will request and receive approval from a majority of participating states prior to initiation of the audit, if possible. The authorization letters will be sent in a single batch or minimal batches from all states that are in agreement with this process to serve as notice to the Holder of the initiation of the multi-state audit and as a signal of uniformity by the participating states.

**Vendor Response**

KGS understands and will comply in accordance with the guidelines set forth herein and as further outlined in the Work Plan provided in response to subsection 4.1.1.

**4.1.7 Authority**

The Vendor shall act within the scope of authority granted to it by the STO. STO approval is required for the use of statistical sampling, projection, and estimation in the absence of Holder records. Written STO approval must be obtained prior to estimation being undertaken. Audit expansions, including but not limited to the type of audit, properties included in the audit, subsidiaries included in the audit, the lookback period, require a formal written request that includes a reason the expansion is necessary.

**Vendor Response**

KGS understands and will comply in accordance with the guidelines set forth herein and as further outlined in the Work Plan provided in response to subsection 4.1.1.

**4.1.8 Timeframe**

Vendor must comply with STO established timeframes. Vendor shall schedule an assigned unclaimed property examination at a time mutually agreeable with the Holder, however, the examination shall commence no later than ninety (90) days after the notification to Vendor of the assignment of the examination, except on a showing of good cause.

Audits shall be authorized for three (3) years from the date of the authorization letter. Should the auditor not complete the audit in that time, they shall request an extension of the audit. Extensions may be granted in one (1) year increments. If an extension is not received at least forty-five (45) days prior to the expiration of the audit, the extension request may not be reviewed, and the audit will set to expire. Unless extenuating circumstances are adequately demonstrated, no more than one (1) extension may be granted under any audit.



**Vendor Response**

KGS understands and will comply in accordance with the guidelines set forth herein and as further outlined in the Work Plan provided in response to subsection 4.1.1.

**4.1.9 Act Requirements and Notices**

The Vendor must have a working knowledge and familiarity with the requirements of the Act to properly advise Holders of their obligations. Vendor shall advise each Holder of the requirements of *W.Va. Code §36-8-7* for notifying owners of their property (“Due Diligence”) and shall notify the STO if the Holder failed to conduct Due Diligence. Vendor shall also advise Holders that all property reported and remitted must conform to the requirements of the Act, now and in the future. Vendor shall advise each Holder of the NAUPA reporting format and the required information for its use. Vendor shall advise each Holder of record retention requirements under *W.Va. Code §36-8-21*. Holders are not exempt from any section of the Act, including but not limited to *W.Va. Code §36-8-24*, which grants the STO the authority to charge penalties and interest to delinquent Holders. Vendor shall not represent to Holders that penalties and interest will be waived without written authorization from the STO.

**Vendor Response:**

KGS understands and will comply in accordance with the guidelines set forth herein and as further outlined in the Work Plan provided in response to subsection 4.1.1.

KGS has engaged in extensive research and analysis of the unclaimed property laws of the various states, including West Virginia. KGS’ legal personnel have conducted a careful review of West Virginia’s unclaimed property statutes, rules and regulations and have gained a thorough understanding of the requirements contained therein. These statutes, rules and regulations have been fully integrated into KGS’ systems and procedures relevant to the services to be provided pursuant to this RFQ. As a result, in conducting examinations on behalf of the STO, KGS has developed the requisite knowledge and has the appropriate personnel to ensure that all of its processes are fully compliant with the Act and to provide the full scope of services called for by the RFQ. KGS ensures that each Holder under examination is aware of participating state laws and protocols regarding penalties and interest as set forth under each state law.

KGS shall advise all holders that property to be reported and remitted must conform to the STO’s reporting requirements. KGS shall ensure holders prepare and submit to the STO reports of property in accordance with the requirements of West Virginia’s unclaimed property laws. Upon completion of the examination, KGS shall advise the holder that future reports of unclaimed property must be filed directly with the STO. KGS agrees to the use of report format in conformance with the National Association of Unclaimed Property Administrator (NAUPA) standards and acceptable to the State. KGS agrees to follow any reporting instructions and specifications for electronic reporting provided by the STO.

#### **4.1.10 Bankruptcy of Holder**

Vendor will notify the STO if it is discovered a Holder has filed for bankruptcy. Vendor will provide all available information to the Unclaimed Property Compliance Director within seven (7) days of discovery of the pending bankruptcy by Vendor.

#### **Vendor Response**

KGS understands and will comply with the guidelines set forth herein.

As required within this RFQ, KGS will notify the STO within seven (7) days of discovery by KGS that a Holder has filed for bankruptcy. If this event occurs, KGS will work with the STO to ensure that a proper proof of claim is filed in the bankruptcy action.

#### **4.1.11 Closure**

Vendor must properly close an audit, as required by the requirements listed herein. After the Holder and Vendor have agreed to the amount deliverable, Vendor will provide the Holder and the STO with a final examination report summarizing the procedures performed and the conclusions reached, including the amount deliverable. Vendor will properly close the audit on the following month's Work-in-Progress Report ("WIP"). If applicable, the STO will notify the Holder of any interest or penalties assessed on delinquent property.

#### **Vendor Response**

KGS understands and will comply in accordance with the guidelines set forth herein and as further outlined in the Work Plan provided in response to subsection 4.1.1.

At the conclusion of the examination, KGS shall provide the holder with a written audit report informing the holder of the amount of unclaimed property that has been identified as due to be remitted to the State of West Virginia and demand that it be delivered. KGS shall meet with the holder to reconcile and agree upon the report to be filed with the State of West Virginia prior to the delivery of the property demanded. Further, upon completion of the initial examination of the holder's records, KGS shall instruct holder, or its agent, to file all future reports directly with the State pursuant to West Virginia's unclaimed property laws. In doing so, KGS shall meet with the holder and/or its agents to go over the reporting requirements to ensure that the holder fully understands its reporting obligations on a going-forward basis. KGS agrees that it will be permitted to disclose information it acquires pursuant to its contract with the State to other states, pursuant to a plan, approved by the State, whereby all states agree to identical reciprocal disclosures. Except as may be expressly allowed in such an Agreement, KGS agrees that it shall not be permitted to disclose any information it may obtain performing the services and all such information shall be held confidentially for the State.

#### **4.1.12 Reporting**

These requirements may be amended at the written direction of the STO. Further, the STO reserves the right to reject any audit reports not in compliance with the provisions of this RFQ. In conjunction with the identification and collection of unclaimed property, Vendor must:

**4.1.12.1** Process records of unclaimed property obtained from Holders and/or other agents;

**4.1.12.2** Timely submit all required reports and notices electronically to the Unclaimed Property, Compliance Director;

**4.1.12.3** Prepare and submit to the STO reports of unclaimed property in accordance with the requirements of the Act & corresponding West Virginia legislative rule, 112 CSR 5;

**4.1.12.4** Report all unclaimed property electronically using the NAUPA II standardized unclaimed property reporting format. This format can be downloaded from the NAUPA website: <http://www.unclaimed.org>; and

**4.1.12.5** Timely submit, pay or deliver all funds and other property constituting unclaimed property to the STO, or its designee subsequent to the processing of the Holder's records and the Vendor's demand of report and payment or delivery, as provided in this subparagraph. All funds must be segregated and securely maintained by Vendor for a period not to exceed thirty (30) calendar days prior to disbursement to the STO or its designee.

#### **Vendor Response**

KGS understands and will comply in accordance with the guidelines set forth herein and as further outlined in the Work Plan provided in response to subsection 4.1.1.

KGS shall advise all holders that property to be reported and remitted must conform to the STO's reporting requirements. KGS shall ensure holders prepare and submit to the STO reports of property in accordance with the requirements of the Act and corresponding West Virginia legislative rule, 112 CSR 5. Upon completion of the examination, KGS shall advise the holder that future reports of unclaimed property must be filed directly with the STO. KGS agrees to the use of report format in conformance with the National Association of Unclaimed Property Administrator (NAUPA) standards and acceptable to the State. KGS agrees to follow any reporting instructions and specifications for electronic reporting provided by the STO.

#### **4.1.13 Securities**

Vendor must process all securities according to the procedures established by State law and the STO.

**4.1.13.1** Vendor shall cause all securities to be re-registered to the State of West Virginia or its nominee, as directed by the STO, and delivered using Depository Trust Company (DTC) designations when applicable. For all securities that are not DTC eligible, Vendor shall cause them to be re-registered to the WV State Treasurer or its nominee, at the written direction of the STO, and delivered in physical form to the STO, or its designee. Worthless securities should not be reported or transferred to the STO.

**4.1.13.2** The accompanying invoice should include the value of the shares on the date the property is received by the STO. The value of any security shall be the closing price of that security on the date the property is received by the STO or the STO's custodian. If the property is a security traded over the counter, it shall be the bid price as set forth in the over the counter market. For any other security related properties, the value shall be determined according to generally accepted valuation procedures.

#### **Vendor Response**

KGS understands and will comply in accordance with the guidelines set forth herein and as further outlined in the Work Plan provided in response to subsection 4.1.1.

KGS shall, pending delivery to the STO, retain cash of the STO in a separate bank account or accounts in the name of KGS for the account of West Virginia, subject only to draft or order by KGS acting pursuant to an agreement between West Virginia and KGS. KGS shall receive delivery of securities through the DTC and register securities in the nominee name. KGS shall maintain in hard copy form records of all receipts, deliveries and locations of securities, together with a current inventory thereof.

KGS shall determine the value of securities by the closing price on the applicable stock exchange, or in the pink sheets, on the third business day prior to delivery to West Virginia. The value of an unlisted security, or other personal property, shall be determined by the generally accepted valuation method applicable to such property.

#### **4.1.14 Demands for Remittance**

Vendor must be able to demand and accept remittances of unclaimed property from Holders. Unless otherwise authorized by the STO, Vendor shall not make a demand of a Holder for remittance of property to the STO until such time as the Holder and

Vendor reconcile and agree upon the report to be filed with the STO. In the event Vendor and Holder do not agree upon the report to be filed, Vendor shall notify the STO, who shall decide the matter.

**Vendor Response**

KGS understands and will comply in accordance with the guidelines set forth herein and as further outlined in the Work Plan provided in response to subsection 4.1.1.

KGS shall ensure that Holders deliver the unclaimed property identified during the review process and included in the report for remittance to the State. KGS shall make a demand from the Holders and/or their agents of property for delivery to KGS or its custodian the property and payment of penalty deemed owing under the State's unclaimed property law. In the event KGS and Holder do not agree upon the report to be filed, KGS shall notify the STO, who shall decide the matter.

**4.1.15 Dispute Resolution**

Vendor must be able to assist in dispute resolution as needed. In the event Vendor and the Holder are unable to reach an agreement as to the terms of Vendor's final examination report, the Holder may maintain an original action to establish the claim in the circuit court of Kanawha County naming the administrator as a defendant.

**Vendor Response**

KGS understands and will comply in accordance with the guidelines set forth herein.

**4.1.16 Property Disputes**

Vendor must be able to assist the STO with property disputes. Timely disbursement of property may be delayed because of a dispute with respect to the delivery, ownership, right of possession and/or disposition of property. Delivery requirements may be suspended at the discretion of the STO pending the resolution of said disputes or as otherwise requested by the STO. Vendor shall notify the STO of any such disputes within thirty (30) days of determination that a dispute exists. Vendor shall then make all reasonable efforts to resolve disputes as quickly as possible. Vendor shall provide to the STO the actual resolution date of any such disputes, and shall remit the property within thirty (30) days of resolution of disputes.

**Vendor Response**

KGS understands and will comply in accordance with the guidelines set forth herein.

**4.1.17 Release Agreements**

Vendor must prepare release agreements according to STO procedures. Vendor shall prepare a release agreement, when requested by a Holder, to be signed by the



Holder and the STO, which shall identify the property to be remitted, and verify that the appropriate abandonment period has been met for each type of property reported. A copy of a sample *Standard Release Agreement* is attached as **Exhibit C**. The STO reserves the right to modify the terms of the release agreement in its discretion.

**Vendor Response**

KGS understands and will comply in accordance with the guidelines set forth herein.

**4.1.18 Work-In-Progress Reports**

Vendor must provide the STO Work-in-Progress Reports (“WIPs”) according to the following procedures:

**4.1.18.1** Vendor shall provide the Unclaimed Property Compliance Director at [UP\\_Compliance@wvsto.com](mailto:UP_Compliance@wvsto.com), by the 15<sup>th</sup> of each month, for the previous month, a WIP for each Holder under examination. All Holders under audit must be listed in the WIPs from the time the audit is commenced until the audit is formally closed. The WIPs will be in the form of and include all information required by the current sample *Work-in-Progress Report Template* attached as **Exhibit D**. This template may be amended at the written discretion of the STO.

**Vendor Response**

KGS understands and will comply in accordance with the guidelines set forth herein and as further outlined in the Work Plan provided in response to subsection 4.1.1.

KGS shall provide the Unclaimed Property Compliance Director, by the 15<sup>th</sup> of each month, for the previous month, monthly Work In Progress (“WIP”) reports (in the form of Exhibit D or amended version provided by the STO) detailing the status of all examinations assigned, work in progress, and examinations completed. This shall include, but is not limited to, the name and FEIN of the holder, date of opening conference with holder, date of last contact with holder, audit period and a status of all work until the audit is formally closed.

**4.1.19 Review and Retention of Records**

Vendor must permit the STO to review all records it maintains to ensure Vendor’s compliance with all the terms and conditions of the purchase order issued pursuant to this RFQ. The scheduling of these reviews will be designated by the STO. All working papers and reports must be retained, at Vendor’s expense, for a minimum of ten (10) years from the originating date, unless the Vendor is notified in writing by the STO to extend the retention period.

**Vendor Response**

KGS understands and will comply in accordance with the guidelines set forth herein and as further outlined in the Work Plan provided in response to subsection 4.1.1.

KGS agrees to maintain all records related to its contract with West Virginia for a period of ten (10) years following termination of the contract with the State and all records related to each examination for a period of ten (10) years following its completion of the examination. KGS agrees to produce any such records as may be, from time to time, requested by the State. Further, all records, data and other information obtained by KGS from holders shall be deemed to constitute the property of the State. KGS acknowledges that the State reserves the right to review all records maintained by KGS to ensure KGS' compliance with all terms and conditions of the contract with the State. KGS shall properly document the examinations that it performs on behalf of the STO and make audit working papers available for review on the request of the STO, including but not limited to, planning information, findings, calculations, analysis and summarizations. Matters involving litigation shall be kept for one year following the termination of litigation, including all appeals. In the event litigation results from work performed in the fulfillment of a contract, KGS shall provide necessary support to the State. KGS will hold all information obtained in the course of an audit as confidential, and shall take affirmative steps to ensure that all employees and authorized subcontractors take adequate steps to ensure the confidentiality of the information.

**4.1.20 Joint Examinations**

Vendor agrees the STO reserves the right to participate in a joint examination of any Holder, at any time, with Vendor.

**Vendor Response**

KGS understands and will comply in accordance with the guidelines set forth herein and as further outlined in the Work Plan provided in response to subsection 4.1.1.

KGS is able to work with the STO to identify holders whose records are to be examined and the appropriate methods to be used in conducting the examinations. In connection with this process, KGS shall review any reports previously filed by particular holders and/or analyze available data regarding these holders to determine whether there is reason to believe that they are in possession of unclaimed property due to be remitted to the State. Subject to the State's approval, examinations may be undertaken on behalf of West Virginia alone or in conjunction with one or more other states with similar unclaimed property laws, or West Virginia may join as a participant in examinations initiated by other states, at any time.

**4.1.21 Fees**

Vendor must agree to payment for audit services as follows:

**4.1.21.1** Except as provided in Section 4.2.10 and Section 4.3.1 below, all Vendor fees for the identification and collection of unclaimed property will be a flat **10.5 percent (10.5%)** of the net unclaimed property remitted to the WV STO.

**4.1.21.2** Net unclaimed property is the gross value of all unclaimed property, minus the value of all unclaimed property delivered by the Holder, if any, that otherwise would have been delivered pursuant to the reporting practices of the Holder as they existed prior to the execution of the agreement with Vendor. Payment will be made in arrears, based upon invoices submitted by Vendor, once property is received.

**4.1.21.3** Failure to deliver property to the STO within thirty (30) days of receipt from the Holder will result in the following reductions in fees, unless a dispute occurs or unless the STO waives the reduction for matters beyond the reasonable control of Vendor. The STO reserves the right to request documentation indicating the date the property was received by Vendor. Vendor must provide requested information within two (2) business days of request.

**4.1.21.3.1** Audit reports, funds and securities that are submitted thirty-one (31) to sixty (60) calendar days after the receipt of property by Vendor or its designee may be subject to up to a 33% fee reduction, at the discretion of the STO.

**4.1.21.3.2** Audit reports, funds and securities that are submitted sixty-one (61) to ninety (90) calendar days after receipt of property by Vendor or its designee may be subject to up to a 66% fee reduction, at the discretion of the STO.

**4.1.21.3.3** Audit reports, funds and securities that are submitted past ninety-one (91) calendar days after the receipt of property by Vendor may be considered past due and may result in a forfeiture of the entire fee, at the discretion of the STO. The STO reserves the right to require Vendor to submit all reports and property immediately upon reaching past due status.

**Vendor Response**

KGS understands and will comply in accordance with the guidelines set forth herein.



#### **4.1.22 Confidentiality**

Vendor must preserve the integrity of STO security and confidentiality. If Vendor is engaged in handling confidential information, it shall exercise appropriate security precautions. Vendor shall maintain as confidential all information concerning a Holder's property. Pursuant to W.Va. Code §36-8-25, unclaimed property records are confidential and not subject to the West Virginia Freedom of Information Act ("FOIA"), *W.Va. Code 29B-1-1 et seq.*

#### **Vendor Response**

KGS understands and will comply in accordance with the guidelines set forth herein and as further outlined in the Work Plan provided in response to subsection 4.1.1.

KGS has undertaken appropriate measures to ensure that all information obtained in connection with the audit and reporting process is kept confidential and only authorized personnel have access to this information for appropriate purposes.

### **4.2 Additional Optional Services Which Vendor May Provide**

#### **4.2.1 Additional Services**

**Vendors with the minimum qualifications set forth in Section 3 and who want to oversee Vendor-Assisted Self Audit (referred to as the Compliance Program within the STO) for Holders must also meet or exceed the mandatory requirements listed below.**

#### **4.2.2 Assistance**

Vendor must assist the STO in the identification, outreach, education and notification of potential Holders of unclaimed property. Vendor shall assist in the education of the Holders' obligation to file unclaimed property reports and to remit those funds to the STO.

#### **4.2.3 Identification and Contact**

Vendor must research and identify potential Holders of unreported unclaimed property that is past due. Vendor must provide written justification for seeking approval for Holder to participate in this program. The STO may also identify potential Holders and request their participation in the program.

##### **4.2.3.1 Written Justification**

Vendor's written justification must be based on the Holder's reporting history and an indication of the Holder's willingness to be compliant with the Act.

##### **4.2.3.2 Review Plan**

Vendor-assisted self-review plan must identify the Vendor's staff and the assistance that will be provided to the Holder, an expected timeline to begin with an opening conference and conclude with a closing conference, the

general methods to be employed and the time period to be covered by the vendor-assisted self-review.

#### **4.2.4 Authorization**

Vendor must obtain prior written authorization from the STO to oversee a self-audit of a Holder under this program. The STO has the final and sole authority to determine who, if anyone, will take part in the self-audit and will also make requests in writing to the Vendor. All unclaimed property funds or securities submitted by Vendor or the Holder pursuant to any self-review under this program conducted without prior written approval from the STO shall be received by the STO without compensation to Vendor.

#### **4.2.5 Vendor-Assisted Self-Audit**

Within 90 days of obtaining authorization from the STO, Vendor must contact the Holder and begin to execute Vendor-assisted self-review plan. Vendor shall assist the Holder to determine, report, and collect all types of unclaimed property in the possession of the Holder, within the scope of the audit due and owing the STO. Vendor shall explain its responsibilities to the Holder which will include the following phases:

- i. Vendor will gather and document basic corporate information;
- ii. Vendor will review the financial statements in order to advise the Holder of the types of property to be included in the self-review.
- iii. Vendor will review the self-review analysis prepared by the Holder;
- iv. Vendor will assist the preparation of the unclaimed property report;
- v. Vendor will prepare a final report to close the self-review; and
- vi. Vendor will review the Holder's final report and submit the final report and remittance to the STO.

#### **4.2.6 Timeframe**

The self-review of the Holder's records under the Compliance Program must be completed within one (1) year from the date of the STO's authorization letter unless the STO grants an extension.

#### **4.2.7 Work-In Progress**

Vendor must submit regular WIPs on all pending vendor-assisted self-reviews in an electronic format previously agreed upon prior to authorization. These may be in a format which differs from Section 4.1.19.

#### **4.2.8 Collection and Delivery**

Vendor must report all property remitted in accordance with Section 4.1.12 and 4.1.13 as required by Section 4.1.17. The Holder shall deliver any tangible property such as contents of safe deposit boxes directly to the STO.

#### **4.2.9 Education and Compliance**

Prior to closing the vendor-assisted self-review, Vendor must educate the Holder on its future compliance with the Act including those requirements noted in Section 4.1.9.

#### **4.2.10 Compensation**

All Vendor fees for the Voluntary Compliance Program will be a flat 9 percent (9%) of the net unclaimed property remitted to the STO. Net unclaimed property is the gross value of all unclaimed property, minus the value of all unclaimed property delivered by the Holder, if any, that otherwise would have been delivered pursuant to the reporting practices of the Holder as they existed prior to the execution of the agreement with Vendor. Payment will be made in arrears, based upon invoices submitted by Vendor, once property is received.

#### **4.2, 4.2.1 through 4.2.10 Vendor Response:**

KGS meets the qualifications set forth in Section 4.2, would like to provide Vendor-Assisted Self-Audits, and understands and will comply with the requirements set forth above.

KGS has designed a Streamline Audit program to help states address the significant problem of low Holder compliance with state unclaimed property laws. KGS has the personnel and technical resources dedicated to its Streamline Audit program to provide the necessary staffing and support to ensure this process is completed accurately and expeditiously. This program allows KGS and its client states to educate large numbers of Holders as to their reporting obligations, assist Holders in performing a self-examination of their books and records, and assist those Holders in staying compliant going forward.

Using a patent-pending process of data analysis which combines multiple government, commercial and proprietary databases with a sophisticated artificial intelligence-based platform, KGS is able to identify those companies which are likely to have unreported unclaimed property in their possession, including those that have never, or only rarely, reported unclaimed property. From these companies, KGS is able to select and present to the state for approval a list of Holders using criteria such as size, industry, revenue and years in business.

Following selection and approval, KGS has designed sophisticated systems including an online platform which guides Holders through a review of their records to conduct a self-audit. These systems also allow KGS to provide its client states with customized status reports. Once property is identified by Holders, these systems also allow KGS to ensure unclaimed property reports are prepared and submitted in the appropriate format, that Holders and/or their agents deliver all unclaimed property determined to be owed under West Virginia law, and ensure that such property is forwarded to the STO or its designee within the required timeframe.

The Streamline Audit program includes the below steps and processes:

- Step 1: Candidate Selection – KGS uses a patent-pending data analysis process which combines multiple government, commercial and proprietary databases with a sophisticated artificial intelligence-based platform to select potential candidates for its Streamline Audit program. Using this technology, KGS is able identify businesses, organizations and other entities which are likely to be in non-compliance with the STO's unclaimed property reporting rules. Specifically, the Streamline Audit program focuses on identifying Holders that are subject to reporting rules under the Act but are reasonably believed to have never, or only rarely filed unclaimed property reports. If requested and in conjunction with the provision of supplemental information about entities doing business in West Virginia, such as updated secretary of state records, business employment records or tax records, and/or unclaimed property filing data from the STO selections in the Streamline Audit program can be expanded to identify Holders that appear to have filed inaccurate, incomplete or false reports.
- Step 2: State Approval of Selected Candidates – Holder selections are presented to the STO for its approval. KGS' request for authorization shall include (i) Holder name and mailing address; (ii) Federal Employee Identification Number (FEIN), if known; and (iii) State of Incorporation. In addition, the STO could also provide KGS with their own additional selections of Holders believed to not be in compliance with unclaimed property laws to go through the Streamline Audit program.
- Step 3: Outreach to Selected Holders – After obtaining authorization from the STO, KGS coordinates with the STO to mail official notices to each selected Holder, which include detailed instructions regarding the Streamline Audit program, including the following information: (i) a letter encouraging Holders to voluntarily comply with the Act in order to avoid being subject to compliance actions and explaining the opportunity to come into compliance via the Streamline Audit program; (ii) a link to a web-portal that contains an instructional video, written instructions and a questionnaire which guide the Holder through a review of their books and records to identify unreported unclaimed property and assist the Holder in voluntarily complying with the Act; and (iii) an FAQ explaining the Streamline Audit program and the Holder's general obligations under the Act. During the course of this process, KGS will request that the Holder review detailed information and documentation regarding its policies and procedures surrounding both the identification and reporting of unclaimed property being held as well as any documentation regarding any other processes which may identify that unclaimed property exists but is not being characterized as such. KGS shall analyze and review the Holders' responses

to the Streamline self-audit questionnaire to determine the type and amount of unclaimed property in the Holders' possession due to be remitted to West Virginia. Based on the responses received by Holders, KGS may request additional information or clarification from the Holder. In communicating with Holders, KGS shall always act in the best interest of the STO.

- Step 4: Process for Making Recommendations to the STO Regarding Each Identified Noncompliant Holder. - KGS engages in a multi-step process to evaluate Holder responses to the Streamline Audit program in order to make recommendations to the STO.
  1. To the extent a Holder fails to respond to the notification letter by timely submitting a response to the Streamline self-audit questionnaire, KGS engages in a multi-level protocol which includes follow-up telephone calls, emails and letters to the Holder regarding its failure to submit a timely response. If at the completion of our follow-up protocol, the Holder has still failed to respond, based on information obtained through the follow-up process as well as information obtained through KGS' identification process, KGS will recommend that the STO either engage in further compliance actions such as initiating an examination or send a final official correspondence from the STO reserving its right to examine this Holder in the future.
  2. To the extent a Holder responds to the streamline audit questionnaire by identifying unreported unclaimed property, KGS will review these responses and will recommend that the STO either accept the Holder's answers and move on to the reporting and remitting stage of the Streamline program or initiate an examination.
  3. To the extent a Holder responds to the streamline audit questionnaire by certifying that after completion of the assisted self-review of its books and records the Holder has no currently due unclaimed property, KGS will review the Holder's responses and will recommend that the STO either accept the Holder's answers and send the Holder an official correspondence closing out the self-audit or initiate an examination.

KGS will provide the STO with a report that includes its recommendations as outlined above for each Holder in the Streamline Audit program. As a general matter, KGS provides these reports ("Dispositions Reports") to states on a weekly basis, and these reports contain the following information for each Holder (if available): name, FEIN, industry, amount of unclaimed property identified to self-audit state, amount of unclaimed property identified to other states and KGS' recommendation for next steps.

- **Step 5: Holder Reporting** – To the extent the STO has approved a recommendation by KGS that a Holder move on to the reporting and remitting stage of the Streamline Audit program, KGS will work with the Holder to ensure all reporting complies with the reporting requirements of the STO. KGS shall explain Holder's statutory obligations to notify owners of unclaimed property, ask whether this process has been performed, and, if not, instruct Holders on how to comply with due diligence requirements before property is delivered to the STO. Following identification of the property by the Holder, verification by KGS, and approval by the STO, the final report will be submitted to the STO, including all information required by law and this solicitation and shall be submitted in electronic database format compatible with that of the STO either by conforming to the NAUPA standard or any other format specified by the STO. Reporting pursuant to the Streamline Audit program is not performed under a voluntary disclosure agreement or similar program, but generally it is requested that the STO waive any applicable penalties and/or interest on the reported property due to the voluntary cooperation of the Holder.
- **Step 6: Subsequent Reporting** - Upon conclusion of any self-audit, KGS will advise the Holder in writing of its continuing obligation to report unclaimed property directly to the STO.
- **Uncooperative Holders** - In the event that a Holder is unwilling to complete the Streamline Audit program, is uncooperative in the ongoing audit or refuses to remit payable property identified by the self-audit, KGS shall engage the Holder in a process designed to identify the precise nature of the Holder's reasons for its unwillingness to cooperate and try to resolve any legitimate concerns that the Holder may have regarding the examination process. KGS believes that through this process, it will be able to obtain the Holder's cooperation. However, in the event that KGS is unsuccessful, it shall provide the STO with written notification of a Holder's refusal to remit records to be reviewed or a Holder's failure or refusal to report or deliver unclaimed property. KGS shall not initiate any further action unless advised otherwise in writing by the STO.
- **Monthly Reports** – KGS shall provide monthly Work In Progress ("WIP") reports detailing the status of all Streamline Audit examinations assigned, work in progress, and examinations completed. This shall include a unique case number, the name of the holder, the FEIN of the Holder, if known, and a status of all work.

Through use of the Streamline Audit program, the STO will greatly increase voluntary Holder compliance through its ability to initiate a high volume of self-audits. Working with the STO the Streamline Audit program can be tailored to

focus on distinct segments of the Holder community, including a focus on specific industries or, for example, those Holders who have previously filed reports but have neglected to file reports for many years following. Once a Holder completes the Streamline Audit program, it has been instructed in the types of unclaimed property that it may be holding and is familiarized with the methods used to identify the property and requirements to report these properties to the STO on an annual basis.

#### **4.3 Additional Services**

**Vendors with the minimum qualifications set forth in Section 3 may be selected to conduct agreed upon procedures related to a Holder that may or may not have been part of an audit. If selected, the scope of the Agreed Upon Procedure will be outlined in a delivery order.**

##### **4.3.1 Compensation**

Audit Agreed Upon Procedures related to a Holder which is outside the scope of a multistate audit, West Virginia state specific audit, or Vendor-assisted self-audits will be paid on an hourly basis at the rate of \$100 per hour, and the total cost will be capped in a release order, if selected.

#### **Vendor Response**

KGS understands and will comply in accordance with the guidelines set forth herein.

### **5. CONTRACT AWARD**

#### **5.1 Contract Award**

The Contract is intended to provide the STO with a purchase price for the Contract Services. The Contract may be awarded to all Vendors that provide the Contract Services meeting the required specifications.

#### **Vendor Response**

KGS understands and will comply with the required specifications.

#### **5.2 Pricing Page**

Vendor should complete the Pricing Page (**Exhibit A**) by affirming it accepts the set reimbursement fees listed in subsections 4.1.21, 4.2.10, and 4.3.1. 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 buyer at the following address: Toby Welch ([toby.l.welch@wv.gov](mailto:toby.l.welch@wv.gov)).

#### **Vendor Response**

KGS understands and will comply in accordance with the guidelines set forth herein.

KGS has completed the Pricing Page by affirming it accepts the set reimbursement fees listed in subsection 4.1.21, 4.2.10 and 4.3.1.

**6. PERFORMANCE**

Vendor and STO shall agree upon a schedule for performance of Contract Services and Contract Services Deliverables, unless such a schedule is already included herein by STO. If this Contract is designated as a Master Agreement, Vendor shall perform in accordance with the delivery orders that may be issued against this Contract.

**Vendor Response:**

KGS understands and will comply with the guidelines set forth herein.

**7. PAYMENT**

Agency shall pay in accordance with all authorized Contract Services requested and accepted by the STO under this Contract. Vendor shall accept payment in accordance with the payment procedures of the State of West Virginia. All services are paid in arrears upon presentment of an approved invoice and any required supporting documentation.

**Vendor Response:**

KGS understands and will comply with the guidelines set forth herein.

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

**Vendor Response:**

KGS understands and will comply with the guidelines set forth herein.

**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 services 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.

**Vendor Response:**

KGS understands and will comply with the guidelines set forth herein.

**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.

**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.

**Vendor Response:**

KGS understands.

**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 dedicated Contract Manager must have experience in providing audit services and must be available during normal business hours to address any customer service or other issues related to this Contract. If it becomes necessary for the Vendor to change the Contract Manager, the Vendor must notify the STO immediately. The replacement must have similar or more experience than the original Contract Manager. The STO reserves the right to approve any replacement at the time of the contract award or thereafter. Vendor should list its Contract manager and his or her contact information below.

**Vendor Response**

KGS understands and will comply with the guidelines set forth herein.

Contract Manager: Caroline Marshall, President

Telephone Number: 646-597-4705

Fax Number: 203-574-5555

Email Address: [caroline.marshall@kroll.com](mailto:caroline.marshall@kroll.com)

**12. CONCLUSION**

As set forth herein, KGS is fully able to perform unclaimed funds examinations on behalf of West Virginia, voluntarily agreed to by holders, and unclaimed funds examinations initiated by other states in which West Virginia has joined as a participant. KGS understands and will comply with all of the requirements set forth in the RFQ in the performance of any contract it is awarded to provide such services. The absence of a specific response to any subsection included in the RFQ should not be interpreted to limit KGS' representation that it shall comply with all requirements of the RFQ, including any not specifically addressed herein.

## **EXHIBIT 1**

### **ORGANIZATIONAL CHART**

**KROLL**  
GOVERNMENT SOLUTIONS  
Effective 8/1/2022

Caroline Marshall  
President

James Hartley  
Senior Advisor/Managing Director  
  
Charles Hellman  
Managing Director

**Technology**

Peter Lee  
Managing Director

John Lew  
Sr. Director of System Production  
  
Erik Pabst  
Director of Data Analytics  
  
Abner Guzman-Rivera  
Sr. Dir. of Artificial Intelligence  
  
Arnie Sokolowski  
Sr. Manager, System Architecture  
  
Bassell Deeb  
Sr. Director, Product Development  
  
Paul Lee  
Sr. Director, IT Operations

**Legal**

Edward Hall  
Managing Director, Chief  
Information Security Officer

Felecia Sten  
General Counsel

Lili Sabo  
Associate General Counsel  
  
Rebecca Belsky  
Counsel II  
  
Andrew Mudgett  
Counsel I  
  
Susan McEntee  
Senior Associate

**Client Relations**  
  
Joseph Marcelonis  
Managing Director

**Operations**  
  
Steven Haley  
Managing Director

Dennis Cunnyn  
Director-Audit Operations  
  
Jason Steinberg  
Director-Audit Operations  
  
Tara Mastrosorio  
Sr. Manager-Audit Operations  
  
Samantha Zois  
Manager II-Audit Operations  
  
John Masters  
Senior Analyst  
  
Mackenzie Dugan  
Senior Associate  
  
Kelly Hogan  
Senior Associate  
  
John Vannorsdall  
Sr. Analyst  
  
Will Kui  
Analyst  
  
Austin Nim  
Analyst, Data Analytics

**Strategic**

Marc Posner  
Managing Director  
  
Philip Selton  
Managing Director

David Welch  
Director/Senior Counsel I  
  
Jeffrey Lemer  
Director/Senior Counsel I  
  
Kassandra Zari  
Counsel II

**Finance**

James DeAngelis  
Chief Financial Officer

Shaun Kennedy  
Dir. of UP Operations  
  
Diane Trabanas  
Finance Manager II  
  
Robert Lydon  
Sr. Associate, UP Operations  
  
Richard Wertz  
Analyst, UP Operations

Roland Barner, Director, Program Management  
Matthew Kang, Analyst, Data Integration  
Thinh Nguyen, Analyst, Data Integration  
Jennifer Luft, Manager II, Data Analytics  
Francesca Amparo, Sr. Data Analyst  
Ben Thach, Director, Application Development  
Vincent Lai, Sr. Database Administrator  
Chin-Han Chen, Manager II, Production Management  
Cheng Goh, Senior Developer  
William Chang, Manager II, Development  
Christopher Ting, Sr. Manager, Sr. Software Architect  
Seth Cody, Sr. Developer  
Jesse Coral, Sr. Oracle Developer  
Kyle Vance, Sr. Software Engineer

Robin Fajarin, Lead Technician, Data Analysis Support  
Christian Guillermo, Lead Technician, Data Analysis Support  
Valen Vysosias, Lead Technician, Data Analysis Support  
Jorge Medina, Data Analysis Support  
Fabian Nava, Data Analysis Support  
James Chang, Sr. Linux Admin/DevOps Engineer  
Jenny Luk, Sr. Manager, Principal Data Analyst  
Ed Mayyah, Manager II, Data Analytics  
Harrison Barnes, Software Engineer  
Francis Tyson Thomas, Sr. Software Engineer  
Choi Yan, Site Support Specialist  
Bob Yan, Site Support Specialist  
Aaron Truong, Developer

Latanya Ferguson  
Manager II  
  
Andrew Davidson  
Sr. Associate  
  
Josh Sallen  
Analyst  
  
Marvin Jeewanand  
Analyst, Audit Operations

## **EXHIBIT 2**

### **CERTIFICATE OF AUTHORIZATION**



## Certificate

*I, Mac Warner, Secretary of State of the State of  
West Virginia, hereby certify that*

**KROLL GOVERNMENT SOLUTIONS, LLC**

was duly authorized under the laws of this state to transact business in West Virginia as a foreign limited liability company on December 16, 2011.

The company is filed as an at-will company, for an indefinite period.

I further certify that the company has not been revoked or administratively dissolved by the State of West Virginia nor has the West Virginia Secretary of State issued a Certificate of Cancellation or Termination to the company.

Accordingly, I hereby issue this Certificate of Authorization

## CERTIFICATE OF AUTHORIZATION

Validation ID:0WV73\_EJH5C

*Given under my hand and the  
Great Seal of the State of  
West Virginia on this day of*

*August 08, 2022*



*Mac Warner*

*Secretary of State*

## **EXHIBIT 3**

### **DATA INFORMATION AND SECURITY SUMMARY**

## **KROLL GOVERNMENT SOLUTIONS DATA AND INFORMATION SECURITY SUMMARY**

### **Summary**

KGS recognizes the importance of data and information protection and applies leading industry products and procedures to maintain its security. All KGS employees are trained to strictly adhere to KGS' security policies. KGS takes its responsibility with regard to confidential information extremely seriously and has detailed security procedures in place to ensure the protection of such information. This document outlines some of the core components of KGS' Security Program:

1. Employees. KGS has implemented the following policies with regard to employees:
  - a. Background checks are performed on all employees.
  - b. Every employee must sign when hired:
    - i. Confidentiality and Non-Solicitation and Conflicts Covenant
    - ii. Acceptable Use Policy
    - iii. Information Security Manual which includes, but is not limited to, security policies regarding the following issues:
      1. Computer Software
      2. Data Security
      3. Communications
      4. Mobile Computing
      5. Password
      6. Record Retention and Destruction
      7. Physical Security
      8. Security Awareness and Education
  - c. Every employee must complete annual Security training which reviews, among other topics:
    - i. Confidential information
    - ii. Data classifications
    - ii. Data security
2. Computing Devices. KGS has implemented the following policies related to security and data security with regard to computing devices:



- a. All computing and communication devices used by KGS employees while conducting KGS business are issued by its parent company. KGS network access is restricted to only issued devices; non-issued devices cannot access the KGS network.
  - b. All network data access levels are determined on an individual user level basis.
  - c. KGS devices are all pre-loaded with encryption and monitoring software to prevent data leakage.
3. Encryption. KGS has instituted automated encryption software and policies that require:
  - a. Whole disk encryption for all individual employee computers, application servers, and data storage servers.
  - b. Mobile device encryption.
4. Monitoring Software. KGS has implemented computerized monitoring programs that perform:
  - a. Recording of employee communications and keystroke activity.
  - b. Blocking and/or limitation of potentially malicious software to prevent destruction or risk of stored data.
  - c. Screening of employee communications to intercept improper transmission of sensitive data.
5. Digital Access and Video Monitoring Systems
  - a. KGS' data facilities are protected by digital access and video monitoring systems.
  - b. KGS maintains complete control and monitoring of physical access to servers.

## **EXHIBIT 4**

### **RESUMES OF KEY PERSONNEL**

**Caroline Marshall**  
President

### ***Summary of Experience***

Ms. Marshall is an attorney with decades of experience in business strategy, management, and a broad range of legal areas. In her various leadership positions at the company, Ms. Marshall has played an integral role advising on overall company strategy and supervising the audit, operations, and legal functions of the organization, including the direct oversight of hundreds of complex unclaimed property examinations of some of the largest companies in the U.S. She was instrumental in negotiating the terms of comprehensive agreements, resolving those examinations, which resulted in the return of well over ten billion dollars to both state agencies and the public.

Ms. Marshall began her career as a prosecutor at the New York County District Attorney's office and later transitioned to litigating complex civil actions, where she gained extensive experience working closely with auditing experts and forensic accountants. In the course of her legal career, Ms. Marshall has represented a wide variety of clients, including state pension funds and other institutional investors.

Ms. Marshall is a graduate of Dartmouth College and received her Juris Doctorate degree from Fordham Law School.

### ***Education***

- **Fordham Law School:** Juris Doctorate, 1992
- **Dartmouth College:** Bachelor of Arts, 1988
- **New York Bar:** member

### ***Experience***

- **Kroll Government Solutions, LLC:** President
- **Verus Analytics LLC:** General Counsel and Chief Operating Officer
- **Bernstein Leibhard LLP:** Of Counsel
- **Deloitte & Touche:** Senior Associate, Business Intelligence Unit
- **New York City District Attorney's Office:** Assistant District Attorney

### ***Contact Information***

Telephone: 646-597-4705

Email: [caroline.marshall@kroll.com](mailto:caroline.marshall@kroll.com)

**Charles Hellman**  
Managing Director

### *Summary of Experience*

Mr. Hellman, has been associated with the company since its inception and has extensive experience in the all legal aspects of unclaimed property examinations conducted on behalf of government agencies. He has also consulted with the National Association of Unclaimed Property Administrators on a variety of legal and legislative matters. Mr. Hellman began his career as an associate at Weil Gotshal & Manges LLP and over the course of his practice has represented clients in a variety of commercial business and litigation matters. Many of the cases Mr. Hellman has worked on have involved significant analysis and application of accounting and auditing principles as well as regulatory rules and procedures.

Mr. Hellman is a graduate of Bard College and received his Juris Doctorate degree from New York Law School (summa cum laude).

### *Education*

- **New York Law School:** Juris Doctorate, 1996
- **Bard College:** Bachelor of Arts, 1986
- **New York Bar:** member

### *Experience*

- **Kroll Government Solutions, LLC:** Managing Director
- **Verus Analytics LLC:** Executive Vice President
- **Drubner Hartley & Hellman LLC:** Partner
- **Milberg LLP:** Partner
- **Weil Gotshal & Manges LLP:** Associate

### *Contact Information*

Telephone: 646-597-4718  
Email: [Charles.hellman@kroll.com](mailto:Charles.hellman@kroll.com)

**James Hartley, Jr.**

Managing Director and Senior Advisor

***Summary of Experience***

Mr. Hartley is a co-founder of the company and as Senior Advisor has been responsible for developing the overall strategy of the organization and the relationship and interactions between the company and state clients. Mr. Hartley served as the lead negotiator in comprehensive agreements with some of the largest corporations in the United States that resulted in those companies returning billions of dollars to both consumers and our state clients.

He is an experienced attorney who has represented a wide variety of clients including municipalities, corporations and businesses. He was lead counsel in the seminal Uniform Securities Act case of *Connecticut National Bank v. Giacomini*, as well as lead counsel in the matter of *In re Colonial Realty Litigation Securities Fraud*. Mr. Hartley has also worked with Attorneys Generals in various states prosecuting actions on behalf of businesses and citizens of those states.

Mr. Hartley is a graduate of Boston College and received his Juris Doctorate degree from Columbia University. Mr. Hartley is a member of the Connecticut bar, the United States District Court for the District of Connecticut, the United States Court of Appeals for the Second Circuit, and the United States Supreme Court.

***Education***

- **Columbia University:** Juris Doctorate
- **Boston College:** Bachelor of Arts
- **Connecticut Bar:** member

***Experience***

- **Kroll Government Solutions, LLC:** Managing Director and Senior Advisor
- **Verus Analytics LLC:** Chief Executive Officer
- **Drubner Hartley & Hellman LLC:** Partner

***Contact Information***

Telephone: 203-802-3310

Email: [james.hartley@kroll.com](mailto:james.hartley@kroll.com)



**Steven Haley**  
Managing Director

### ***Summary of Experience***

Mr. Haley has decades of experience in providing a wide range of unclaimed property related services, including identification and quantification of unclaimed property liabilities through extensive data analysis of administrative systems, the analysis of general ledger accounts, and the review of detailed policies and procedures. Mr. Haley has directly managed the performance of hundreds of complex unclaimed property examinations, with a focus on the intake, processing and evaluation of data records resulting in the identification of well over ten billion dollars in unclaimed property.

Prior to joining the company, Mr. Haley was a member of KPMG's National Unclaimed Property Practice, where he was employed since 2006, advising clients on their unclaimed property procedures and reporting obligations. Prior to joining KPMG, Mr. Haley was a Senior Client Service Officer at ACS Unclaimed Property Clearinghouse, Inc., where he was employed for approximately nine years.

Mr. Haley received a B.S. in Business Management/Finance from Salve Regina University.

### ***Education***

- **Salve Regina University:** Bachelor of Science, Business Administration, 1997

### ***Experience***

- **Kroll Government Solutions, LLC:** Managing Director
- **Verus Analytics LLC:** Managing Director
- **KPMG LLP:** Associate
- **Affiliated Computer Services Inc. (ASC):** Senior Client Service Officer; Client Service Officer; First Line Manager; Senior Account Administrator
- **State Street Bank and Trust Company:** Account Administrator

### ***Contact Information***

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## **Ed Hall**

Managing Director, Chief Information Security Officer

### ***Summary of Experience***

Mr. Hall has been with the company since its inception and has decades of expertise in a wide range of legal areas, including the detailed analysis of issues related to unclaimed property examinations. Mr. Hall has negotiated the terms of both comprehensive agreements resolving examinations and detailed agreements related to the performance of those examinations, such as non-disclosure agreements and state agreements for services. He has supervised a team of attorneys conducting detailed reviews of records and performing legal analysis of issues related to regulatory compliance, including leading several market conduct examinations on behalf of a National Association of Insurance Commissioners task force. He also developed detailed internal auditing procedures and processes for the conduct of these examination.

Additionally, Mr. Hall has served as the head of the firm's Information Security Management System (ISMS) committee and has extensive experience in establishing and optimizing data security programs and ensuring the use of appropriate information security controls.

Mr. Hall holds a B.A. in Criminology from the University of South Florida and a J.D. from Loyola Law School. He is also a certified ISO 27001 Lead Implementer, a Certified Insurance Examiner (CIE) and an Associate in Regulatory Compliance (AIRC). Additionally, he has also completed the Fellow Life Management Institute (FLMI) designation program and is certified in Market Conduct Management (MCM).

### ***Education***

- **Loyola Law School:** Juris Doctorate
- **University of South Florida:** Bachelor of Arts, Criminology

### ***Experience***

- **Kroll Government Solutions, LLC:** Managing Director, Chief Information Security Officer
- **Verus Analytics LLC:** Associate General Counsel, Chief Compliance Officer and Managing Director
- **Drubner and Hartley LLC:** Associate
- **Welk Music Group:** Production Manager

### ***Contact Information***

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**Peter Lee**  
Managing Director

### ***Summary of Experience***

Mr. Lee has decades of experience in providing business process and information technology services to insurance, healthcare and financial service industries, among others. Mr. Lee developed proprietary methods that the company uses to perform sophisticated data analytics. The application of these data analytics has involved the detailed analysis of over a billion records of data and the detailed refinement of processes using those results. Additionally, Mr. Lee designed and implemented the company's entire technological framework and infrastructure with an emphasis on service delivery and data security. Prior to joining the company, Mr. Lee served as an outsourced lead project manager for a variety of public and private entities, assisting them in developing and implementing sophisticated data systems.

Mr. Lee holds a B.S. in Electrical Engineering and a M.S. in Computer Science from the University of Southern California.

### ***Education***

- **University of Southern California:** Master of Science, Computer Science
- **University of Southern California:** Bachelor of Science, Electrical Engineering

### ***Experience***

- **Kroll Government Solutions, LLC:** Managing Director
- **Verus Analytics LLC:** Chief Technology Officer
- **Los Angeles County Department of Health Services:** Solution Architect and Project Manager
- **Toyota Financial Services:** System Architect and Technical Liaison to Senior Management
- **Rockwell Collins Passenger Systems Division:** Systems Architect and Technical Lead
- **Pacificare Health Systems, Inc.:** Systems Architect and Technical Lead
- **HealthCare Partners:** Acting Senior Vice President/CIO
- **Certus Corporation:** Lead Consultant for Systems Integration
- **ARCO Termination Information System:** System Integrator
- **AirTouch Cellular (Verizon Wireless):** System Integrator

### ***Contact Information***

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## **James DeAngelis**

Chief Financial Officer

### ***Summary of Experience***

Mr. DeAngelis oversees the company's accounting practices, directs financial strategy, and establishes and optimizes day-to-day operations. Prior to joining the company, he served as a senior financial officer in various public and private companies, which designed and delivered technical and financial solutions for leading edge, technology-driven businesses.

Mr. DeAngelis graduated American Graduate School of International Business Administration (Thunderbird) with honors.

### ***Education***

- **American Graduate School of International Business Administration (Thunderbird):**  
Master, Business Administration
- **University of Connecticut:** Bachelor of Science, Biology; Bachelor of Science, Animal Physiology

### ***Experience***

- **Kroll Government Solutions, LLC:** Chief Financial Officer
- **Verus Analytics LLC:** Executive Vice President and Chief Financial Officer
- **MyTriggers.com, Inc.:** Chief Financial Officer, Treasurer, Secretary, and Director
- **Putnam Partners - Cellceutix, Inc.:** Corporate Development and Strategist
- **Putnam Partners - Plasmid, LLC:** Corporate Development and Strategist
- **Putnam Partners - OPEM, LLC:** Chief Financial Officer and Treasurer
- **Commodore Applied Technologies:** Chief Financial Officer, Treasurer and Secretary, and Director
- **Commodore Separation Technologies, Inc.:** Senior Vice President, Sales and Marketing, and Director
- **Commodore CFC Technologies, Inc.:** President
- **Commodore Environmental Services, Inc.:** Vice President, Business Development, and Market Analyst

### ***Contact Information***

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## **Marc Posner**

Managing Director

### ***Summary of Experience***

Mr. Posner is an attorney with decades of experience in a range of legal areas including concentrated practice in the field of unclaimed property. Mr. Posner has performed extensive research and determined strategy on a variety of legal issues related to the performance of unclaimed property examinations of some of the largest corporations in the United States. Prior to joining the company, Mr. Posner focused on complex corporate and securities litigation. Mr. Posner's background also includes extensive corporate transactional experience as Of Counsel to Stratos Global, an international telecommunications provider.

Mr. Posner is a 1985 graduate of the University of Pennsylvania. He received his Juris Doctorate degree in 1992 from the University of Pennsylvania Law School (*magna cum laude*, Order of the Coif).

### ***Education***

- **University of Pennsylvania Law School:** Juris Doctorate
- **University of Pennsylvania:** Bachelor of Arts
- **New York Bar:** member

### ***Experience***

- **Kroll Government Solutions, LLC:** Managing Director
- **Verus Analytics LLC:** Managing Director
- **Stratos Global:** Of Counsel
- **Davis Polk & Wardwell:** Associate
- **Southern District of New York:** Judicial Clerk

### ***Contact Information***

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**Felecia L. Stern**

General Counsel

***Summary of Experience***

Ms. Stern is an attorney with decades of experience in a range of legal areas. Ms. Stern serves an integral role advising the company on legal strategy and has detailed experience and knowledge in a variety of legal and legislative matters related to the performance of unclaimed property examinations. Prior to joining the company, Ms. Stern focused on complex civil litigation, including securities fraud litigation and multidistrict consumer fraud and mass tort litigation. Ms. Stern also has substantial experience in all aspects of various corporate internal investigations and investigations conducted by state and federal regulatory agencies. Ms. Stern's background also includes extensive experience with mediation.

Ms. Stern is a graduate of Cornell University and received her Juris Doctorate degree from the University of Pennsylvania Law School (cum laude), where she served as a Notes Editor on the University of Pennsylvania Law Review.

***Education***

- **University of Pennsylvania Law School:** Juris Doctorate, 1992
- **Cornell University:** Bachelor of Science, School of Industrial & Labor Relations, 1985
- **New York Bar:** member

***Experience***

- **Kroll Government Solutions, LLC:** General Counsel
- **Verus Analytics LLC:** Managing Director
- **Bernstein Liebhard LLP:** Partner
- **Simpson Thacher & Bartlett:** Associate
- **United States Court of Appeals, Second Circuit:** Judicial Clerk

***Contact Information***

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## **Dennis Curnyn**

Director - Audit Operations

### ***Summary of Experience***

Mr. Curnyn is a Certified Public Accountant (*inactive*) with decades of internal audit experience in unclaimed property and the insurance industry. For many of these years, Mr. Curnyn worked within internal audit with two of the largest insurers in the United States, where he provided internal audit management over teams within various corporate financial areas, including controller, accounts payable, treasury, investor relations, administrative units, stand-alone insurance subsidiaries, life and annuity policy service centers, retirement, annuity, and investment products. While auditing these areas, Mr. Curnyn frequently identified unclaimed property risks and evaluated applicable controls. In addition, for many years Mr. Curnyn provided internal audit and Sarbanes-Oxley regulatory compliance services to a number of other national enterprises on a consulting basis.

Mr. Curnyn holds a B.S. in Accounting from Villanova University. Mr. Curnyn is also a Certified Anti-Money Laundering Specialist and has held prior registrations as a General Securities Registered Representative (Series 7) and a General Securities Principal (Series 24).

### ***Education***

- **Villanova University:** Bachelor of Science, Accounting

### ***Experience***

- **Kroll Government Solutions, LLC:** Director – Audit Operations
- **Verus Analytics LLC:** Director of Forensic Analysis/Audit Supervisor
- **Exzac, LLC:** Subject Matter Expert
- **Ernst & Young LLP:** Senior Manager; Anti-Money Laundering Services; Business Risk Services
- **Accume Partners:** Independent Consultant
- **KPMG LLP:** Senior Manager
- **AXA Financial:** Assistant Vice President; Audit Manager
- **The New York Life Insurance Company:** Director; Senior Auditor; Senior Real Estate Analyst

### ***Contact Information***

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## **Tara Mastroserio**

Senior Manager - Audit Operations

### ***Summary of Experience***

Ms. Mastroserio is a licensed CPA who has over a decade of unclaimed property auditing experience. Ms. Mastroserio has responsibility for the coordination and monitoring of the progress of ongoing unclaimed property audits, including the development of work paper documentation and the management of applicable operational technical issues related to the examination.

Prior to joining KGS, Ms. Mastroserio worked as a State Tax Manager for Brother International Corporation. A previous employee of KPMG, Ms. Mastroserio has extensive experience preparing unclaimed property diagnostic reviews and analyzing systems and controls to determine unclaimed property exposure. Ms. Mastroserio graduated from St. John's University Summa Cum Laude and received her Master of Science in Taxation.

### ***Education***

- **St. John's University:** Master of Science Taxation
- **St. John's University:** Bachelor of Science Accounting, Summa Cum Laude

### ***Experience***

- **Kroll Government Solutions, LLC:** Senior Manager – Audit Operations
- **Verus Analytics LLC:** Senior Audit Manager
- **Brother International Corporation:** Tax Manager - State
- **KPMG LLP:** State and Local Tax Manager
- **KPMG LLP:** State and Local Senior Tax Associate
- **KPMG LLP:** State and Local Tax Associate
- **KPMG LLP:** State and Local Tax Intern

### ***Contact Information***

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**David J. Welch, Esq.**  
Director - Senior Counsel I

### ***Summary of Experience***

Mr. Welch is an attorney with many years of experience in the legal issues related to unclaimed property examinations. As Senior Counsel, Mr. Welch has been responsible for the legal aspects of ongoing unclaimed property examinations, including the drafting of reports for use by state regulators, negotiation of the detailed terms of proposed agreements resolving examinations, and advising the legal department on any legal challenges raised by companies under examination. Prior to joining the company, Mr. Welch specialized in securities litigation and the representation of financial services industry professionals. He has litigated cases based on the Securities Acts, SEC Rules, corporate accounting practices, and GAAP.

Mr. Welch earned his B.A. in financial management from The Ohio State University and received his J.D., *cum laude*, from the Hofstra University School of Law. He is admitted to practice law in New York State and before the United States District Courts for the Southern and Eastern Districts of New York.

### ***Education***

- **Hofstra University School of Law:** Juris Doctorate, Cum Laude
- **Ohio State University:** Bachelor of Arts, Financial Management
- **New York State Bar:** member
- **United States District Courts for the Southern & Eastern Districts of New York:** member

### ***Experience***

- **Kroll Government Solutions, LLC:** Director - Senior Counsel I
- **Verus Analytics LLC:** Assistant Managing Director
- **Winget, Spadafora, Schwartzberg, LLP:** Associate
- **Bernstein Liebhard, LLP:** Associate
- **Epstein, McDonald & McCarthy:** Trial-Attorney
- **Adelman & Lavaia:** Legal Intern
- **Massimo & Panetta:** Legal Intern
- **Veeco Instruments, Inc.:** Legal Intern

### ***Contact Information***

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## **Jason Steinberg**

Director – Audit Operations

### ***Summary of Experience***

Mr. Steinberg is an experienced unclaimed property auditor with an emphasis in process design and improvement, project management and innovation training. Mr. Steinberg has been responsible for the coordination and monitoring of the progress of ongoing unclaimed property audits including the development of work paper documentation and the management of applicable operational technical issues related to the examination.

Prior to joining the company, Mr. Steinberg gained extensive knowledge in annuity operations including policies and procedures from departments such as new business, commissions, disbursements and death claims. Mr. Steinberg has vast experience with SEC and FINRA Regulations and several years of experience in banking including branch compliance operations and branch management.

Mr. Steinberg is a graduate of the State University of New York at Oneonta and is a certified Six Sigma Black Belt and Innovation Coach.

### ***Education***

- **State University of New York at Oneonta:** Bachelor of Science in Business and Economics

### ***Experience***

- **Kroll Government Solutions, LLC:** Director – Audit Operations
- **Verus Analytics LLC:** Audit Director
- **AXA Equitable:** Project Manager
- **AXA Equitable:** Six Sigma Black Belt
- **AXA Equitable:** Commissions Manager
- **AXA Equitable:** Inforce Manager
- **AXA Equitable:** New Business Manager
- **Fleet Bank:** Assistant Branch Manager
- **Fleet Bank:** Branch Operations Manager
- **Fleet Bank:** Customer Service Representative
- **Fleet Bank:** Head Teller

### ***Contact Information***

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**Samantha Zois**

Manager II – Audit Operations

***Summary of Experience***

Ms. Zois has over a decade of unclaimed property auditing experience. Ms. Zois has been responsible for the coordination and monitoring of the progress of ongoing unclaimed property audits including the development of work paper documentation and the management of applicable operational technical issues related to the examination. Ms. Zois has served in a variety of roles related to ongoing holder examinations, gaining experience and knowledge in auditing procedures, unclaimed property procedures and practices, and life insurance operations and compliance. In addition, Ms. Zois has extensive experience in the detailed review of life insurance policy files and administrative data.

Ms. Zois earned her B.A and M.A. in English from Tulane University.

***Education***

- **Tulane University:** Master of Arts
- **Tulane University:** Bachelor of Arts

***Experience***

- **Kroll Government Solutions, LLC:** Manager II – Audit Operations
- **Verus Analytics LLC:** Audit Manager

***Contact Information***

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**Joseph Marcelonis**

Managing Director and Client Relations Manager

***Summary of Experience***

Mr. Marcelonis has decades of experience handling unclaimed property matters. Mr. Marcelonis has been responsible for building and maintaining relationships with the company's clients as well as serving a key role in advising the executive and management teams at the company on detailed strategies relating to state matters.

Prior to joining the company, Mr. Marcelonis was involved in day-to-day operation and audit workflow processes as well as acted as client liaison for state clients. Mr. Marcelonis developed and improved workflow efficiencies, ensured proper delivery of unclaimed property to clients, conducted webinars, provided internal training, and communicated regularly with clients on new developments, important unclaimed property issues, and new initiatives.

Mr. Marcelonis received a Bachelor of Arts from Boston College.

***Education***

- **Boston College:** Bachelor of Arts, Political Science

***Experience***

- **Kroll Government Solutions, LLC:** Managing Director and Client Relations Manager
- **Verus Analytics LLC:** Managing Director and Client Relations Manager
- **Affiliated Computer Services, Inc:** Senior Account Manager
- **Affiliated Computer Services, Inc:** Assistant Vice President
- **Affiliated Computer Services, Inc:** Senior Operations Officer
- **Affiliated Computer Services, Inc:** Operations Officer
- **Affiliated Computer Services, Inc:** First Line Manager
- **Affiliated Computer Services, Inc:** Senior Account Administrator
- **Affiliated Computer Services, Inc:** Account Administrator
- **Financial Strategies of John Hancock:** Consultant

***Contact Information***

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**Shaun Kennedy**

Director - Unclaimed Property Operations

***Summary of Experience***

Mr. Kennedy has over a decade of experience in unclaimed property. Mr. Kennedy has been responsible for working with state clients and unclaimed property holders to ensure that property and reports are transferred accurately and in a timely manner, acting as a liaison between state clients and unclaimed property holders.

Mr. Kennedy previously served as a Senior Audit and Compliance Analyst and as a Client Service and Operations Officer for ACS Unclaimed Property Clearing House. For more than five years, Mr. Kennedy was responsible for applying consistently evolving unclaimed property laws to distinct property types and for ensuring that all unclaimed property in the possession of UCPH was identified and reported. Mr. Kennedy was instrumental in handling the Insurance Company Demutualization project at UCPH.

Mr. Kennedy is a graduate of Saint Anselm College where he received his Bachelor's Degree.

***Education***

- **Saint Anselm College:** Bachelor of Arts

***Experience***

- **Kroll Government Solutions, LLC:** Director - Unclaimed Property Operations
- **Verus Analytics LLC:** Manager of Unclaimed Property Operations
- **ACS Unclaimed Property Clearinghouse:** Senior Client Services Officer/Operations Officer; Senior Audit/Compliance Analyst
- **Hollister Staffing:** Staffing Consultant

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**Lili R. Sabo**  
Associate General Counsel

### ***Summary of Experience***

Ms. Sabo is an attorney with many years of experience in unclaimed property law and litigation. Ms. Sabo has been responsible for the performance of legal research related to applicable statutes and regulations as well as the monitoring of legislative and regulatory trends related to the performance of unclaimed property examinations. In addition, Ms. Sabo supports the legal department with respect to any legal challenges raised by companies under examination.

Prior to joining the company, Ms. Sabo had experience litigating commercial and federal securities class actions, as well as actions brought under the Racketeer Influenced and Corrupt Organizations Act (RICO), antitrust and consumer fraud laws. During the course of her practice, Ms. Sabo has represented institutional investors, including state pension funds, in actions involving the application of accounting principles.

Ms. Sabo is a graduate of the State University of New York at Albany and received her Juris Doctorate degree from Brooklyn Law School.

### ***Education***

- **Brooklyn Law School:** Juris Doctorate
- **State University of New York at Albany:** Bachelor of Arts
- **New York Bar:** member

### ***Experience***

- **Kroll Government Solutions, LLC:** Associate General Counsel
- **Verus Analytics LLC:** Senior Counsel
- **Whitley Drake & Kallas LLC:** Associate

### ***Contact Information***

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**Jeffrey D. Lerner**

Director - Senior Counsel I

***Summary of Experience***

Mr. Lerner is an attorney with many years of experience in unclaimed property examinations. As Senior Counsel, Mr. Lerner has been responsible for the legal aspects of ongoing unclaimed property examinations, including the drafting of reports for use by state regulators, negotiation of the detailed terms of proposed agreements resolving examinations, and advising the legal department on any legal challenges raised by companies under examination.

Prior to joining the company, Mr. Lerner was experienced in litigating securities class actions, as well representing individual investors in NASD arbitrations. During the course of his practice, Mr. Lerner has represented institutional investors, including state pension funds, in actions involving the application of accounting principles.

Mr. Lerner is a graduate of Franklin & Marshall College and received his Juris Doctorate degree from Temple Law School.

***Education***

- **Temple Law School:** Juris Doctorate
- **Franklin & Marshall College**

***Experience***

- **Kroll Government Solutions, LLC:** Director - Senior Counsel I
- **Verus Analytics LLC:** Senior Counsel
- **Bernstein Liebhard LLP:** Senior Associate
- **Miller Faucher and Cafferty LLP:** Associate
- **United States District Court for the Eastern District of Pennsylvania:** Law Clerk
- **Pennsylvania Court of Common Pleas, Family Division:** Law Clerk

***Contact Information***

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**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.

(Name, Title) Joseph Marcelonis Managing Director  
(Printed Name and Title) Joseph Marcelonis, Managing Director  
(Address) 500 Chase Parkway, Waterbury, CT 06708  
(Phone Number) / (Fax Number) 203-232-5895 / 203-574-5555  
(email address) joseph.marcelonis@kroll.com

**CERTIFICATION AND SIGNATURE:** By signing below, or submitting documentation through wvOASIS, I certify that: I have reviewed this Solicitation/Contract 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/Contract 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; and that pursuant to W. Va. Code 5A-3-63, the entity entering into this contract is prohibited from engaging in a boycott against Israel.

Kroll Government Solutions, LLC  
(Company) Caroline Marshall, President  
(Authorized Signature) (Representative Name, Title)  
Caroline Marshall, President, September 7, 2022  
(Printed Name and Title of Authorized Representative) (Date)  
646-597-4705 / 203-574-5555  
(Phone Number) (Fax Number)  
caroline.marshall@kroll.com  
(Email Address)