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**“To Excel in Helping You Achieve Success”**

**A PROPOSAL TO PROVIDE PROFESSIONAL  
SERVICES TO**

**WEST VIRGINIA DEPARTMENT OF TRANSPORTATION**

**WEST VIRGINIA DIVISION OF HIGHWAYS**

**&**

**WEST VIRGINIA STATE RAIL AUTHORITY**

**Proposal in Response to RFQ Number 58-9-0006**

**Bid Opening Date: July 15, 2009**

**Bid Opening Time: 1:30 pm**

**Date Submitted: July 10, 2009**

**HAYFLICH & STEINBERG, CPA's, PLLC**

**#8 Stonecrest Drive**

**Huntington, WV 25701**

**(304) 697-5700**

**Robert C. (Rob) Fuller, CPA**

**Rick A. Galloway, CPA, CIA**

## GENERAL TERMS & CONDITIONS REQUEST FOR QUOTATION (RFQ) AND REQUEST FOR PROPOSAL (RFP)

1. Awards will be made in the best interest of the State of West Virginia
2. The State may accept or reject in part, or in whole, any bid.
3. All quotations are governed by the *West Virginia Code* and the *Legislative Rules* of the Purchasing Division.
4. Prior to any award, the apparent successful vendor must be properly registered with the Purchasing Division and have paid the required \$125 fee.
5. All services performed or goods delivered under State Purchase Order/Contracts are to be continued for the term of the Purchase Order/Contracts, contingent upon funds being appropriated by the Legislature or otherwise being made available. In the event funds are not appropriated or otherwise available for these services or goods, this Purchase Order/Contract becomes void and of no effect after June 30.
6. Payment may only be made after the delivery and acceptance of goods or services.
7. Interest may be paid for late payment in accordance with the *West Virginia Code*
8. Vendor preference will be granted upon written request in accordance with the *West Virginia Code*
9. The State of West Virginia is exempt from federal and state taxes and will not pay or reimburse such taxes.
10. The Director of Purchasing may cancel any Purchase Order/Contract upon 30 days written notice to the seller.
11. The laws of the State of West Virginia and the *Legislative Rules* of the Purchasing Division shall govern all rights and duties under the Contract, including without limitation the validity of this Purchase Order/Contract.
12. Any reference to automatic renewal is hereby deleted. The Contract may be renewed only upon mutual written agreement of the parties
13. **BANKRUPTCY:** In the event the vendor/contractor files for bankruptcy protection, the State may deem this contract null and void, and terminate such contract without further order.
14. **HIPAA BUSINESS ASSOCIATE ADDENDUM:** The West Virginia State Government HIPAA Business Associate Addendum (BAA), approved by the Attorney General, and available online at the Purchasing Division's web site (<http://www.state.wv.us/admin/purchase/vrc/hipaa.htm>) is hereby made part of the agreement. Provided that, the Agency meets the definition of a Cover Entity (45 CFR §160.103) and will be disclosing Protected Health Information (45 CFR §160.103) to the vendor.
15. **WEST VIRGINIA ALCOHOL & DRUG-FREE WORKPLACE ACT:** If this Contract constitutes a public improvement construction contract as set forth in Article 1D, Chapter 21 of the West Virginia Code ("The West Virginia Alcohol and Drug-Free Workplace Act"), then the following language shall hereby become part of this Contract: "The contractor and its subcontractors shall implement and maintain a written drug-free workplace policy in compliance with the West Virginia Alcohol and Drug-Free Workplace Act, as set forth in Article 1D, Chapter 21 of the West Virginia Code. The contractor and its subcontractors shall provide a sworn statement in writing, under the penalties of perjury, that they maintain a valid drug-free work place policy in compliance with the West Virginia and Drug-Free Workplace Act. It is understood and agreed that this Contract shall be cancelled by the awarding authority if the Contractor: 1) Fails to implement its drug-free workplace policy; 2) Fails to provide information regarding implementation of the contractor's drug-free workplace policy at the request of the public authority; or 3) Provides to the public authority false information regarding the contractor's drug-free workplace policy."

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### INSTRUCTIONS TO BIDDERS

1. Use the quotation forms provided by the Purchasing Division
2. **SPECIFICATIONS:** Items offered must be in compliance with the specifications. Any deviation from the specifications must be clearly indicated by the bidder. Alternates offered by the bidder as **EQUAL** to the specifications must be clearly defined. A bidder offering an alternate should attach complete specifications and literature to the bid. The Purchasing Division may waive minor deviations to specifications.
3. Complete all sections of the quotation form.
4. Unit prices shall prevail in case of discrepancy.
5. All quotations are considered F.O.B. destination unless alternate shipping terms are clearly identified in the quotation.
6. **BID SUBMISSION:** All quotations must be delivered by the bidder to the office listed below prior to the date and time of the bid opening. Failure of the bidder to deliver the quotations on time will result in bid disqualifications: Department of Administration, Purchasing Division, 2019 Washington Street East, P.O. Box 50130, Charleston, WV 25305-0130

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## **Our Understanding of the Services Requested**

Thank you for considering HAYFLICH & STEINBERG, CPA'S, PLLC for your request for quotation for the future professional accounting and consulting services for the West Virginia Department of Transportation, West Virginia Division of Highways, and the West Virginia State Rail Authority (collectively "Agencies"). The following information will set forth our understanding of the services requested and our commitment to performing the work in a timely fashion.

### **Services Requested:**

Provide consulting services to the Agencies in accordance with the Request for Quotation (RFQ) #58-9-0006.

### **Services to be provided in Request for Quotation:**

HAYFLICH & STEINBERG's goal is to provide the Agencies with quality consulting services that meet your specific needs. The following points represent our plan for meeting these specifications, as outlined in the request for quotation:

1. Complete preparation of government-wide and fund financial statements for the West Virginia Division of Highways for the fiscal year ended June 30, 2009. These consulting services shall include preparation of the following documents.
  - a. Review and assist with Managements' Discussion and Analysis
  - b. Statement of Net assets
  - c. Statement of Activities
  - d. Balance Sheet – Government Fund
  - e. Reconciliation of the Balance Sheet – Governmental Fund to the Statement of Net Assets
  - f. Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Fund
  - g. Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Fund to the Statement of Activities
  - h. State of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual (Budgetary Basis) – State Road Fund
  - i. Notes to the Financial Statements
  - j. Assistance with implementation of GASB 49, Accounting and Financial Reporting for Pollution Remediation Obligations.
  - k. Completion of a disclosure checklist to be provided by the Division of Highways

2. Complete preparation of government-wide and fund financial statements for the West Virginia Department of Transportation for the fiscal year ended June 30, 2009. The Department of Transportation includes the West Virginia Division of Highways, the West Virginia State Rail Authority, the West Virginia Parkways, Economic Development and Tourism Authority (prepared by other auditors), the West Virginia Division of Motor Vehicles, the West Virginia Division of Public Transit, the West Virginia Aeronautics Commission, and the West Virginia Public Port Authority. These consulting services shall include preparation of the following documents.
  - a. Review and assist with Managements Discussion and Analysis
  - b. Statement of Net Assets
  - c. Statement of Activities
  - d. Balance Sheet – Governmental Funds
  - e. Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Assets
  - f. Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds
  - g. Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds to the Statement of Activities
  - h. Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual (Budgetary Basis) – State Road Fund
  - i. Combining Balance Sheet – Non-major Governmental Funds
  - j. Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Non-major Governmental Funds
  - k. Schedule of Expenditures of Federal Awards
  - l. Notes to the Financial Statements
  - m. Completion of a disclosure checklist to be provided by the Department of Transportation
  
3. Complete preparation of financial statements for the West Virginia State Rail Authority for the fiscal year ended June 30, 2009. These consulting services shall include preparation of the following documents.
  - a. Review and assist with Management’s Discussion and Analysis
  - b. Statement of Net Assets
  - c. Statement of Revenues, Expenses, and Changes in Fund Net Assets
  - d. Statement of Cash Flows
  - e. Notes to the Financial Statements
  - f. Assistance with implementation of GASB 49, Accounting and Financial Reporting for Pollution Remediation Obligations.
  - g. Completion of a disclosure checklist to be provided by the State Rail Authority
  
4. Complete preparation of the Comprehensive Annual Financial Report (CAFR) for the West Virginia Division of Highways for the fiscal year ended June 30, 2009. These consulting services shall include preparation of the following documents.
  - a. Review of comments from the Government Finance Officers Association (GFOA) for previous fiscal year CAFR.
  - b. Review and assist with Introductory Letter
  - c. Statistical Section
  - d. Preparation and layout of the CAFR
  - e. Completion of the GFOA CAFR checklist

## **Timely Fashion:**

HAYFLICH & STEINBERG is committed to performing our work efficiently, meeting the reporting and filing deadlines of the Agencies.

## **Firm Qualifications and Experience**

Founded in 1952, HAYFLICH & STEINBERG, CPA's, PLLC, is a full-service regional accounting firm located in Huntington, West Virginia. Our clients conduct business nationwide and internationally. They range in size from small business to multi-billion dollar enterprises and are located in West Virginia, Ohio, Kentucky, Maryland, Virginia, North Carolina, Tennessee, Pennsylvania, Indiana, Arizona, Texas, Florida, and Washington D.C.

We are organized departmentally making the highly specialized abilities of the firm's members available to all clientele. Considering the complexity of business today, a blend of several specialists is often required to handle an engagement properly. The professionals we commit to an engagement not only have the necessary training and experience, but also a results-oriented attitude. Accordingly, the members and staff of HAYFLICH & STEINBERG have the requisite experience levels as stated in the RFQ:

- At least 5 years of governmental financial statement experience.

## **Governmental Assurance, Compliance, and Consulting:**

Governmental engagements have been a substantial portion of our practice since the founding of the firm. We have a broad understanding of the auditing, consulting, and compliance requirements of the governmental industry. We keep current on generally accepted governmental accounting standards, and other federal and state legislative issues affecting the governmental industry. Due to our concentration in the governmental industry, we maintain a professional staff that specializes in governmental issues. Following is a list of the types of services we offer our governmental clients.

### **Audit, Accounting and Consulting**

- Audits, reviews, and compilations
- Audits under *Government Auditing Standards*
- Single audits (OMB Circular A-133)
- Financial and operational analysis
- Assistance in securing GFOA Certificates of Excellence
- Assistance in adopting new accounting pronouncements
- Long-term financing advice
- Budget assistance
- Litigation support

## Size of Firm

Our size is important to our clients for two reasons. The firm is small enough so that our partners can maintain an intimate knowledge of our client's businesses and needs; second, the firm is large enough to have specialists available in the various disciplines of the profession.

As the needs arise, we can draw on the expertise available from BDO Seidman, LLP and our Alliance members to assist with new or unusual issues. This strategic alliance increases the depth and breadth of services and expertise HAYFLICH & STEINBERG offers to our clients.

Our staffing is as follows:

Partners	5
Managers	5
Professional staff	13
Para-professional	2
Office support	<u>5</u>
<u>Total</u>	<u>30</u>

## Additional Technical Resources

HAYFLICH & STEINBERG, CPA's, PLLC is an independent member of the BDO Seidman Alliance of Accounting Firms. The BDO Seidman Alliance is a nationwide association of independently owned local and regional accounting, consulting, and service firms with similar client service goals. The Alliance provides an opportunity for HAYFLICH & STEINBERG to expand its client service offerings, by accessing the resources of BDO Seidman, LLP (one of the largest accounting firms in the U.S.) and other Alliance members. Our team of professionals offers the hands-on experience and technical skills required to serve the distinctive needs of the Agencies. Supplementing our exceptional staff with talent from BDO Seidman, LLP and/or the 200+ other independent CPA firm Alliance members, we have capabilities equal to any CPA firm.

We also regularly provide our clients with specific memoranda and other pertinent information to help inform clients of noteworthy issues. At our website, [www.hayflich.net](http://www.hayflich.net), there are many financial tools, as well as tax and audit information available to our clients.

## Peer Review

Our firm is a member of the Private Companies Practice Section of the Division of CPA firms. We are proud of the membership requirements, including the review requirement. Each three years we undergo a peer review under guidelines issued by the American Institute of Certified Public Accountants Review Team, which studies and evaluates our firm's policies and procedures for maintaining quality in accounting and auditing work. A copy of our latest peer review report is attached.

## **Maintaining Our Expertise**

All professional personnel are periodically evaluated for technical competence and are tested as to their potential leadership qualities and aptitude. Training is accomplished through outside professional development programs and internal training programs. The active participation of our partners in the planning, review, and problem solving phases of our work enhances on the job training. Recruiting and retention of topflight staff personnel is made easy by knowledge that our staff will be working on a direct inter-relationship basis with our partners.

It is the policy of our firm that all professional personnel (CPA's and those qualified to seek that status), comply with the continuing professional education requirements of the AICPA, their applicable state board of accountancy, and the U.S. General Accounting Office, and other regulatory agencies where applicable. Compliance is monitored by firm management.

## **Government Audit Quality Center**

HAYFLICH & STEINBERG is a member of the Governmental Audit Quality Center (GAQC) which the AICPA established in order to promote the importance of quality governmental audits and the value of such audits to purchasers of governmental audit services. The GAQC offers various resources including, periodic news alerts, updates, and webcasts to enhance the quality of a firm's governmental audits. The GAQC is a voluntary membership center designed to help CPAs meet the challenges of performing quality audits in the governmental arena.

## **Our Recent Governmental Financial Statement Experience**

- West Virginia Department of Transportation (Governmental audit client June 30, 2007 – June 30, 2008)
- West Virginia Division of Highways (Governmental audit client June 30, 2007 – June 30, 2008)
- West Virginia State Rail Authority (Governmental audit client June 30, 2007 – June 30, 2008)
- Glenville State College (Continuing governmental audit and consulting client June 30, 2004 – June 30, 2009)
- Marshall University (Continuing governmental audit client under contract to Deloitte & Touche June 30, 2004 – June 30, 2009)
- Marshall University Research Corporation (Continuing governmental audit client under contract to Deloitte & Touche June 30, 2004 – June 30, 2009)
- West Virginia State University (Continuing governmental audit client under contract to Deloitte & Touche June 30, 2004 – June 30, 2009)
- West Virginia State University Research & Development (Continuing governmental client under contract to Deloitte & Touche June 30, 2004 – June 30, 2009)
- Parkersburg Housing Authority (Continuing governmental audit and consulting client June 30, 2008 – June 30, 2009)



- Point Pleasant Housing Authority (Continuing governmental audit and consulting client December 31, 2007 – December 31, 2008)
- Pretera Center for Mental Health Services (Continuing governmental audit and consulting client June 30, 2004 – June 30, 2009)
- Valley Health Systems Inc. and Affiliates (Continuing governmental audit and consulting client June 30, 2004 – June 30, 2009)

## References

Mr. Fred W. Thomas  
Director Finance Division  
West Virginia Department of Transportation - Division of Highways  
BUILDING 5 Room A-220  
ADDRESS: STATE CAPITOL COMPLEX  
1900 Kanawha Boulevard, East  
Charleston, WV 25305-0430  
(304) 558-2841

Mr. Robert O. Hardman  
Vice President for Business and Finance  
Glennville State College  
200 High Street  
Glennville, WV 26351  
(304) 462-4107

Mr. Richard G. Weinberger, CPA, Chief Financial Officer  
Valley Health Systems, Inc.  
2585 Third Avenue  
Huntington, WV 25703  
(304) 525-3334

Ms. Sallie A. Lazaro, Director of Finance  
Pretera Center for Mental Health Services, Inc.  
3375 US Route 60, East  
Huntington, WV 25705  
(304) 399-1114

## **Your Client Service Team**

***Choosing the right professionals to serve you is a critical element of success. In selecting your service team, we carefully review our understanding of your needs, as well as your plans, and identify the people whose credentials are ideal for you.***

We strive to maintain continuity on all engagements so that we maximize our experience with your entity. Our goal is to dedicate the same partners and engagement team to serve you each year. The team members we select have a demonstrated track record with clients in your industry, strong technical backgrounds, and outstanding leadership and communication skills.

### **Significant Partner and Manager Involvement:**

Our partners and managers are a responsive sounding board to our clients. They will serve as advisors to your management team and will be dedicated to learn the necessary information regarding you and your business.

### **Your Service Leadership Team Will Include:**

- Robert C. (Rob) Fuller, CPA, Engagement Partner
- Dennis F. Ashworth, Jr., CPA, Engagement Quality Control Partner
- Richard A. (Rick) Eskins, CPA, CVA, FHFMA, CGFM, Engagement Technical Advisor
- Rick A. Galloway, CPA, CIA, Engagement Manager

**Service Leadership Team Resumes:**

The following resumes introduce your service team. Visit our web site at [www.hayflich.net](http://www.hayflich.net) for an expanded introduction to the capabilities of the other professionals at HAYFLICH & STEINBERG.

**Robert C. (Rob) Fuller, CPA**

**Partner**

Mr. Fuller has been associated with HAYFLICH & STEINBERG, since 1996. A 1990 graduate of Marshall University, he has been engaged in public accounting since 1996. He also performed postgraduate accounting work at the University of Kentucky and is licensed to practice accounting in West Virginia. Rob has extensive experience in the performance, management, and review of audited financial statements for wholesale, manufacturing, retail, governmental, not-for-profit, private foundations and college and university clients. He also has experience in audits of employee benefit plans and audits requiring compliance with OMB Circular No. A-133. Rob's experience also includes the performance of traditional accounting engagements, such as reviews and compilations, as well as the preparation and review of federal, state, and local income tax returns for business entities and individuals.

**Rob served as the engagement partner for the June 30, 2008 and 2007 West Virginia Department of Transportation and component unit audits.**

**Dennis F. Ashworth, Jr., CPA**

**Partner**

Mr. Ashworth joined HAYFLICH & STEINBERG in 1977 upon his graduation from Marshall University. His 30+ years of public accounting experience covers all facets of auditing, accounting, business consulting, business taxation, and information technology consulting. He has licenses to practice in West Virginia and Virginia. Dennis has extensive experience in performing, managing, and reviewing - audit, review, and compiled financial statements. He has prepared, supervised, or reviewed federal, state, and local corporate, partnership, pension and other income tax, property tax, and information returns. Dennis serves clients in wholesale, manufacturing, retail, healthcare, governmental, and other business organizations. He has a wide range of experience in selection and installation of computer systems. As a member of the AICPA Information Technology Section, he has a keen awareness of advances in information technology and the impact information technology has on the business environment of firm clients.

**Dennis served as the audit quality partner for the June 30, 2008 and 2007 West Virginia Department of Transportation and component unit audits.**

**Richard A. (Rick) Eskins, CPA, CVA, CGFM, FHFMA**  
**Manager**

Mr. Eskins is a *cum laude* graduate of Marshall University and has been associated with HAYFLICH & STEINBERG since 1978. Rick practices extensively in services to healthcare industry clientele. His clients have included large teaching hospitals, governmental-owned health facilities, rural and urban proprietary hospitals, proprietary hospital chains, hospital-based and freestanding long-term care facilities, hospital-based and freestanding home health agencies, durable medical equipment suppliers, rural health clinics, and federally qualified health centers. The firm's healthcare reimbursement-related engagements are also Rick's responsibility. These services include the preparation of cost reports and other compliance filings as well as consultation on technical matters such as appeals and other regulatory issues. Rick has participated extensively in the cost report audit engagements subcontracted to the firm by several Medicare fiscal intermediaries and state Medicaid agencies. He also has varied experience in auditing, cost accounting, tax issues, related-party matters, and financial projections and forecasts. As an active member of various professional organizations, Rick complies with the continuing professional education requirements of the AICPA, the WV Board of Accountancy, the Healthcare Financial Management Association, and Government Auditing Standards.

**Rick served in a technical advisory role for the June 30, 2008 and 2007 West Virginia Department of Transportation and component unit audits.**

**Rick A. Galloway, CPA, CIA**  
**Manager**

Mr. Galloway has been associated with HAYFLICH & STEINBERG since June, 2007. He is a 1985 graduate of Ohio University and is licensed to practice in West Virginia. He has over 22 years experience in public accounting and the banking/financial services and coal industries. Rick's experience includes the performance of traditional accounting and auditing engagements for governmental and nonprofit organizations and audits requiring compliance with OMB Circular No. A-133. His experience in the financial services industry includes internal audit, regulatory reporting, and close interaction with the board of directors, senior management, and regulatory bodies. By working in the private sector, this experience and knowledge complements and enhances the requirements of the public accounting sector.

**Rick served as the engagement manager for the June 30, 2008 and 2007 West Virginia Department of Transportation and component unit audits.**

## Our Fee Proposal

***We understand the nature of your Organization and the importance of trying to control costs. This would include minimizing the fees paid to outside professionals. Fees that appear to be a bargain often are so low that they do not allow for the professional time required to assist you in reaching your goals.***

### Fee Philosophy:

HAYFLICH & STEINBERG's philosophy on professional fees is to provide our clients with quality services that provide value equal to or in excess of the costs incurred. We develop our fees using detailed budgets containing realistic estimates of the time required to complete each area of the engagement. The fees quoted to you below are a product of the total budgeted hours and our standard billing rates, less discounts.

### Professional Fees:

Our fees are as detailed in the schedule below:

WEST VIRGINIA DEPARTMENT OF TRANSPORTATION  
Request for Quotation 58-9-0006  
Bid/Quote Sheet

<b>Item 1</b>	Hourly Rate	Lump Sum Quote
WV Division of Highways Financial Statement Preparation for Year ending June 30, 2009	<u>\$ 125</u>	<u>\$ 25,000</u>
<b>Item 2</b> WV Department of Transportation Financial Statement Preparation for Year ending June 30, 2009	<u>\$ 125</u>	<u>7,500</u>
<b>Item 3</b> WV State Rail Authority Financial Statement Preparation for Year ending June 30, 2009	<u>\$ 125</u>	<u>6,250</u>
<b>Item 4</b> WV Division of Highways Comprehensive Annual Financial Report (CAFR) Preparation for Year ending June 30, 2009	<u>\$ 125</u>	<u>5,000</u>
	Total	<u><u>\$ 43,750</u></u>

***Thank you for the opportunity to provide professional services for the West Virginia Department of Transportation and its related entities.***

We will dedicate a staff of professionals to your engagement that will allow us to both meet and exceed your expectations related to the quality and timely delivery of your requested reports. Our proposal illustrates our qualifications, highlights our desire to work with the Agencies, and allows for the professional time required to assist the Agencies in achieving its goals.

Should you have any questions or need additional information, please contact Robert C. (Rob) Fuller or Rick A. Galloway, CPA, CIA, (304) 697-5700. We would be happy to meet with you should you desire.

Very truly yours,



HAYFLICH & STEINBERG, CPA'S, PLLC

**July 10, 2009**



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

# Request for Quotation

RFQ NUMBER  
**5890006**

PAGE  
**1**

ADDRESS CORRESPONDENCE TO ATTENTION OF  
**MICHAEL AUSTIN  
 304-558-2402**

**VENDOR**  
 \*B20125655      304-697-5700  
 HAYFLICH STEINBERG CPAS SC  
 8 STONECREST DRIVE  
 HUNTINGTON WV 25701

**SHIP TO**  
 DIVISION OF HIGHWAYS  
 PROCUREMENT DIVISION  
 BUILDING 5, ROOM 263  
 1900 KANAWHA BOULEVARD, EAST  
 CHARLESTON, WV  
 25305-0430      558-0408

DATE PRINTED <b>06/30/2009</b>	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
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ID OPENING DATE: **07/15/2009**      BID OPENING TIME **01:30PM**

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
001	1	LS		946-36	\$125/hr	\$43,750
FINANCIAL STATEMENT PREPARATION  TO COMPLETE THE PREPARATION OF GOVERNMENT WIDE AND FUND FINANCIAL STATEMENTS FOR THE WEST VIRGINIA DIVISION OF HIGHWAYS FOR THE FISCAL YEAR ENDED JUNE 30, 2009. PER THE ATTACHED SPECIFICATIONS.  EXHIBIT 10  REQUISITION NO.: .....  ADDENDUM ACKNOWLEDGEMENT  I HEREBY ACKNOWLEDGE RECEIPT OF THE FOLLOWING CHECKED ADDENDUM(S) AND HAVE MADE THE NECESSARY REVISIONS TO MY PROPOSAL, PLANS AND/OR SPECIFICATION, ETC.  ADDENDUM NO.'S: NO. 1 ..... NO. 2 ..... NO. 3 ..... NO. 4 ..... NO. 5 .....  I UNDERSTAND THAT FAILURE TO CONFIRM THE RECEIPT OF THE ADDENDUM(S) MAY BE CAUSE FOR REJECTION OF BIDS.						

RECEIVED  
 2009 JUL 13 PM 2:43  
 WV PURCHASING  
 DIVISION

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE <i>Haylich &amp; Steinberg CPAs, PLLC by Michael Austin</i>	TELEPHONE 304-697-5700	DATE 7/15/2009
TITLE MEMBER	FEIN 37-1496963	ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'



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

# Request for Quotation

RFQ NUMBER
5890006

PAGE
3

ADDRESS CORRESPONDENCE TO ATTENTION OF:
MICHAEL AUSTIN
304-558-2402

RODNEY

\*B20125655      304-697-5700  
 HAYFLICH STEINBERG CPAS SC  
 8 STONECREST DRIVE  
  
 HUNTINGTON WV 25701

SHIP TO

DIVISION OF HIGHWAYS  
 PROCUREMENT DIVISION  
 BUILDING 5, ROOM 263  
 1900 KANAWHA BOULEVARD, EAST  
 CHARLESTON, WV  
 25305-0430      558-0408

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
06/30/2009				

BID OPENING DATE: **07/15/2009**      BID OPENING TIME: **01:30PM**

LINE	QUANTITY	UOP	CAT NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
<p>THE ENVELOPE OR THE BID MAY NOT BE CONSIDERED:            SEALED BID</p> <p>BUYER: -----            RFQ. NO.: -----            BID OPENING DATE: -----            BID OPENING TIME: -----</p> <p>PLEASE PROVIDE A FAX NUMBER IN CASE IT IS NECESSARY            TO CONTACT YOU REGARDING YOUR BID:  <u>304-697-5704</u></p> <p>CONTACT PERSON (PLEASE PRINT CLEARLY):  <u>ROB FULLER, CPA</u></p> <p>***** THIS IS THE END OF RFQ      5890006 ***** TOTAL:      <u>\$43,750</u></p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE <i>Haylich Steinberg, CPA's, PLLC by Rob Fuller</i>	TELEPHONE 304-697-5700	DATE 7-15-2009
TITLE MEMBER	FEIN 37-1496963	ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'



**West Virginia Department of Transportation**  
**Financial Statement preparation for year ending June 30, 2009**

1. Complete preparation of government-wide and fund financial statements for the West Virginia Division of Highways for the fiscal year ended June 30, 2009. These consulting services shall include preparation of the following documents.

- a. Review and assist with Managements Discussion and Analysis
- b. Statement of Net Assets
- c. Statement of Activities
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- e. Reconciliation of the Balance Sheet - Governmental Fund to the Statement of Net Assets
- f. Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Fund
- g. Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Fund to the Statement of Activities
- h. Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual (Budgetary Basis) - State Road Fund
- i. Notes to the Financial Statements
- j. Assistance with implementation of GASB 49, Accounting and Financial Reporting for Pollution Remediation Obligations.
- k. Completion of a disclosure checklist to be provided by the Division of Highways

2.

Complete preparation of government-wide and fund financial statements for the West Virginia Department of Transportation for the fiscal year ended June 30, 2009. The Department of Transportation includes, the West Virginia Division of Highways, the West Virginia State Rail Authority, the West Virginia Parkways, Economic Development and Tourism Authority, the West Virginia Division of Motor Vehicles, the West Virginia Division of Public Transit, the West Virginia Aeronautics Commission, and the West Virginia Public Port Authority. These Consulting Services shall include preparation of the following documents.

- a. Review and assist with Managements Discussion and Analysis
- b. Statement of Net Assets
- c. Statement of Activities
- d. Balance Sheet - Governmental Funds
- e. Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Assets
- f. Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds
- g. Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds to the Statement of Activities
- h. Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual (Budgetary Basis) - State Road Fund

- i. Combining Balance Sheet - Nonmajor Governmental Funds
  - j. Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds
  - k. Schedule of Expenditures of Federal Awards
  - l. Notes to the Financial Statements
  - m. Completion of a disclosure checklist to be provided by the Department of Transportation
3. Complete preparation of financial statements for the West Virginia State Rail Authority for the fiscal year ended June 30, 2009. These consulting services shall include preparation of the following documents.
- a. Review and assist with Managements Discussion and Analysis
  - b. Statement of Net Assets
  - c. Statement of Revenues, Expenses, and Changes in Fund Net Assets
  - d. Statement of Cash Flows
  - e. Notes to the Financial Statements
  - f. Assistance with implementation of GASB 49, Accounting and Financial Reporting for Pollution Remediation Obligations.
  - g. Completion of a disclosure checklist to be provided by the State Rail Authority
4. Complete preparation of the Comprehensive Annual Financial Report (CAFR) for the West Virginia Division of Highways for the fiscal year ended June 30, 2009. These consulting services shall include preparation of the following documents.
- a. Review of comments from the Government Finance Officers Association (GFOA) for previous fiscal year CAFR.
  - b. Review and assist with Introductory Letter
  - c. Statistical Section
  - d. Preparation and layout of the CAFR
  - e. Completion of the GFOA CAFR checklist

**ADDITIONAL INFORMATION:**

Gibbons & Kawash will be performing the audit.

Trial balances will be provided.

Financial statements will be prepared in accordance with Governmental Accounting Standards Board (GASB). The engagement should be conducted in accordance with the appropriate SSARS guidance. The final product should include both the GAAP basis financial statements along with a working paper copy of all support which ties to the financial and note disclosures. All of these financial statements for the year ended June 30, 2008 can be found at [www.wvdot.com](http://www.wvdot.com).

Draft financial statements for Division of Highways and the State Rail Authority should be submitted by September 1, 2009. Division of Highways and State Rail financial statements must be completed to be included in the Department of Transportation financial statements. Draft financial statements for Department of Transportation should be submitted by September 7, 2009. Draft financial statements are due to the West Virginia Department of Administration Financial Reporting Section on September 15, 2009 and final financial statements are due on October 15, 2009.

The Division of Highways CAFR must be submitted to the Government Finance Officers Association (GFOA) on or before December 31, 2009.

Documentation must be provided supporting five years of governmental financial statement experience

A partial payment equal to 50 percent of the lump sum amounts is acceptable, providing both the vendor and the agency mutually agree that 50 percent or more of the work is completed. The vendor must request partial payment and submit an official invoice.

The award shall be made to the vendor quoting the least total lump sum cost for Item 1 through Item 4.

The agency reserves the right to award in whole or in part Item 1 through Item 4.

Submit questions to [Fred W. Thomas@wv.gov](mailto:Fred.W.Thomas@wv.gov)

WEST VIRGINIA DEPARTMENT OF TRANSPORTATION  
Request for Quotation 58-9-0006  
Bid/Quote Sheet

	Hourly Rate	Lump Sum Quote
<b>Item 1</b> WV Division of Highways Financial Statement Preparation for Year ending June 30, 2009	\$ 125	\$ 25,000
<b>Item 2</b> WV Department of Transportation Financial Statement Preparation for Year ending June 30, 2009	125	\$ 7,500
<b>Item 3</b> WV State Rail Authority Financial Statement Preparation for Year ending June 30, 2009	125	\$ 6,250
<b>Item 4</b> WV Division of Highways Comprehensive Annual Financial Report (CAFR) Preparation for Year ending June 30, 2009	125	\$ 5,000
	<b>TOTAL</b>	<b>\$ 43,750</b>

VENDOR PREFERENCE CERTIFICATE

Certification and application\* is hereby made for Preference in accordance with West Virginia Code §5A-3-37 (Does not apply to construction contracts) West Virginia Code, §5A-3-37, provides an opportunity for qualifying vendors to request (at the time of bid) preference for their residency status. Such preference is an evaluation method only and will be applied only to the cost bid in accordance with the West Virginia Code This certificate for application is to be used to request such preference The Purchasing Division will make the determination of the Resident Vendor Preference, if applicable.

- 1. Application is made for 2.5% resident vendor preference for the reason checked: Bidder is an individual resident vendor and has resided continuously in West Virginia for four (4) years immediately preceding the date of this certification; or, Bidder is a partnership, association or corporation resident vendor and has maintained its headquarters or principal place of business continuously in West Virginia for four (4) years immediately preceding the date of this certification; or 80% of the ownership interest of Bidder is held by another individual, partnership, association or corporation resident vendor who has maintained its headquarters or principal place of business continuously in West Virginia for four (4) years immediately preceding the date of this certification; or, Bidder is a nonresident vendor which has an affiliate or subsidiary which employs a minimum of one hundred state residents and which has maintained its headquarters or principal place of business within West Virginia continuously for the four (4) years immediately preceding the date of this certification; or,
2. Application is made for 2.5% resident vendor preference for the reason checked: Bidder is a resident vendor who certifies that, during the life of the contract, on average at least 75% of the employees working on the project being bid are residents of West Virginia who have resided in the state continuously for the two years immediately preceding submission of this bid; or,
3. Application is made for 2.5% resident vendor preference for the reason checked: Bidder is a nonresident vendor employing a minimum of one hundred state residents or is a nonresident vendor with an affiliate or subsidiary which maintains its headquarters or principal place of business within West Virginia employing a minimum of one hundred state residents who certifies that, during the life of the contract, on average at least 75% of the employees or Bidder's affiliate's or subsidiary's employees are residents of West Virginia who have resided in the state continuously for the two years immediately preceding submission of this bid; or,
4. Application is made for 5% resident vendor preference for the reason checked: Bidder meets either the requirement of both subdivisions (1) and (2) or subdivision (1) and (3) as stated above; or,
5. Application is made for 3.5% resident vendor preference who is a veteran for the reason checked: Bidder is an individual resident vendor who is a veteran of the United States armed forces, the reserves or the National Guard and has resided in West Virginia continuously for the four years immediately preceding the date on which the bid is submitted; or,
6. Application is made for 3.5% resident vendor preference who is a veteran for the reason checked: Bidder is a resident vendor who is a veteran of the United States armed forces, the reserves or the National Guard, if, for purposes of producing or distributing the commodities or completing the project which is the subject of the vendor's bid and continuously over the entire term of the project, on average at least seventy-five percent of the vendor's employees are residents of West Virginia who have resided in the state continuously for the two immediately preceding years.

Bidder understands if the Secretary of Revenue determines that a Bidder receiving preference has failed to continue to meet the requirements for such preference, the Secretary may order the Director of Purchasing to: (a) reject the bid; or (b) assess a penalty against such Bidder in an amount not to exceed 5% of the bid amount and that such penalty will be paid to the contracting agency or deducted from any unpaid balance on the contract or purchase order.

By submission of this certificate, Bidder agrees to disclose any reasonably requested information to the Purchasing Division and authorizes the Department of Revenue to disclose to the Director of Purchasing appropriate information verifying that Bidder has paid the required business taxes, provided that such information does not contain the amounts of taxes paid nor any other information deemed by the Tax Commissioner to be confidential.

Under penalty of law for false swearing (West Virginia Code, §61-5-3), Bidder hereby certifies that this certificate is true and accurate in all respects; and that if a contract is issued to Bidder and if anything contained within this certificate changes during the term of the contract, Bidder will notify the Purchasing Division in writing immediately.

Bidder: [Signature] Signed: [Signature]
Date: 7-15-2009 Title: MEMBER

\*Check any combination of preference consideration(s) indicated above, which you are entitled to receive.

STATE OF WEST VIRGINIA  
Purchasing Division

## PURCHASING AFFIDAVIT

### VENDOR OWING A DEBT TO THE STATE:

*West Virginia Code* §5A-3-10a provides that: No contract or renewal of any contract may be awarded by the state or any of its political subdivisions to any vendor or prospective vendor when the vendor or prospective vendor or a related party to the vendor or prospective vendor is a debtor and the debt owed is an amount greater than one thousand dollars in the aggregate

### PUBLIC IMPROVEMENT CONTRACTS & DRUG-FREE WORKPLACE ACT:

If this is a solicitation for a public improvement construction contract, the vendor, by its signature below, affirms that it has a written plan for a drug-free workplace policy in compliance with Article 1D, Chapter 21 of the *West Virginia Code*. The vendor **must** make said affirmation with its bid submission. Further, public improvement construction contract may not be awarded to a vendor who does not have a written plan for a drug-free workplace policy in compliance with Article 1D, Chapter 21 of the *West Virginia Code* and who has not submitted that plan to the appropriate contracting authority in timely fashion. For a vendor who is a subcontractor, compliance with Section 5, Article 1D, Chapter 21 of the *West Virginia Code* may take place before their work on the public improvement is begun

### ANTITRUST:

In submitting a bid to any agency for the state of West Virginia, the bidder offers and agrees that if the bid is accepted the bidder will convey, sell, assign or transfer to the state of West Virginia all rights, title and interest in and to all causes of action it may now or hereafter acquire under the antitrust laws of the United States and the state of West Virginia for price fixing and/or unreasonable restraints of trade relating to the particular commodities or services purchased or acquired by the state of West Virginia. Such assignment shall be made and become effective at the time the purchasing agency tenders the initial payment to the bidder.

I certify that this bid is made without prior understanding, agreement, or connection with any corporation, firm, limited liability company, partnership or person or entity submitting a bid for the same materials, supplies, equipment or services and is in all respects fair and without collusion or fraud. I further certify that I am authorized to sign the certification on behalf of the bidder or this bid.

### LICENSING:

Vendors must be licensed and in good standing in accordance with any and all state and local laws and requirements by any state or local agency of West Virginia, including, but not limited to, the West Virginia Secretary of State's Office, the West Virginia Tax Department, West Virginia Insurance Commission, or any other state agencies or political subdivision. Furthermore, the vendor must provide all necessary releases to obtain information to enable the Director or spending unit to verify that the vendor is licensed and in good standing with the above entities.

### CONFIDENTIALITY:

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

Under penalty of law for false swearing (*West Virginia Code* §61-5-3), it is hereby certified that the vendor affirms and acknowledges the information in this affidavit and is in compliance with the requirements as stated.

Vendor's Name: HAYFLICH & STEINBERG, COA's, PLLC

Authorized Signature: [Signature]

Date: 7-15-2009