

ORIGINAL

Proposal to Provide Auditing Services

State of West Virginia
Lottery Commission

June 30, 2010

Buyer: Shelly Murray
RFQ Number: Lot 455
Bid Opening Date: February 9, 2010
Bid Opening Time: 1:30 pm
Firm Name: Gibbons & Kawash, CPAs
Address: 300 Chase Tower
707 Virginia St., East
Charleston, WV 25301
Telephone: 304-345-8400
Fax: 304-345-8451
Contacts: Robert R. Denyer
John D. Galloway
Timothy J. Gibbons

By: *Robert R. Denyer*
Date: *February 9, 2010*

RECEIVED

2010 FEB -9 AM 11:51

**Gibbons
& Kawash**
Certified Public Accountants

WV PURCHASING
DIVISION

February 9, 2010

West Virginia Lottery Commission
312 MacCorkle Avenue, S.E.
Charleston, WV 25314-1143

We are pleased to present our credentials to provide professional auditing services to the West Virginia Lottery Commission (the Lottery). Gibbons & Kawash is a leader in providing services to state government entities and the gaming industry in West Virginia. As a client of our firm, you can be sure of our total commitment to provide timely, responsive and quality service.

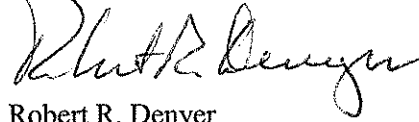
We will perform an audit of the Lottery's financial statements as of and for the year ended June 30, 2010, with the option of two additional one year renewals. Our audit will be performed in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. As described in Appendix B, we have committed an engagement team with extensive experience serving governmental entities and the gaming industry in West Virginia.

Providing audit services to state government entities is an important part of our practice and one in which we have extensive expertise. We have experience auditing 18 State of West Virginia component units and during the past three years we performed 41 audits of 15 State of West Virginia component units. These component units individually range in size up to \$3 billion in assets and \$1.6 billion in revenue. Should we be appointed to serve as auditors, the Lottery will receive high quality professional services from auditors that will plan, conduct, and report on the audit with competence, integrity, objectivity, and that are independent of the Lottery in all respects.

Gibbons & Kawash (G&K) is one of only four auditing firms in West Virginia to have provided technical assistance and consulting services to State of West Virginia entities for the successful submission of a Comprehensive Annual Financial Report to receive the Certificate of Achievement for Excellence in Financial Reporting. We have assisted six component units with 38 successful submissions for the Certificate. Our experience with similar entities is further described on page 12 of this proposal.

We have structured this proposal to communicate Gibbons & Kawash's experience and qualifications to effectively and efficiently respond to the requirements and expectations of the Lottery, and have made every effort to completely respond to all matters identified in your request for proposal. We would be pleased to meet with you and formally present our proposal upon your request. If you have any questions, please do not hesitate to contact me at 345-8400.

Very truly yours,

A handwritten signature in black ink, appearing to read "Robert R. Denyer". The signature is written in a cursive style with a large initial "R".

Robert R. Denyer
Partner

TABLE OF CONTENTS

		<u>Page Number</u>
Section I	A-133 Audits	1
Section II	Lottery/Gaming Industry Experience	8
Section III	CAFR	12
Section IV	Staffing	14
Section V	Cost (See separate envelope)	16
Appendix A	Vendor Preference Certificate and Purchasing Affidavit	
Appendix B	Engagement Team Qualifications and Experience	
Appendix C	Scope of Work and Terms and Conditions	
Appendix D	External Peer Review	
Appendix E	CPAmerica International	
Appendix F	Acknowledgement of Receipt of Addendum	
Appendix G	Firm and Individual Credentials	

SECTION I

A-133 AUDITS (AND GOVERNMENT AUDITS)

SECTION I - A-133 AUDITS (AND GOVERNMENT AUDITS)

GIBBONS & KAWASH'S PRACTICE

Gibbons & Kawash is a regional accounting corporation based in Charleston, West Virginia, with a staff of over 35 professionals who provide accounting, assurance, business advisory, and tax services to a broad spectrum of clients throughout West Virginia and surrounding states. We direct significant resources to serving the needs of governmental entities, and recognize this focus as a major factor in our past success and a key element in our strategy for continued growth. Within the public sector practice group, we have developed several highly specialized service niches, including audits of state government agencies and nonprofit organizations. Gibbons & Kawash's foremost goal is to provide **superior quality service**. Everything else is secondary to that goal. The primary focus of our service approach is to exceed client expectations. This approach has helped Gibbons & Kawash build its extensive governmental practice.

Gibbons & Kawash is a member of the three AICPA audit quality centers, including the Governmental Audit Quality Center. We are a registered firm with the Public Company Accounting Oversight Board (PCAOB) and issue reports in accordance with PCAOB standards, as well as U.S. generally accepted auditing standards.



We have experience auditing 18 State of West Virginia component units. Our experience during the past three years includes 41 audits of 15 State of West Virginia component units. These component units range in size up to \$3 billion in assets and \$1.6 billion in revenue. In addition, we performed audits of the State of West Virginia Workers' Compensation Fund in conjunction with KPMG for the fiscal years ended June 30, 1997, 1998, and 1999.

GOVERNMENTAL SERVICES PRACTICE

Within the public sector practice group, we have developed several highly specialized service niches, including audits of state government agencies and OMB Circular A-133 audits of governments and nonprofit organizations.

This practice includes four partners, a senior manager, a manager, and five senior auditors who have extensive experience serving government clients. The core engagement team for the audit of the Lottery has been selected from this pool of highly qualified professionals. The team's public sector experience includes counties cities, authorities, and State of West Virginia agencies and component units. The team has assisted clients in earning and maintaining GFOA certificates in addition to conducting financial and compliance audits and audits conducted under the Single Audit Act Amendments of 1996 and OMB Circular A-133. The specific engagement team, including relevant experience, to be employed during the audit of the Lottery is discussed on page 5 and Appendix B.

SECTION I - A-133 AUDITS (AND GOVERNMENT AUDITS)

PRIOR ENGAGEMENTS WITH THE STATE OF WEST VIRGINIA

Engagements performed in the last five years with the State of West Virginia are as follows:

	<u>Scope of Work</u>	<u>Years Served</u>	<u>Engagement Partner</u>
West Virginia Lottery	GAS	10 (2000-2009)	Robert R. Denyer
West Virginia Parkways, Economic Development and Tourism Authority	GAS	9 (2001-present)	John D. Galloway
West Virginia Housing Development Fund	GAS/ OMB - A133	5 (2005 - present)	John D. Galloway
West Virginia Consolidated Public Retirement Board	GAS	6 (2004-present)	John D. Galloway
West Virginia Regional Jail and Correctional Facility Authority	GAS	more than 10 (through 2008)	John D. Galloway
West Virginia Board of Treasury Investments	GAS	4 (2006-present)	Robert R. Denyer
West Virginia Infrastructure and Jobs Development Council	GAS	10 (1996-1998, 2001-present)	Robert R. Denyer
West Virginia Water Development Authority	GAS	7 (2003-present)	Robert R. Denyer
West Virginia Drinking Water Treatment Revolving Loan Fund	GAS/ OMB - A133	more than 10 (1999-present)	Robert R. Denyer
West Virginia Division of Highways	GAS	15 (1987-2000, 2009)	Robert R. Denyer (14) John D. Galloway (1)
West Virginia Department of Transportation	GAS/ OMB- A133	9 (1993-2000, 2009)	Robert R. Denyer (8) John D. Galloway (1)
West Virginia Water Pollution Control Fund	GAS/ OMB - A133	6 (2001-2006)	Robert R. Denyer
West Virginia Racing Commission	GAS	9 (2001-2009)	John D. Galloway
West Virginia Jobs Investment Trust	GAS	more than 10 (through present)	John D. Galloway

SECTION I - A-133 AUDITS (AND GOVERNMENT AUDITS)

	<u>Scope of Work</u>	<u>Years Served</u>	<u>Engagement Partner</u>
West Virginia Solid Waste Management Board	GAS	more than 10 (through present)	Robert R. Denyer
School Building Authority of West Virginia	GAS	more than 10 (through present)	John D. Galloway
West Virginia Economic Development Authority	GAS	12 (1990-2005)	Robert R. Denyer
West Virginia State Rail Authority	GAS	9 (1993-2000, 2009)	Robert R. Denyer (8) John D. Galloway (1)
Tobacco Settlement Finance Authority of West Virginia	GAS	2 (2008-2009)	John D. Galloway

GAS – Government Auditing Standards

The audit reports of the above entities have all been submitted to the State of West Virginia’s Financial Accounting and Reporting Section (FARS) and can be confirmed by contacting FARS at (304) 558-4083.

Gibbons & Kawash also has extensive experience auditing the schedules and information required by FARS for the above entities. We have communicated and worked with FARS personnel to develop and resolve numerous financial reporting issues.

SIMILAR ENGAGEMENTS WITH OTHER GOVERNMENTAL ENTITIES

Similar engagements with other governmental entities performed in the last five years are as follows:

	<u>Scope of Work</u>	<u>Years Served</u>	<u>Engagement Partner</u>
Kanawha County Commission	A-133	9 (2001-2008)	Robert R. Denyer John D. Galloway
Kanawha Valley Regional Transportation Authority	A-133	over 10 years (through present)	John D. Galloway
Central West Virginia Regional Airport Authority	GAS/ A-133	5 (2004-present)	John D. Galloway

SECTION I - A-133 AUDITS (AND GOVERNMENT AUDITS)

ENGAGEMENT TEAM

The ultimate quality of our professional services to the Lottery depends on our ability to provide an experienced and capable client service team. We have selected a group of individuals experienced in serving governmental entities.

Your client service team will include:

Engagement Partner

Robert R. Denyer, CPA, is an audit partner in Gibbons & Kawash's audit practice with 30 years of specialized audit experience with State of West Virginia government agencies and entities and OMB Circular A-133 audits. Bob will serve as the engagement partner responsible for the audit. In this role Bob will assume primary responsibility for the successful completion of the audit and will maintain contact with senior management of the Lottery throughout the engagement to ensure that services and resources are provided to the Lottery in a timely, professional manner. Bob will also provide technical expertise to the audit team on accounting, auditing and financial reporting matters and perform certain on-site review and supervision procedures. Bob currently serves as the audit partner on six State of West Virginia component unit audits, including the Lottery, ranging in size up to \$2.8 billion in assets and \$1.6 billion in revenues. His extensive experience with 18 State of West Virginia entities, including 10 years auditing the Lottery's financial statements, will be of substantial benefit on this engagement. His experience also includes assisting five entities with 24 successful submissions under the GFOA's Certificate of Achievement program.

Engagement Quality Control Review Partner

John D. Galloway, CPA, a partner with Gibbons & Kawash with 15 years experience in serving governmental clients, will serve as engagement quality control review partner. The role of the engagement quality control review partner is an essential element of Gibbons & Kawash's quality control program over the delivery of services to a client. John will be available to consult with the audit team on accounting, auditing and reporting matters and provide technical expertise. John will be charged with the final review of the financial statements to evaluate the following criteria: clarity of presentation; adequacy of disclosures required by generally accepted accounting principles; and appropriateness of the auditors' report. John also has substantial experience with the GFOA's Certificate of Achievement for Excellence in Financial Reporting program, having assisted two entities with over 16 successful submissions for the certificate. He has extensive experience with 15 State of West Virginia entities, including 5 years serving as quality review partner for the Lottery's financial statement audit. Will be of substantial benefit on this engagement.

Audit Senior Manager

Robert E. Adams, CPA, is an audit senior manager with 13 years of experience. He currently manages audits of seven State of West Virginia component units, ranging in size up to \$2.8 billion in assets and \$1.6 billion in revenues. The State of West Virginia component units audited by Rob collectively include a myriad of investments, revenue bonds and general obligation bonds, loans receivable, and revenue bonds receivable. His experience also includes assisting two entities with 14 successful submissions under the GFOA's Certificate of Achievement program. He has served on the audit team of the Lottery for 10 years.

SECTION I - A-133 AUDITS (AND GOVERNMENT AUDITS)

In addition to the key engagement team members above, the following senior auditor will serve on the engagement team:

Senior Auditor

Anthony Carpenter, is a senior auditor with three years of experience. His experience includes in-charge responsibility on several large component unit audits of the State of West Virginia.

EXTERNAL QUALITY CONTROL REVIEW

Gibbons & Kawash is a member of the Center for Public Company Audit Firms (the Center) and the Governmental Audit Quality Center (the Center) of the American Institute of Certified Public Accountants. The Centers have established a self-regulatory process which includes requirements for periodic peer reviews of member firms.

These reviews, which are performed by knowledgeable independent CPAs from other firms, periodically evaluate and test systems of quality control of member firms. Our system of quality control provides assurance that we maintain, on a continuing basis, the highest professional standards to which we are committed. Our most recent external quality control review, which was completed in May 2009, was performed by Rea & Associates, Inc. and is included as Exhibit D. Their opinion was unqualified and **no letter of comment** was issued. This quality control review included governmental audit engagements.

There have been no field reviews of any Gibbons & Kawash audits by federal or state agencies during the past three years. All audits for which desk reviews have been completed have been accepted.

MEMBERSHIP IN ASSOCIATION OF ACCOUNTING FIRMS



Gibbons & Kawash is a member of CPAmerica International, an exclusive, worldwide association of independent, leading accounting firms founded to pursue and ensure excellence and quality in accounting, financial, and business consulting services. Membership requirements dictate that a firm must meet association standards of excellence in service, management competence, and all other aspects of practice. Members must commit to significant continuing investment on behalf of clients to provide the highest quality professional service.

This membership affords us access to outstanding audit, tax, and consulting professionals and their specialty niche expertise in over 50 major U.S. cities. CPAmerica firms serve over 800 governmental clients throughout the United States. CPAmerica International's international alliance partner is Crowe Horwath International with over 90 firm members and 300 international affiliate offices located in countries around the world. (See Appendix E)

CONTINUING PROFESSIONAL EDUCATION

One of the best measures of a firm's commitment to its audit practice is the depth of specialized training provided to its professionals. Gibbons & Kawash has developed a comprehensive professional development program to help our professionals enhance their proficiency in serving the unique needs of governmental entities. Our program includes intensive internal training, using course materials developed by the AICPA and our own experienced managers, as well as attendance at national conferences

SECTION I - A-133 AUDITS (AND GOVERNMENT AUDITS)

addressing specialized industry topics. All of our auditors must complete 40 hours of continuing education each year, with no less than 24 hours every two years in topics specifically related to governmental accounting and auditing. Some recent courses attended by our professionals include the following:

- Audit Risk SAS 103-114 Implementation
- GASB Statement No. 40: Disclosing Investment Risk
- Solving Complex Single Audit Issues for Governmental and Nonprofit Organizations
- Accounting and Auditing Workshop
- GASB 34 and Other Governmental Accounting and Auditing Issues
- Preparing a Comprehensive Annual Financial Report
- Tax Issues of Exempt Organizations
- Governmental and Nonprofit Accounting
- Auditing Local Governments Efficiently and Effectively

SECTION II

LOTTERY/GAMING INDUSTRY EXPERIENCE

SECTION II - LOTTERY/GAMING INDUSTRY EXPERIENCE

Gibbons & Kawash is a leader among auditing firms in West Virginia that provide services to the Lottery and the gaming industry in general. In addition to our experience providing financial auditing and drawing audit services to the Lottery, Gibbons & Kawash performed financial statement auditing services for a licensed racetrack in West Virginia. Our experience with licensed racetracks in West Virginia also includes performing evaluations of electronic data processing procedures and controls over pari-mutuel wagering at two racetracks and at a remote data center.

LOTTERY EXPERIENCE

Gibbons & Kawash has audited the financial statements of the Lottery Commission for 10 years and has an in-depth knowledge of the operations of the Lottery. Our personnel are familiar with the requirements of the State Lottery Act, the Racetrack Video Lottery Act, Limited Video Lottery Act, Table Games Act, and Limited Gaming Facility Act, as well as the many other laws and regulations applicable to Lottery operations. Our staff has detailed knowledge regarding all of the computer systems currently in use by the Lottery to operate its traditional games, limited video lottery, and racetrack video lottery, as well as the related controls that impact complete and accurate financial reporting. Since the implementation of table games, Gibbons and Kawash personnel have been on-site at two racetracks to observe table games operations and procedures.

In connection with its traditional games, the Lottery conducts live televised drawings. Our personnel include 16 individuals with over 30 years of combined experience observing the drawings.

GAMING INDUSTRY EXPERIENCE

Our gaming industry experience includes over 15 years of providing financial statement auditing services to a licensed racetrack (Tri-State) in West Virginia. The scope of our work included Racetrack Video Lottery operations at the track, which operated "coin drop" machines and "TITO" (ticket in ticket out) machines, as well as pari-mutuel wagering operations. Our experience with pari-mutuel wagering operations included live racing as well as simulcast races in which video feeds of races at other tracks were imported for wagering by patrons of the West Virginia track, as well as video feeds exported from the local track for wagering at tracks across the U.S. The audit reports for the racetrack were filed with the West Virginia Lottery as licensor of the racetrack.

We performed separate engagements for two licensed racetracks in West Virginia (Tri-State and Mountaineer) relating to evaluations of procedures and controls over their pari-mutuel wagering or totalisator (tote) systems. These services included procedures at the local tracks and at the off-site data center responsible for processing data from over 60 tracks in the eastern U.S. utilizing inter-tote protocol. These services were provided to one track (Mountaineer) for two years and another track (Tri-State) for over 10 years. These reports were filed with the West Virginia Racing Commission and can be confirmed by contacting them.

EXPERIENCE OF GIBBONS & KAWASH PERSONNEL

Gibbons & Kawash has a significant number of personnel with Lottery/Gaming industry experience. We have three partners with a combined 20 years experience providing financial auditing services to the Lottery. Those individuals are supported by a senior manager with 10 years of Lottery financial auditing experience, a manager with 1 year of lottery financial auditing experience, and three seniors with a combined five years of Lottery financial auditing experience.

SECTION II - LOTTERY/GAMING INDUSTRY EXPERIENCE

Our firm has two partners with a combined 22 years of experience providing auditing services to a licensed West Virginia racetrack and a senior with two years of experience auditing the licensed racetrack. A partner in our firm has 10 years of experience performing evaluations of procedures and controls over pari-mutuel wagering (tote) systems at two licensed racetracks in West Virginia and a remote data center.

Finally, over 16 people at all levels at Gibbons & Kawash have performed drawing audit services for the Lottery and the Multi-State Lottery.

Our membership in CPAmerica International provides us access to firms with extensive experience performing SAS 70 engagements and IT consulting expertise. Frazier & Deeter, LLC, a CPAmerica firm located in Alpharetta Georgia has been selected to assist us with evaluating the AEGIS system procedures and controls. The individual assisting us has experience in the lottery and gaming industries, having served lotteries as well as gaming vendors and software providers.

From this pool of experienced professionals, we have selected the team to provide financial auditing services to the Lottery. These individuals and their relevant lottery/gaming industry experience are as follows:

ENGAGEMENT PARTNER – Robert R. Denyer, CPA

- 10 years experience performing financial audits of the West Virginia Lottery, including evaluation of IT procedures and controls
- 15 years experience auditing a licensed racetrack in West Virginia (Tri-State)
- 10 years of experience performing evaluations of procedures and controls over pari-mutuel wagering systems (Tri-State – 10 years, Mountaineer – 2 years)
- 6 years performing drawing audit services for the Lottery and the Multi-State Lottery

ENGAGEMENT QUALITY CONTROL REVIEW PARTNER – John D. Galloway, CPA

- 5 years experience performing quality control reviews of the financial audits of the West Virginia Lottery
- 6 years performing drawing audit services for the Lottery and Multi-State Lottery

SENIOR MANAGER – Robert E. Adams, CPA

- 10 years experience performing financial audits of the West Virginia Lottery
- 6 years performing drawing audit services for the Lottery and the Multi-State Lottery

IT SPECIALIST – Jonathan Link

- 2 years experience evaluating Lottery IT procedures and controls in connection with the audit of the Lottery's financial statements.

SECTION II - LOTTERY/GAMING INDUSTRY EXPERIENCE

IT CONSULTANT – Chris Kyriakakis, CPA, CISA, CIA, Partner, Frazier & Deeter, LLC (CPAmerica member firm)

- Georgia Lottery
- Scientific Games (instant lottery ticket manufacturer and online gaming provider includes GTECH)
- Quebecor (McDonalds Monopoly game)
- Daily Race Game (Video horse race gaming system for several state's pick three (in lieu of the balls))

SECTION III

CAFR

SECTION III - CAFR

Gibbons & Kawash has served six State of West Virginia entities in connection with 38 successful submissions that have received the Certificate of Achievement for Excellence in Financial Reporting (CAFR). We have provided technical assistance to the following state agencies in obtaining a CAFR:

- West Virginia Lottery (10)
- West Virginia Board of Treasury Investments (4)
- West Virginia Department of Transportation, Division of Highways (9)
- West Virginia Parkways, Economic Development and Tourism Authority (9)
- West Virginia Prepaid College Tuition Fund (1)
- West Virginia Housing Development Fund (5)



The experience of the engagement partner, engagement quality control review partner, and senior manager with CAFR submissions is described more fully in Section I, page 5, and Appendix B. The Lottery’s team includes the engagement partner, Bob Denyer, and senior manager, Rob Adams, that each have 10 years of experience advising the Lottery with its successful CAFR submissions.

In addition to the lottery, Bob and Rob have assisted the West Virginia Board of Treasury Investments with their initial CAFR submission and all subsequent submissions. Bob also assisted the West Virginia Division of Highways with eight submissions, the Prepaid College Tuitions Fund, and the Parkways, Economic Development and Tourism Authority with three submissions.

SECTION IV

STAFFING

SECTION IV - STAFFING

Gibbons & Kawash staff includes 12 Certified Public Accountants and one individual who has passed the CPA Exam and has an application pending with the West Virginia Board of Accountancy. Three of these CPAs, Bob Denyer, John Galloway, and Rob Adams, have been assigned to serve the Lottery.

Their extensive A-133 and government audit experience is described in detail on page 5, their lottery and gaming industry experience is described in detail on pages 10 and 11, and their CAFR experience is described on page 13. Their experience and clients served are further described in the resumes included in Appendix B.

In summary, the Lottery will be served by an engagement partner, Bob Denyer, with 10 years of current experience providing financial auditing services to the Lottery. The scope of these services includes traditional games, limited video lottery, racetrack video lottery, and table games. Bob has been on-site at two racetracks to observe table game operations in detail. He has also audited a licensed racetrack (Tri-State) in West Virginia for over 15 years and provided 10 years of special reporting over pari-mutuel wagering (tote) systems. Bob also has provided technical assistance to State of West Virginia government entities with over 24 successful CAFR submissions.

John Galloway has provided quality review services as part of the Lottery's engagement team during the past 5 years. Rob Adams has provided financial auditing services to the Lottery for the past 10 years and has assisted the Lottery with successful CAFR submissions for the past 10 years.

Finally, our IT consultant, Chris Kyriakakis, is a CPA and a Certified Information Systems Analyst. His experience includes the Georgia Lottery and leading service providers in the gaming industry. His resume is also included in Appendix B.

SECTION V

COST (See separate envelope)

APPENDIX A

VENDOR PREFERENCE CERTIFICATE AND PURCHASING AFFIDAVIT

State of West Virginia

VENDOR PREFERENCE CERTIFICATE

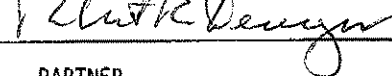
Certification and application* is hereby made for Preference in accordance with *West Virginia Code*, §5A-3-37. (Does not apply to construction contracts). *West Virginia Code*, §5A-3-37, provides an opportunity for qualifying vendors to request (at the time of bid) preference for their residency status. 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: GIBBONS & KAWASH, CPAS Signed: 
 Date: FEBRUARY 9, 2010 Title: PARTNER

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

RFQ No. LOT 455

STATE OF WEST VIRGINIA
Purchasing Division

PURCHASING AFFIDAVIT

West Virginia Code §5A-3-10a states: 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.

DEFINITIONS:

"Debt" means any assessment, premium, penalty, fine, tax or other amount of money owed to the state or any of its political subdivisions because of a judgment, fine, permit violation, license assessment, defaulted workers' compensation premium, penalty or other assessment presently delinquent or due and required to be paid to the state or any of its political subdivisions, including any interest or additional penalties accrued thereon.

"Debtor" means any individual, corporation, partnership, association, limited liability company or any other form or business association owing a debt to the state or any of its political subdivisions. "Political subdivision" means any county commission; municipality; county board of education; any instrumentality established by a county or municipality; any separate corporation or instrumentality established by one or more counties or municipalities, as permitted by law; or any public body charged by law with the performance of a government function or whose jurisdiction is coextensive with one or more counties or municipalities. "Related party" means a party, whether an individual, corporation, partnership, association, limited liability company or any other form or business association or other entity whatsoever, related to any vendor by blood, marriage, ownership or contract through which the party has a relationship of ownership or other interest with the vendor so that the party will actually or by effect receive or control a portion of the benefit, profit or other consideration from performance of a vendor contract with the party receiving an amount that meets or exceeds five percent of the total contract amount.

EXCEPTION: The prohibition of this section does not apply where a vendor has contested any tax administered pursuant to chapter eleven of this code, workers' compensation premium, permit fee or environmental fee or assessment and the matter has not become final or where the vendor has entered into a payment plan or agreement and the vendor is not in default of any of the provisions of such plan or agreement.

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.

WITNESS THE FOLLOWING SIGNATURE

Vendor's Name: GIBBONS & KAWASH

Authorized Signature: *[Signature]* Date: February 9, 2010
State of WEST VIRGINIA

County of KANAWHA, to-wit:

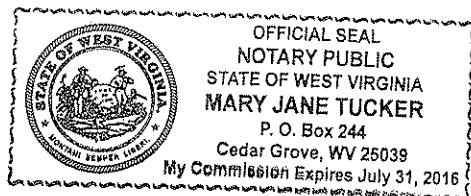
Taken, subscribed, and sworn to before me this 9th day of February, 2010.

My Commission expires July 31, 2016.

AFFIX SEAL HERE

NOTARY PUBLIC

[Signature]



APPENDIX B

ENGAGEMENT TEAM QUALIFICATIONS AND EXPERIENCE

APPENDIX B



Robert R. Denyer, CPA

PARTNER
304-345-8400 ph
304-345-8451 fax
rdenyer@gandkcpas.com

Experience

Bob has 30 years of experience in providing audit, tax, and consulting services to public sector entities, including state agencies, local governments and nonprofit organizations. His in-depth industry knowledge includes such areas as governmental financial reporting, federal grant compliance, indirect cost reimbursement, and internal control and operational matters. Bob has over 15 years of experience auditing a licensed racetrack in West Virginia and 10 years of experience performing attestation services relating to par-mutuel wagering systems (“tote” systems) at two racetracks. Bob’s government financial reporting expertise has been demonstrated by his involvement with 24 successful submissions to the Government Finance Officer Association under the Certificate of Achievement for Excellence in Financial Reporting Program. Bob currently serves as engagement partner on six State of West Virginia Agency and component unit audits. His service to public sector entities includes the following:

- West Virginia Lottery Commission
- West Virginia Board of Treasury Investments
- West Virginia Consolidated Public Retirement Board
- West Virginia Department of Transportation
- West Virginia Drinking Water Treatment Revolving Loan Fund
- West Virginia Economic Development Authority
- West Virginia Educational Broadcasting Authority
- West Virginia Housing Development Fund
- West Virginia Infrastructure and Jobs Development Council
- West Virginia Jobs Investment Trust
- West Virginia Parkways, Economic Development, and Tourism Authority
- West Virginia Racing Commission
- West Virginia Regional Jail and Correctional Facility Authority
- School Building Authority of West Virginia
- West Virginia Solid Waste Management Board
- West Virginia State Rail Authority
- West Virginia Water Development Authority
- West Virginia Water Pollution Control Revolving Fund
- West Virginia Bureau of Employment Programs (performed in conjunction with KPMG Peat Marwick)
- City of Charleston, West Virginia
- Kanawha County, West Virginia

Professional Activities

Bob is a member of the American Institute of Certified Public Accountants, West Virginia Society of Certified Public Accountants, the Charleston Chapter of the West Virginia Society of CPAs, and the Government Finance Officers Association.

Bob is a board member and past president of the South Charleston Rotary Club and a member of the South Charleston Chamber of Commerce.

Education

Bob graduated from West Virginia University with a Bachelor of Science degree in business administration.

Continuing Professional Education

Bob is in compliance with all applicable CPE requirements.

APPENDIX B



John D. Galloway, CPA

PARTNER

304-345-8400 ph
304-345-8451 fax
jgalloway@gandkcpas.com

Experience

John's experience during the last 15 years has included managerial responsibility for numerous nonprofit and governmental engagements. He has been responsible for review of accounting systems,

review and evaluation of internal controls and consulting with clients regarding management and systems problems. John's lottery/gaming industry experience includes 5 years serving as the engagement quality control review partner for the audit of the West Virginia Lottery. His experience includes assisting two entities with 16

successful submissions for the Certificate of Achievement for Excellence in Financial Reporting. John currently serves as engagement partner on 9 audits of State of West Virginia agencies and component units. The public sector clients that John has served include:

- **West Virginia Lottery Commission**
- West Virginia Board of Treasury Investments
- West Virginia Consolidated Public Retirement Board
- West Virginia Department of Transportation
- West Virginia Educational Broadcasting Authority
- West Virginia Housing Development Fund
- West Virginia Infrastructure and Jobs Development Council
- West Virginia Jobs Investment Trust
- West Virginia Parkways, Economic Development, and Tourism Authority
- West Virginia Racing Commission
- West Virginia Regional Jail and Correctional Facility Authority
- School Building Authority of West Virginia
- West Virginia Tobacco Settlement Financing Authority
- West Virginia State Rail Authority
- Central West Virginia Regional Airport Authority
- City of Charleston, West Virginia
- Kanawha County, West Virginia
- Kanawha County Parks and Recreation Commission
- Marion County, West Virginia
- Public Service Commission of West Virginia

Professional Activities

John is a member of the American Institute of Certified Public Accountants, the West Virginia Society of Certified Public Accountants, the Charleston Chapter of the West Virginia Society of CPAs, and the Government Finance Officers Association.

Education

John graduated from the University of Charleston with a bachelor's degree in business administration.

Continuing Professional Education

John is in compliance with all applicable CPE requirements.

APPENDIX B



Robert E. Adams, CPA

MANAGER

304-345-8400 ph

304-345-8451 fax

radams@gandkcpas.com

Experience

Rob's professional experience during the last 13 years has included significant audit responsibilities for several large governmental entities and nonprofit organizations. Rob's lottery/gaming industry experience includes 10 years performing the West Virginia Lottery's financial statement audit. He has over six years experience serving as a drawing auditor for the Cash 25, Daily 3 and Daily 4 televised drawings. His service to public sector entities includes the following:

- **West Virginia Lottery Commission**
- West Virginia Board of Treasury Investments
- West Virginia Drinking Water Treatment Revolving Loan Fund
- West Virginia Economic Development Authority
- West Virginia Infrastructure and Jobs Development Council
- West Virginia Jobs Investment Trust
- West Virginia Regional Jail and Correctional Facility Authority
- West Virginia Solid Waste Management Board
- West Virginia Water Development Authority
- West Virginia Water Pollution Control Revolving Fund
- Charleston Urban Renewal Authority
- City of Charleston, West Virginia
- Kanawha County, West Virginia
- Kanawha County Parks and Recreation Commission
- Kanawha Valley Regional Transportation Authority

Professional Activities

Rob is a member of the American Institute of Certified Public Accountants, the West Virginia Society of Certified Public Accountants, and the Charleston Chapter of the West Virginia Society of CPAs.

Education

Rob graduated from West Virginia Wesleyan College with a bachelor of business administration in accounting.

Continuing Professional Education

Rob is in compliance with all applicable CPE requirements.

APPENDIX B



Anthony Carpenter, CPA

Senior
304-345-8400 ph
304-345-8451 fax
acarpenter@gandkcpas.com

Experience

Anthony has three years of professional experience providing audit, tax, and consulting services to several non-profit organizations and local and state governmental agencies, and retirement plans. His service to public sector entities includes the following:

- West Virginia Board of Treasury Investments
- West Virginia Housing Development Fund
- West Virginia Independent Colleges & Universities
- West Virginia Parkways, Economic Development, and Tourism Authority
- West Virginia Racing Commission
- West Virginia Regional Jail and Correctional Authority
- Hatfield-McCoy Regional Recreational Authority
- Public Service Commission

Education

Anthony graduated from West Virginia State University with a Bachelor of Science degree in business administration.

Continuing Professional Education

Anthony is in compliance with all applicable CPE requirements

APPENDIX B



Jonathan Link

IT CONSULTANT

304-345-8400 ph
304-345-8451 fax
jlink@gandkcpas.com

Experience

Jonathan has over 10 years of experience providing information technology services to businesses. He has managed a local area network serving over 400 individuals. His comprehensive experience analyzing electronic systems and processes includes hardware, software, and telecommunication systems. Jonathan has assisted in evaluating controls at the lottery for the past two years.

Education

Jonathan graduated from Marshall University with a bachelor's degree in accounting.



CHRIS KYRIAKAKIS
CPA CISA CIA
Partner



Experience

Chris Kyriakakis joined Frazier & Deeter in 2007 and heads up the Information Technology Assurance and Governance Services Group. He provides his clients with assurance services such as SAS 70s and Agreed Upon Procedures, as well as consultative services such as IT risk assessments, IT audit co-sourcing, and IT governance assessments. He brings 14 years of public accounting experience to the assurance department with a focus on IT governance, risk, and controls.

Chris joined Frazier and Deeter from Deloitte & Touche LLP where he had extensive experience preparing and assessing his clients for Sarbanes Oxley compliance, assessing and implementing Enterprise Risk Management (ERM) capabilities, and performing SAS 70 audits. While at Deloitte he specialized in implementing COSO and CobiT amongst large and medium sized accelerated filers with a focus in the Technology, Gaming, and Telecom industries. Chris is also a former PCAOB IS Inspector where he assisted in developing and writing the inspection guidance for Internal Controls over Financial Reporting (ICFR).

Chris has developed and delivered extensive training related to auditing IT environments, COSO, and rationalizing controls for SOX compliance. Chris performs numerous speaking engagements in the Atlanta area and nationally.

Education

Masters of Accountancy, Virginia Tech.

Bachelor of Science in Accounting, Virginia Tech.

Representative Client Experience

- Scientific Games International - Instant lottery ticket manufacturer and online gaming provider
- Daily Race Game – Video horse race gaming system
- Quebecor – Manufacturer of private ticket based gaming (e.g. McDonalds Monopoly)

Professional and Civic Organizations

Information Systems Audit and Control Association

The Institute of Internal Audit

Georgia Society of Certified Public Accountants

American Institute of Certified Public Accountants

KIPP South Fulton Academy Charter School, Treasurer and Board Member

AICPA Instructor

ISACA Instructor

Certifications

Georgia Licensed CPA

Certified Information Systems Auditors (CISA)

Certified Internal Auditor (CIA)

APPENDIX C

SCOPE OF WORK AND TERMS AND CONDITIONS

APPENDIX C

SCOPE OF WORK

Gibbons & Kawash will conduct an audit with the objective of expressing an opinion on the fair presentation of the Lottery's financial statements for the fiscal year ending June 30, 2010, with the option to audit each of the two subsequent fiscal years, in conformity with generally accepted accounting principles. In addition, we will prepare all supporting schedules required by the Department of Administration for the preparation of the State's Comprehensive Annual Financial Report (CAFR). We will also assist in the implementation of required supplementary information required by the Governmental Accounting Standards Board (GASB).

The West Virginia Lottery will send its comprehensive annual financial report to the Government Finance Officers Association of the United States and Canada for review in its Certificate of Achievement of Excellence in Financial Reporting program. Gibbons & Kawash will provide special assistance to the Lottery to meet the requirements of that program as follows:

- Advise the Lottery on the technical standards necessary to file a CAFR for an enterprise fund.
- Review the Lottery's CAFR documents and assist in the development of meaningful statistical charts and data.
- Formulate the auditor's report to be included in the Lottery's CAFR.
- Proofread the CAFR prior to filing to assure financial data and context of discussions are appropriate.

The financial statements of the Lottery must be included as a component unit of the financial statements of the State of West Virginia. Gibbons & Kawash will provide special assistance to the State of West Virginia's auditors.

Following the completion of the audit of the fiscal year's financial statements ending June 30, 2010, Gibbons & Kawash will issue a report on the fair presentation of the financial statements in conformity with generally accepted accounting principles. In addition, we will provide an "in-relation-to" opinion on the supporting schedules based on the auditing procedures applied during the audit of the general purpose financial statements.

Gibbons & Kawash will communicate in a letter to management any significant deficiencies and material weaknesses found during the audit.

Gibbons & Kawash will make an immediate, written report of all irregularities and illegal acts of which we become aware to the following parties:

- Lottery Director
- Lottery Counsel
- Finance/Audit Committee of the State Lottery Commission

APPENDIX C

Gibbons & Kawash will report to the West Virginia Lottery Commission's Finance/Audit Committee each of the following within 60 days of the issuance of the audit:

- The auditor's responsibility under generally accepted auditing standards
- Significant accounting policies
- Management judgments and accounting estimates
- Significant audit adjustments
- Other information in documents containing audited financial statements
- Disagreements with management
- Management consultation with other accountants
- Major issues discussed with management prior to retention
- Difficulties encountered in performing the audit

INDEPENDENCE

The credibility of the audit results is critical for oversight by the Lottery and in meeting public expectations. Gibbons & Kawash carefully evaluates all services provided to audit clients to ensure that the very detailed requirements for independence of *Government Auditing Standards* applicable to individual auditors and audit firms are satisfied. We are independent under the requirements of *Government Auditing Standards* and generally accepted auditing standards with respect to the Lottery, the State of West Virginia and its component units, and will carefully guard and maintain our independence during the course of any audit services provided to the Lottery and State of West Virginia.

In conjunction with providing audit and technical assistance services to the Lottery, we will review the independence of all personnel within the firm assigned to this engagement to ensure that they are independent of the Lottery and the State of West Virginia and its component units.

LICENSE TO PRACTICE IN WEST VIRGINIA

Gibbons & Kawash (the Firm) and all certified public accountants employed at Gibbons & Kawash are properly licensed to practice in West Virginia by the West Virginia Board of Accountancy.

GENERAL AND SPECIFIC TERMS AND CONDITIONS

By signing and submitting this proposal, Gibbons & Kawash agrees to be bound by all terms contained in this RFP (LOT 455). This includes by reference all General Terms and Conditions described in section 1.19 and all Specific Terms and Conditions described in section 3.3 of RFP LOT 455.

Under section 1.19.14, we request that progress payments be permitted based on actual hours worked, not to exceed 25% of total hours at the conclusion of interim procedures, 50% of total hours worked at the

APPENDIX C

conclusion of field work, 20% of hours upon issuance of our opinion and reports, and 5% upon review of CAFR, all payments subject to 10% retainage.

AFFIRMATIVE STATEMENTS

Gibbons & Kawash is independent of the Lottery as defined by generally accepted auditing standards and *Government Auditing Standards* and is licensed to practice in West Virginia. The firm is also independent of the State of West Virginia and all its component units as defined by these same standards. We will review the independence of all personnel within the firm assigned to this engagement to ensure that they are independent of the Board.

Gibbons & Kawash has no conflict of interest with regard to any other work performed by Gibbons & Kawash for the Lottery or State of West Virginia.

Gibbons & Kawash's professional personnel have met all continuing professional education requirements and are qualified to practice as Certified Public Accountants in good standing with the West Virginia Board of Accountancy.

Gibbons & Kawash will perform the work within the times specified in the Request for Proposal.

APPENDIX D

EXTERNAL PEER REVIEW



Rea & Associates, Inc.

ACCOUNTANTS AND BUSINESS CONSULTANTS

Focused on Your Future.

System Review Report

May 12, 2009

To the Partners of Gibbons & Kawash CPAs
and the Peer Review Committee of the American Institute of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Gibbons and Kawash CPAs (the firm) applicable to non-SEC issuers in effect for the year ended February 28, 2009. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under the *Government Auditing Standards* and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of Gibbons & Kawash CPAs applicable to non-SEC issuers in effect for the year ended February 28, 2009, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Gibbons & Kawash CPAs has received a peer review rating of *pass*.

Rea & Associates, Inc.

APPENDIX E

THE **CPA** AMERICA INTERNATIONAL ADVANTAGE



The **CPA AMERICA INTERNATIONAL** *Advantage*

The best of both worlds

- ❖ **Personalized service of a local firm**
- ❖ **Knowledge and resources of a global network**

The power and resources of a strong national network are not just the domain of multinational corporations.

There is another choice ... a very attractive choice.

CPAmerica International is one of the world's largest networks of independent CPA firms. It might surprise you to know that through our firm's affiliation with CPAmerica, we are able to offer you comparable services to anything a national firm can offer ... and often more.

The firms of CPAmerica are ethics-driven, local firms that have significant presence in their communities. They're on a first-name basis with their clients. They pride themselves on providing honesty, hard work and solutions that make sense.

The clients of CPAmerica firms receive the best of both worlds – the regional knowledge and sincere concern of a local firm coupled with the vast resources and experience of a progressive worldwide network. For you, this means we will meet all of your unique financial management challenges – no matter how large or small.

As a member of one of the largest networks of CPA firms in the world, our firm has instant online access to the expertise and resources of nearly 2,000 CPAs at more than 70 large, independent firms across America.

In addition, we have the ability to network with more than 15,000 CPAs and consultants around the world through CPAmerica's strategic alliance with the Horwath International network.

These affiliations enable us to bring powerful solutions to meet all of your needs, without costly overhead and bureaucracy. We pass that savings on to you.



Our firm and CPAmerica ... **working together for you**

Whether you're looking for business and financial advice, estate planning, management consulting or a host of other accounting and financial services, the strength of the CPAmerica network is working for you. Many CPAmerica advisers are among the top in their fields in the nation.

- ▲ Tax consultation on state, national and international issues
- ▲ Access to business and management consultation on a worldwide scale
- ▲ Knowledge of the unique requirements of tax-exempt organizations
- ▲ Advice on new and pending tax legislation
- ▲ Availability of business valuation experts with knowledge of your industry
- ▲ Access to professionals with solid expertise in mergers and acquisitions
- ▲ Advice from professionals with industry-specific knowledge in a broad range of fields
- ▲ Consultation on strategic planning for your business
- ▲ Assistance with establishing internal controls for your company
- ▲ Assurance and accounting services
- ▲ Individual services



We have all you really want from your CPA firm



When it comes right down to it, what do you really want from your accounting firm?
If you're like most businesses, there are four essential elements:

- ❖ A high level of personal attention
- ❖ Professional knowledge pertinent to your business
- ❖ Solutions that work and meet your needs
- ❖ Reasonable fees

A local firm – one with strong ties in your community – that also has national and international connections is by far the most capable of delivering those four necessities.

Our local firm is in the position to provide you with everything you really want from your CPA:

- ▲ We listen to you.
- ▲ We get to know you and your organization.
- ▲ We offer you insights and creative recommendations.
- ▲ We take immediate action to meet your needs.
- ▲ We make the extra effort for you.
- ▲ We understand your industry.
- ▲ We connect you with national and international expertise from our network.
- ▲ We always follow through for you.
- ▲ We have experienced professionals who will be there for you over the long term.
- ▲ We work as a team for you.
- ▲ We have reasonable fees – we give you excellent value.

Put the talents of thousands to work for you



The client base of CPAmerica firms is diverse. Network members across the country have a proven track record in assisting thousands of clients to solve their most complex financial management issues.

CPAmerica firms are poised to respond to the rapid changes in your competitive marketplace. CPAmerica members nationwide work as a team to ensure you receive the very best of our network's resources and expertise.

▲ Real estate	8,100 clients	▲ Wholesale distributors	1,500 clients
▲ Nonprofit organizations	5,400 clients	▲ Government agencies	800 clients
▲ Healthcare	5,200 clients	▲ Securities dealers/investment companies	550 clients
▲ Professionals (attorneys, engineers, architects, etc.)	5,100 clients	▲ Automobile dealerships	400 clients
▲ Construction contractors	4,300 clients	▲ Utilities (including telephone companies)	350 clients
▲ Retail trades	4,000 clients	▲ Franchisers	200 clients
▲ Agriculture, livestock, forestry	2,900 clients	▲ Lending institutions	100 clients
▲ Manufacturers	2,400 clients		

Wouldn't you like to have these resources and this specialized knowledge working for you?

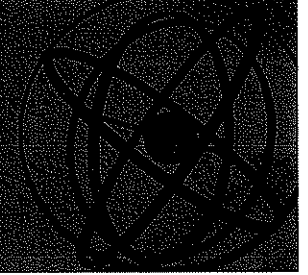
Exceeding client expectations ... locally, nationally, internationally

CPAmerica International™ • 11801 Research Dr. • Alachua, FL 32615 • (386) 418-4001
Fax: (386) 418-4002 • E-mail: cpamerica@cpamerica.org • www.cpamerica.org

Full disclosure statement: CPAmerica International is an international network of independent CPA firms. It is not a licensed CPA firm. The capabilities set forth in this brochure may be provided only by the affiliated CPA firms of the CPAmerica International network.

CPAMERICA
INTERNATIONAL

CPAmerica International/ Horwath Alliance – 2008



Accounting Associations – Worldwide

RANK	ASSOCIATION	WORLDWIDE REVENUE
1	RSM International	\$3.63 billion
2	Praxity	\$3.23 billion
3	CPAmerica Int'l/Horwath Alliance	\$3.06 billion
4	Baker Tilly International	\$2.96 billion
5	Moore Stevens International	\$2.87 billion

Accounting Firms/Associations – United States

RANK	FIRM	REVENUE	PARTNERS	EMPLOYEES	OFFICES
1	Deloitte & Touche	\$10.9 billion	2,942	44,825	102
2	Ernst & Young	\$8.07 billion	2,300	27,200	86
3	PricewaterhouseCoopers	\$7.58 billion	2,198	30,917	74
4	KPMG	\$5.68 billion	1,818	23,914	89
5	RSM/McGladrey & Pullen	\$1.47 billion	738	7,776	100
6	Leading Edge Alliance	\$1.46 billion	1,010	7,571	155
7	Praxity	\$1.41 billion	951	7,823	96
8	CPAmerica Int'l/Horwath	\$1.29 billion	1,421	8,386	153
9	Baker Tilly International	\$1.25 billion	973	7,802	101
10	Grant Thornton	\$1.20 billion	558	6,058	52

Accounting Firms/Associations – Worldwide

RANK	FIRM	REVENUE	PARTNERS	EMPLOYEES	OFFICES
1	PricewaterhouseCoopers	\$28.19 billion	8,603	155,693	749
2	Deloitte	\$27.40 billion	9,100	161,300	---
3	Ernst & Young	\$24.50 billion	8,244	135,730	---
4	KPMG International	\$22.70 billion	7,677	136,896	700
5	BDO International	\$5.15 billion	3,443	44,002	671
6	Grant Thornton International	\$4.00 billion	2,539	29,890	498
7	RSM International	\$3.63 billion	2,918	30,258	732
8	Praxity	\$3.23 billion	2,211	24,692	511
9	CPAmerica Int'l/Horwath	\$3.06 billion	3,324	26,249	558
10	Baker Tilly International	\$2.96 billion	2,576	24,763	509

Based on 2008 figures from *International Accounting Bulletin*. The CPAmerica International/Horwath totals include the figures from CPAmerica's companion association, CPAConnect.



CPAmerica International • 11801 Research Dr. • Alachua, FL 32615

(386) 418-4001 • Fax: (386) 418-4002

E-mail: cpamerica@cpamerica.org • www.cpamerica.org



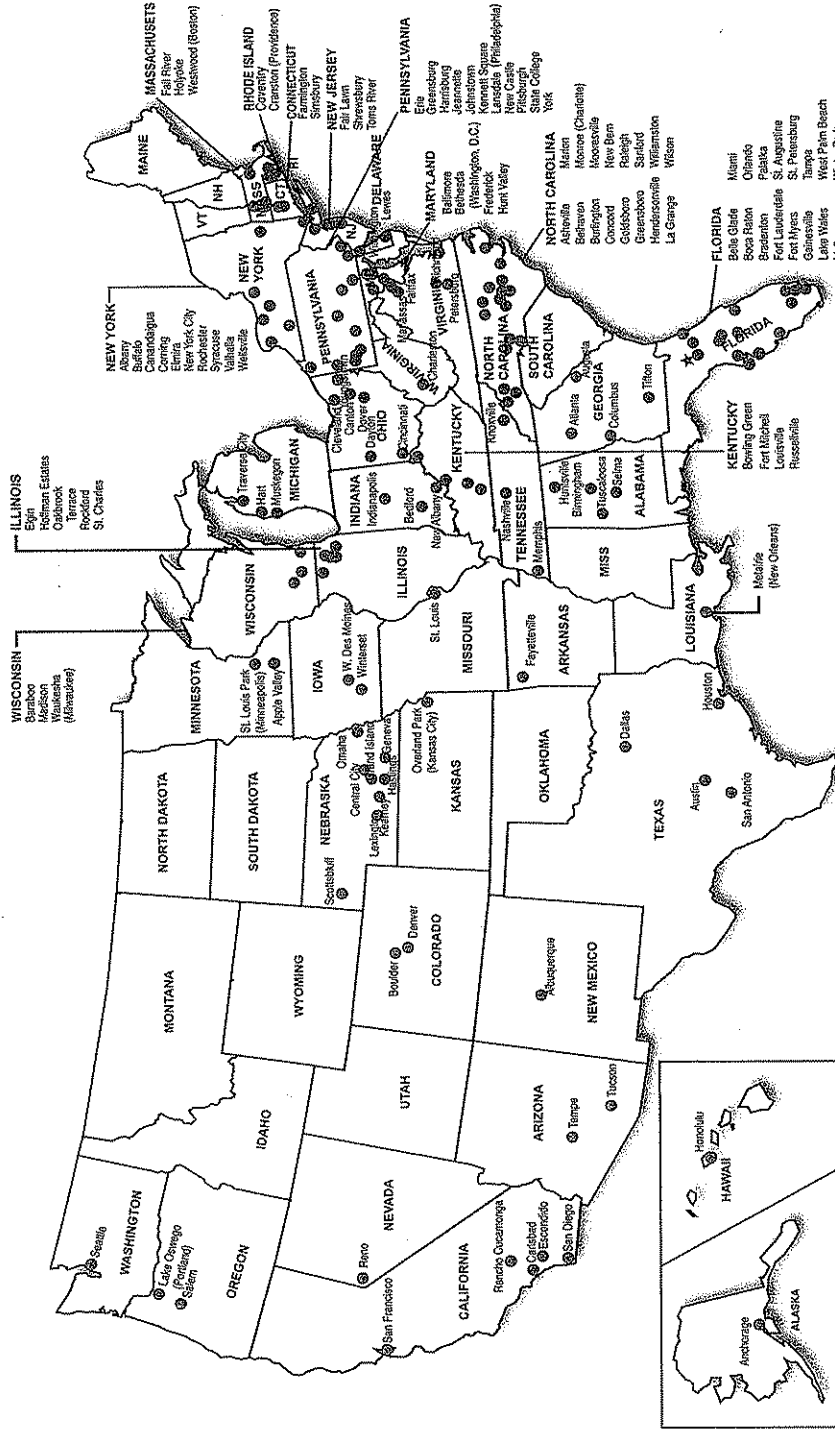
CPAmerica International

Your Passport to the World

International Affiliates

The CPAmerica International/Horwath Alliance is affiliated with firms in more than 300 cities in the following locations around the globe:

- ANDORRA
- ARGENTINA
- AUSTRALIA
- AUSTRIA
- BAHRAIN
- BANGLADESH
- BELGIUM
- BELIZE
- BOLIVIA
- BOTSWANA
- BRAZIL
- BRUNEI
- DARUSSALAM
- BULGARIA
- CAMBODIA
- CANADA
- CHANEL ISLANDS
- CHILE
- CHINA
- COLOMBIA
- COSTA RICA
- CROATIA
- CYPRUS
- CZECH REPUBLIC
- DENMARK
- DOMINICAN REPUBLIC
- ECUADOR
- EGYPT
- EL SALVADOR
- ESTONIA
- FINLAND
- FRANCE
- FRENCH POLYNESIA
- GEORGIA
- GERMANY
- GREECE
- GUATEMALA
- HONDURAS
- HONG KONG
- HUNGARY
- INDIA
- INDONESIA
- IRAN
- IRELAND
- ISLE OF MAN
- ISRAEL
- ITALY
- JAPAN
- JORDAN
- KENYA
- KUWAIT
- LATVIA
- LEBANON
- LIECHTENSTEIN
- LITHUANIA
- LUXEMBOURG
- MALAYSIA
- MALTA
- MAURITIUS
- MEXICO
- MOROCCO
- NEPAL
- NETHERLANDS
- NEW ZEALAND
- NIGERIA
- NORWAY
- OMAN
- SULTANATE OF OMAN
- PAKISTAN
- PALESTINE
- PANAMA
- PARAGUAY
- PERU
- PHILIPPINES
- POLAND
- PORTUGAL
- PUERTO RICO
- QATAR
- ROMANIA
- RUSSIA
- SAUDI ARABIA
- SERBIA
- SINGAPORE
- SLOVAKIA
- SLOVENIA
- SOUTH AFRICA
- SOUTH KOREA
- SPAIN
- SRI LANKA
- SWEDEN
- SWITZERLAND
- SYRIA
- TAIWAN
- TANZANIA
- THAILAND
- TUNISIA
- TURKEY
- UKRAINE
- UNITED ARAB EMIRATES
- UNITED KINGDOM
- URUGUAY
- VENEZUELA
- VIETNAM



APPENDIX F

ACKNOWLEDGEMENT OF RECEIPT OF ADDENDUM

APPENDIX F



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:
 LOT455

PAGE:
 1

ADDRESS CORRESPONDENCE TO ATTENTION OF:
 SHELLY MURRAY
 804-558-8801

VENDOR

*909132501 304-345-8400
 GIBBONS & KAWASH
 300 BANK ONE CENTER
 707 VIRGINIA STREET EAST
 CHARLESTON WV 25301

SHELLY

LOTTERY COMMISSION
 312 MACCORKLE AVENUE, SE
 CHARLESTON, WV
 25314-1143 558-0500

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS		
01/22/2010						
BID OPENING DATE: 02/09/2010		BID OPENING TIME 01:30PM				
LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
----- ADDENDUM NO. 1 -----						
THIS ADDENDUM IS ISSUED TO ADDRESS THE QUESTIONS RECEIVED PRIOR TO THE QUESTION SUBMISSION DEADLINE OF 01/20/2010.						
THE BID OPENING DATE IS EXTENDED:						
FROM: 02/04/2010						
TO : 02/09/2010						
0001	1	LS		946-20		
AUDITING SERVICES						
EXHIBIT 10						
REQUISITION NO.: LOT455						
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:						
SEE REVERSE SIDE FOR TERMS AND CONDITIONS						
SIGNATURE			TELEPHONE		DATE	
TITLE		FBN		ADDRESS CHANGES TO BE NOTED ABOVE		

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

APPENDIX F



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
 LOT455

PAGE
 2

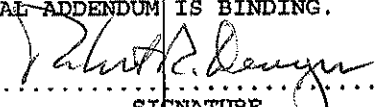
ADDRESS CORRESPONDENCE TO ATTENTION OF
 SHELLY MURRAY
 304-558-8807

VENDOR

*909132501 304-345-8400
 GIBBONS & KAWASH
 300 BANK ONE CENTER
 707 VIRGINIA STREET EAST
 CHARLESTON WV 25301

PHONE

LOTTERY COMMISSION
 312 MACCORKLE AVENUE, SE
 CHARLESTON, WV
 25314-1143 558-0500

DATE PRINTED	TERMS OF SALE	SHIP VIA	FOB	FREIGHT TERMS		
01/22/2010						
BID OPENING DATE: 02/09/2010		BID OPENING TIME 01:30PM				
LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
NO. 1	X					
NO. 2						
NO. 3						
NO. 4						
NO. 5						
<p>I UNDERSTAND THAT FAILURE TO CONFIRM THE RECEIPT OF THE ADDENDUM(S) MAY BE CAUSE FOR REJECTION OF BIDS.</p> <p>VENDOR MUST CLEARLY UNDERSTAND THAT ANY VERBAL REPRESENTATION MADE OR ASSUMED TO BE MADE DURING ANY ORAL DISCUSSION HELD BETWEEN VENDOR'S REPRESENTATIVES AND ANY STATE PERSONNEL IS NOT BINDING. ONLY THE INFORMATION ISSUED IN WRITING AND ADDED TO THE SPECIFICATIONS BY AN OFFICIAL ADDENDUM IS BINDING.</p> <p style="text-align: center;">  SIGNATURE GIBBONS & KAWASH, CPAs COMPANY FEBRUARY 9, 2010 DATE </p> <p>NOTE: THIS ADDENDUM ACKNOWLEDGEMENT SHOULD BE SUBMITTED WITH THE BID.</p> <p>REV. 09/21/2009</p>						
SEE REVERSE SIDE FOR TERMS AND CONDITIONS						
SIGNATURE		TELEPHONE		DATE		
TITLE		FAX		ADDRESS CHANGES TO BE NOTED ABOVE		

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

APPENDIX F



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:
 LOT455

PAGE:
 3

ADDRESS CORRESPONDENCE TO ATTENTION OF:
 SHELLY MURRAY
 304-558-8801

VENDOR

*909132501 304-345-8400
 GIBBONS & KAWASH
 300 BANK ONE CENTER
 707 VIRGINIA STREET EAST
 CHARLESTON WV 25301

SHIP TO

LOTTERY COMMISSION
 312 MACCORKLE AVENUE, SE
 CHARLESTON, WV
 25314-1143 558-0500

DATE PRINTED	TERMS OF SALE	SHIP VIA	FOR	FREIGHT TERMS		
01/22/2010						
BID OPENING DATE: 02/09/2010		BID OPENING TIME 01-30PM				
LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
----- END OF ADDENDUM NO. 1 -----						
***** THIS IS THE END OF RFQ LOT455 ***** TOTAL: _____						
SEE REVERSE SIDE FOR TERMS AND CONDITIONS						
SIGNATURE			TELEPHONE		DATE	
TITLE		FEIN		ADDRESS CHANGES TO BE NOTED ABOVE		

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

APPENDIX G

FIRM AND INDIVIDUAL CREDENTIALS

APPENDIX G



State of West Virginia
West Virginia Board of Accountancy
106 Capitol Street, Suite 100
Charleston, WV 25301
(304) 558-3557

The entity listed below was issued a
FIRM PERMIT
for the period beginning
July 1, 2009 through June 30, 2010

F0162A
GIBBONS & KAWASH CPAS
707 VIRGINIA ST E STE 300
CHARLESTON WV 25301-2710

Road Spangler *J. Ann Walker*
Road Spangler, CPA, Board President Jo Ann Walker, Executive Director



State of West Virginia
West Virginia Board of Accountancy
106 Capitol Street, Suite 100
Charleston, WV 25301
(304) 558-3557

The entity listed below was issued an
Authorization to Perform
Attest and/or Compilation Services
for the period beginning
July 1, 2009 through June 30, 2010

F0162A
GIBBONS & KAWASH CPAS
707 VIRGINIA ST E STE 300
CHARLESTON WV 25301-2710

Road Spangler *J. Ann Walker*
Road Spangler, CPA, Board President Jo Ann Walker, Executive Director

APPENDIX G



State of West Virginia
West Virginia Board of Accountancy
106 Capitol Street, Suite 100
Charleston, WV 25301
(304) 558-3557

The person indicated below is
licensed as a
Certified Public Accountant
for the period beginning
July 1, 2009 through June 30, 2010

WV001290
ROBERT R. DENYER
GIBBONS & KAWASH CPAS
707 VIRGINIA ST. E. STE 300
CHARLESTON WV 25301-2710

Read Spangler
Read Spangler, CPA, Board President

J. Ann Walker
Jo Ann Walker, Executive Director



State of West Virginia
West Virginia Board of Accountancy
106 Capitol Street, Suite 100
Charleston, WV 25301
(304) 558-3557

The person indicated below is
licensed as a
Certified Public Accountant
for the period beginning
July 1, 2009 through June 30, 2010

WV003721
JOHN D. GALLOWAY
GIBBONS & KAWASH CPAS
707 VIRGINIA ST. E. STE 300
CHARLESTON WV 25301-2710

Read Spangler
Read Spangler, CPA, Board President

J. Ann Walker
Jo Ann Walker, Executive Director



State of West Virginia
West Virginia Board of Accountancy
106 Capitol Street, Suite 100
Charleston, WV 25301
(304) 558-3557

The person indicated below is
licensed as a
Certified Public Accountant
for the period beginning
July 1, 2009 through June 30, 2010

WV004405
ROBERT E. ADAMS
GIBBONS & KAWASH CPAS
707 VIRGINIA ST. E. STE 300
CHARLESTON WV 25301-2710

Read Spangler
Read Spangler, CPA, Board President

J. Ann Walker
Jo Ann Walker, Executive Director



Georgia Secretary of State Brian P. Kemp

[Archives](#) • [Corporations](#) • [Elections](#) • [News Room](#) • [Professional Licensure](#) • [Securities](#) • [State Capitol](#)

Results of Query

Please use the "Back" button in your browser to return to your original search or [click here](#) to conduct a new search.

Note: You may sort by licensee name and license number by clicking on "Name" and "License Number" respectively.

Name	License Number	Profession	License Type	License Status	City	State
Christopher Kyriakakis	CPA024025	Accountancy	Certified Public Accountant	Active	Alpharetta	GA