

Proposal to Serve

WORKFORCE West Virginia

Year Ended June 30, 2017

CRFQ # WWV1700000007

Firm Name:	Gibbons & Kawash, A.C.
Address:	300 Chase Tower 707 Virginia St., East Charleston, WV 25301
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06/22/17 10:29:53
WV Purchasing Division

June 22, 2017

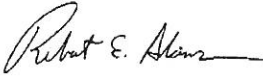
WORKFORCE West Virginia
Charleston, WV 25305

We are pleased to present our credentials to serve as the independent auditors of WORKFORCE West Virginia (the Agency) in accordance with request for quotation No. WWV1700000007. We will perform the audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*. As a client of our firm, you can be sure of our total commitment to provide timely, responsive, and quality service.

Gibbons & Kawash is qualified to perform auditing services for the Agency due to our extensive experience with State of West Virginia and local governmental entities. Of particular importance is our experience with entities using proprietary funds and reporting business type activities, as well as governmental fund types. We take great pride in our ability to assist our clients in navigating the complex and rapidly changing standards of U.S. generally accepted accounting principles applicable to governments as promulgated by the Governmental Accounting Standards Board. Our experience with similar entities and preparing information required by the West Virginia Financial Accounting and Reporting Section is further described throughout this document.

Gibbons and Kawash is independent of the State of West Virginia, and all of its component units, as defined by auditing standards generally accepted in the United States of America and *Government Auditing Standards* promulgated by the U.S. General Accounting Office. Gibbons and Kawash and all key professional staff are licensed to practice in West Virginia. There are no obligations or interests of our firm that might conflict with the interests of the Agency and the State of West Virginia.

Very truly yours,



Robert E. Adams
Director

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PROFILE OF GIBBONS & KAWASH

OVERVIEW

The audit services to be provided to WORKFORCE West Virginia (the Agency) requires extensive experience in serving governmental entities to properly respond to your needs. Our experience in serving governmental entities will enable us to effectively and efficiently meet the Agency's needs for quality and timely services.

GIBBONS & KAWASH'S GOVERNMENTAL PRACTICE

Gibbons & Kawash is a professional independent accounting firm which provides a full range of accounting, auditing, tax and management consulting services to clients throughout West Virginia, as well as portions of Ohio, Pennsylvania, Kentucky and Virginia, and is a leading firm in providing auditing, accounting, and consulting services to governmental clients. Our professionals have many years of experience in providing competent, high quality audit services and financial statement preparation services to State of West Virginia component units and local government entities.

AN INDEPENDENT MEMBER OF THE



Gibbons & Kawash is an independent member of the BDO Alliance USA, a nationwide association of local and regional accounting and consulting firms. Membership enables us to access a level of expertise in specialties which are usually available only from large national and international CPA firms, without the high overhead costs.

As a member, we have access to vast resources and technical expertise, outstanding audit, tax and consulting professionals, and their specialty niche expertise with BDO USA, LLP serving clients through 40 offices and more than 400 alliance firm locations across the United States.

As an independent member of the BDO Alliance USA we offer the resources of a national firm, yet we remain autonomous so you are assured of a local presence of highly trained and knowledgeable experts with your needs in the forefront.

AUDIT QUALITY

At Gibbons & Kawash, an uncompromising commitment to provide superior quality service is the overarching principle which governs the administration of every engagement.

To ensure the consistent delivery of quality services, we have developed a comprehensive system of quality control which covers virtually every aspect of our practice. This system is formalized in a written quality control document to which every staff member is expected to adhere. The elements of our quality control system are as follows:

- Leadership responsibilities for quality
- Relevant ethical requirements
- Acceptance and continuance of clients and engagements
- Human resources
- Engagement performance
- Monitoring

PROFILE OF GIBBONS & KAWASH

Gibbons & Kawash is a member of the American Institute of Certified Public Accountants' Peer Review Program. The Program has established a self-regulatory process which includes requirements for peer review of the member firms every three years. 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 reviews, which were completed on July 10, 2012, and June 11, 2015, were performed by Rea & Associates, Inc. and Hill, Barth, and King, LLC, respectively. Their opinions, which were "pass" (the highest possible rating under the peer review standards), are on file with the AICPA and are included as **Appendix B**. These quality control reviews included governmental audit engagements performed in accordance with *Governmental Auditing Standards*.

Gibbons & Kawash is licensed and in compliance with all requirements to practice public accounting in the State of West Virginia. Furthermore, we have never been subject to any disciplinary or legal actions resulting from audit or assurance services, nor are there pending or threatened actions against the Firm as a result of such services.

Audit Quality Center

Gibbons & Kawash was among the first firms in West Virginia to join the AICPA's Governmental Audit Quality Center. Membership in the Center indicates that we recognize the specialized knowledge and experience necessary to perform audits of government entities. We are committed to going well beyond the minimum requirements of our professional standards to enhance our service capabilities in these areas.

Governmental Audit Quality Center

This Center has established increased continuing education and quality control requirements for its voluntary membership to enhance the quality of governmental audits and audits of nonprofit organizations performed under *Government Auditing Standards* and OMB circular A-133.



CONTINUING PROFESSIONAL EDUCATION

One of the best measures of a firm's commitment to its practice is the depth of specialized training provided to its professionals. Gibbons & Kawash provides internal and external training on governmental accounting, auditing, reporting, and operations in excess of the GAO requirements. We continually monitor the issuance of technical auditing and accounting pronouncements and provide our personnel with specialized training in these areas. Professionals at the in charge level and above receive specialized training in seminars and courses presented by nationally recognized experts in governmental and nonprofit accounting, auditing and financial reporting. Gibbons & Kawash's professional staff has met all continuing professional education requirements within the proceeding two years.

EXPERTISE IN COMPUTERIZED SYSTEMS

Gibbons & Kawash is committed to providing our professionals access to the latest technology in order to ensure optimum levels of efficiency in our engagements. We use state-of-the-art "paperless" audit techniques which enable our professionals to spend more time on judgment matters and in-depth research and analysis, rather than on "number crunching" and other mechanical aspects of client service, and enhances efficiency by allowing for quick updating of documentation from year-to-year.

With an internet connection, our personnel can work from anywhere and have complete access to the Firm's local area network as well as access to multiple high quality research sites for research of accounting and auditing issues. Our electronic audit workpaper software allows efficient integration of client prepared word and excel files into our workpaper files.

PROFILE OF GIBBONS & KAWASH

We combine the use of spreadsheet (excel), word processing (Microsoft Word), and trial balance software to perform the most efficient services possible. Some of the benefits of full automation include the ability to:

- Import data directly from your accounting system, thereby eliminating manual keypunching
- Spend more time on judgment matters and in-depth research and analysis rather than on “number crunching” and other mechanical aspects of client service
- Prepare graphs for management presentations; and use pre-formatted spreadsheets from year to year, allowing us to perform ratio and trend analysis on key accounts

We use the following software packages to perform the aforementioned tasks:



ProSystem Fx Engagement - A workpaper preparation program that produces financial statements, trial balances, journal entries, fluctuation and ratio analysis.



Checkpoint - Online access to an expansive library of tax, accounting, auditing, and corporate finance content, including primary source materials and expert analysis.



IDEA - A powerful data extraction and analysis program that provides us with access to large amounts of data from which we can quickly import, join, analyze, sample and extract data from almost any source. Through data extraction and analysis programs, a significant amount of information can be evaluated for unusual relationships, which may be the result of erroneous data.



ProSystemfx Portal - Our client portal offers convenient online storage space in which your confidential information can be uploaded, downloaded, stored and shared in a safe and secure environment.

Encryption

All data on Gibbons & Kawash computers, including our workpapers in our computerized audit documentation management system, is encrypted using a 256-bit algorithm. The data encryption ensures that in the unlikely event that one of our computers were to be lost or stolen, your data and our workpapers would be unreadable to anyone other than Gibbons & Kawash personnel.

QUALIFICATIONS AND EXPERIENCE

ENGAGEMENT TEAM

The ultimate success and quality of our professional services to the Agency 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 Director - Robert E. Adams, CPA, CGMA, a director with Gibbons & Kawash who has extensive experience in serving governmental clients, will serve as the engagement director responsible for the end product. In this role, Rob will assume primary responsibility for the successful completion of the engagement and will maintain contact with the Agency throughout the engagement to ensure that services and resources are provided to the in a timely professional manner. Rob will also provide technical expertise to the team on any matters and perform certain review and supervisory procedures.

Engagement Quality Control Review Director - Robert R. Denyer, CPA, a director with Gibbons & Kawash who has extensive governmental experience, will serve as engagement quality control review director (EQCRD). The role of the EQCRD is an essential element of Gibbons & Kawash's quality control program over the delivery of services to a client. Bob will also be available to consult with the engagement team and provide technical expertise.

Audit Senior Manager - Anthony Carpenter, CPA will serve as the engagement senior manager. Anthony will be responsible for developing the engagement plan, supervising and coordinating the efforts of the engagement team, identifying and researching technical issues, and administrative matters. Anthony will be in contact with you on a regular basis to ensure your needs and deadlines are met.

Senior Auditor - Staunton Gorrell, CPA will serve as the senior auditor in charge of field work. He will be present in the field on a daily basis to ensure the efficient and effective execution of the engagement plan. He will conduct the more complex areas of the audit while closely supervising and reviewing the work of the staff accountants. He will be a vital link in the chain of communication between your staff and ours.

See **Appendix A** for resumes of your client service team.

All other personnel to be assigned to this client service team will have at least one year of auditing experience.

GOVERNMENTAL PRACTICE

Gibbons & Kawash has a long tradition of providing the highest quality professional services to governmental clients. Our governmental practice is managed by a core team of professionals, including 4 directors. The core engagement team for the Agency has been selected from this pool of highly qualified professionals. The team's public sector experience includes cities, counties, authorities, and State of West Virginia agencies.

Gibbons & Kawash has a long tradition of providing the highest quality professional services to nonprofit and governmental clients. Our governmental experience includes the following:

- City of Charleston, West Virginia
- Central West Virginia Regional Airport Authority
- Kanawha County Commission
- Kanawha Valley Regional Transportation Authority
- School Building Authority of West Virginia
- Tobacco Settlement Finance Authority of West Virginia
- West Virginia Alcohol Beverage Control Administration
- West Virginia Board of Treasury Investments

QUALIFICATIONS AND EXPERIENCE

- West Virginia Consolidated Public Retirement Board
- West Virginia Department of Transportation, Division of Highways
- West Virginia Drinking Water Treatment Revolving Loan Fund
- West Virginia Economic Development Authority
- West Virginia Housing Development Fund
- West Virginia Infrastructure and Jobs Development Council
- West Virginia Jobs Investment Trust
- West Virginia Lottery Commission
- West Virginia Parkways Authority
- West Virginia Solid Waste Management Board
- West Virginia State Rail Authority
- West Virginia Water Development Authority
- West Virginia Water Pollution Control Revolving Loan Fund

SCOPE OF WORK

OUR UNDERSTANDING OF YOUR REQUIREMENTS

From your request for quotation, we have obtained an understanding of your expectations for the public accounting firm with whom you will work in the future. Key among these is that your accounting firm should:

- Present a diversity of audit experience which demonstrates that the firm can meet your service needs.
- Have an experienced team of professionals with a proven record of providing high quality audit services and who will work closely with management. We would expect this experienced team of professionals to be utilized on a consistent basis from year-to-year.
- Have an audit approach that addresses areas of highest risk, concentrates its efforts in areas of most concern, and results in a smooth and efficient audit.
- Produce timely management letters which make specific, creative and practical suggestions, not only to strengthen internal controls, but also to improve operating performance and effectiveness.
- Provide ongoing communications with management regarding any accounting or financial reporting developments which may affect the Agency.

TIME REQUIREMENTS

We will design, plan, and perform our audit in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States, and auditing standards generally accepted in the United States of America to meet the following time requirements:

We will design and plan our audit to meet the following time requirements:

- Entrance Conference - Gibbons & Kawash will schedule an entrance conference upon award and prior to July 31, 2017.
- Client Assistance - Gibbons & Kawash will provide the Agency a list of all schedules to be prepared by Agency personnel by August 1, 2017, and a detailed audit plan no later than August 14, 2017.
- Draft Audit Reports and Financial Statements - Draft audit reports and financial statements prepared by August 21, 2017.
- Revised Draft Audit Reports and Financial Statements - Revised drafts of the audit report and recommendations will be submitted to management for their review by August 28, 2017. Draft and final draft audit reports will be submitted to FARS by September 15 and October 13, respectively. The final signed report shall be delivered to management and FARS by October 20, 2017.

REQUIRED AFFIRMATIVE STATEMENTS

Independence - Gibbons & Kawash is independent of the Agency, the State of West Virginia, and any component units of the State of West Virginia, as defined by generally accepted auditing standards and *Government Auditing Standards*. This includes reviewing the independence of all personnel within the firm including those assigned to this project.

Gibbons & Kawash shall give WORKFORCE West Virginia written notice of any professional relationships entered into during the period of the agreement with any major contractors as defined in WV State Code 29-22-23. We will also notify the Agency in writing of any other matters that come to its attention during this contract which may impair its independence.

SCOPE OF WORK

License to Practice - Gibbons & Kawash, CPAs, and all assigned key professional staff are properly licensed to practice and perform assurance services in West Virginia.

Federal or State Desk or Field Reviews - There have been no field reviews of Gibbons & Kawash audits during the past three years and all desk reviews have been accepted.

Disciplinary Action - No disciplinary action has been taken or is pending against Gibbons & Kawash, CPAs.

Workpaper Retention - We will retain all working papers and reports for a period of five years; unless we are notified by the Agency of the need to extend the retention period.

Insurance – Gibbons & Kawash maintains general liability insurance in excess of amounts required in the request for quotation.

REPORTING

We will issue our report and express an opinion on the fair presentation of the Agency's financial statements in conformity with accounting principles generally accepted in the United States of America. We will perform certain limited procedures to the required supplementary information required by the Government Accounting Standards Board. We will also perform audit procedures on the additional schedules required by FARS to be included as additional financial information. We will report on internal control over financial reporting and compliance as required by *Government Auditing Standards*.

Our audit will be performed in accordance with generally accepted auditing standards established by the American Institute of Certified Public Accountants and *Government Auditing Standards* issued by the Comptroller General of the United States.

At the conclusion of our audit, five signed copies of the bound final report will be delivered to WORKFORCE West Virginia, Director of FAM. An electronic copy (PDF) will also be provided.

In addition, we will make an immediate written report of all fraud and illegal acts of which we become aware, to the Director of the Financial Accounting and Reporting Section of the Department of Administration under the authority of Section 5A-2-33 of the State Code.

Finally, we will inform the Agency's Executive Director and the Director of the FAM of each of the following:

- 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
- Significant abuse, if any

ADDITIONAL REQUIREMENTS

We will comply with all other provisions of your request for quotation not previously discussed in other sections of this document as presented in **Appendix C**.

APPENDIX A

QUALIFICATIONS AND EXPERIENCE OF THE ENGAGEMENT TEAM

APPENDIX A



Robert E. Adams, CPA, CGMA

DIRECTOR

304-345-8400 ph
304-345-8451 fax
radams@qandkcpas.com

Experience

Rob has more than 20 years of professional experience including significant responsibilities providing audit, tax, and consulting services to numerous public sector entities. Rob's experience auditing several large state governmental entities, local governments, and nonprofit organizations is extensive. His service to governmental and nonprofit organizations includes the following:

- Central West Virginia Regional Airport Authority
- Charleston Area Alliance
- Charleston Urban Renewal Authority
- City of Charleston, West Virginia
- Kanawha County, West Virginia
- Kanawha County Parks and Recreation Commission
- Kanawha Valley Regional Transportation Authority
- Metro Emergency Operations Center of Kanawha County
- School Building Authority of West Virginia
- Tobacco Settlement Finance Authority
- West Virginia Affordable Housing Trust Fund
- West Virginia Alcohol Beverage Control Administration
- West Virginia Board of Treasury Investments
- West Virginia College Prepaid Tuition and Savings Plan
- West Virginia Consolidated Public Retirement Board
- West Virginia Department of Transportation - Division of Highways
- 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 Independent Colleges and Universities
- West Virginia Infrastructure and Jobs Development Council
- West Virginia Jobs Investment Trust
- West Virginia Lottery Commission
- West Virginia Municipal Pensions Oversight Board
- West Virginia Regional Jail and Correctional Facility Authority
- West Virginia Solid Waste Management Board
- West Virginia State Rail Authority
- West Virginia Water Development Authority
- West Virginia Water Pollution Control Revolving Fund

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. Rob is the Firm's Director assigned to the Government Audit Quality Center. Rob is also a board member of West Virginia Kids Count.

Education

Rob graduated from the West Virginia Wesleyan College with a Bachelor of Science degree in business administration.

Continuing Professional Education

Rob is in compliance with all applicable CPE requirements.

APPENDIX A



Robert R. Denyer, CPA

DIRECTOR

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

Experience

Bob has more than 35 years of experience in providing audit, tax, and consulting services to public sector entities, state agencies, nonprofit organizations, and local governments. His in-depth industry knowledge includes such areas as federal grant compliance, indirect cost reimbursement, employee benefit plan issues, and internal control and operational matters. His service to governmental entities includes the following:

- Central West Virginia Regional Airport Authority
- Charleston Urban Renewal Authority
- City of Charleston, West Virginia
- Kanawha County Parks and Recreation Commission
- Kanawha County, West Virginia
- Kanawha Valley Regional Transportation Authority
- Metro Emergency Operations Center of Kanawha County
- School Building Authority of West Virginia
- Tobacco Settlement Finance Authority
- West Virginia Affordable Housing Trust Fund
- West Virginia Alcohol Beverage Control Administration
- West Virginia Board of Treasury Investments
- West Virginia College Prepaid Tuition and Savings Plan
- West Virginia Consolidated Public Retirement Board
- West Virginia Department of Transportation
- West Virginia Department of Transportation, Division of Highways
- 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 Lottery Commission
- West Virginia Municipal Pensions Oversight Board
- West Virginia Parkways Authority
- West Virginia Regional Jail and Correctional Facility Authority
- West Virginia Solid Waste Management Board
- West Virginia State Rail Authority
- West Virginia Water Development Authority
- West Virginia Water Pollution Control Revolving Fund

Professional Activities

Bob is a member of the American Institute of Certified Public Accountants, West Virginia Society of Certified Public Accountants, and the Charleston Chapter of the West Virginia Society of CPAs. He is a past president of the South Charleston Rotary Club.

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 A



Anthony Carpenter, CPA

SENIOR MANAGER

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

Experience

Anthony has 10 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:

- Central West Virginia Regional Airport Authority
- Charleston Area Alliance
- City of Charleston, West Virginia
- Hatfield-McCoy Regional Recreational Authority
- Kanawha County, West Virginia
- Kanawha Valley Regional Transportation Authority
- Public Service Commission of West Virginia
- Region VII Planning and Development Council
- School Building Authority of West Virginia
- West Virginia Affordable Housing Trust Fund
- West Virginia Board of Treasury Investments
- West Virginia Consolidated Public Retirement Board
- West Virginia Department of Transportation, Division of Highways
- West Virginia Housing Development Fund
- West Virginia Independent Colleges and Universities
- West Virginia Infrastructure and Jobs Development Council
- West Virginia Lottery Commission
- West Virginia Municipal Pensions Oversight Board
- West Virginia Parkways Authority
- 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

Professional Activities

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

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 A



Staunton Gorrell, CPA

SENIOR ASSOCIATE

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

Experience

Staunton has four years of professional experience providing audit and consulting services to West Virginia state governmental agencies, local governments, and non-profit organizations. His service to public sector entities includes the following:

- Central West Virginia Regional Airport Authority
- City of Charleston, West Virginia
- Kanawha County, West Virginia
- School Building Authority of West Virginia
- West Virginia Consolidated Public Retirement Board
- West Virginia Housing Development Fund
- West Virginia Independent Colleges and Universities
- University of Charleston
- West Virginia Lottery Commission
- West Virginia Solid Waste Management Board

Professional Activities

Staunton is a member of the American Institute of Certified Public Accountants and the West Virginia Society of CPAs.

Education

Staunton graduated from James Madison University with a Bachelor of Business Administration degree in Finance.

Continuing Professional Education

Staunton is in compliance with all applicable CPE requirements. See **Exhibit C** for CPE detail.

APPENDIX B

EXTERNAL PEER REVIEWS



SYSTEM REVIEW REPORT

June 11, 2015

To the Partners of
Gibbons & Kawash, A.C.
and the AICPA National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Gibbons & Kawash, A.C. (the firm) in effect for the year ended February 28, 2015. 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. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. 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 *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, A.C. in effect for the year ended February 28, 2015, 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, A.C. has received a peer review rating of *pass*.

Hill, Barth & King LLC

Certified Public Accountants



System Review Report

July 10, 2012

To the Partners of Gibbons & Kawash, A.C.
and the AICPA National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Gibbons & Kawash, A.C. (the firm) in effect for the year ended February 29, 2012. 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, A.C., in effect for the year ended February 29, 2012, 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, A.C. has received a peer review rating of *pass*.

Rea & Associates, Inc.

APPENDIX C

REQUIRED FORMS



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

State of West Virginia
 Request for Quotation
 14 - Financial

Proc Folder: 341417

Doc Description: Auditing Services for Workforce WV

Proc Type: Central Master Agreement

Date Issued	Solicitation Closes	Solicitation No	Version
2017-06-08	2017-06-22 13:30:00	CRFQ 0323 WWV1700000007	1

BID RECEIVING LOCATION

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

VENDOR

Vendor Name, Address and Telephone Number:

Gibbons & Kawash, A.C.
 300 Chase Tower, 707 Virginia Street, East
 Charleston, WV 25301
 304-345-8400

FOR INFORMATION CONTACT THE BUYER

Melissa Pettrey
 (304) 558-0094
 melissa.k.pettrey@wv.gov

Signature X

FEIN # 55-0738985

DATE June 22, 2017

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

ADDITIONAL INFORMATION:

Request for Quotation

The West Virginia Purchasing Division is soliciting bids on behalf of the Agency - WorkForce West Virginia to establish an open-end contract for financial auditing services of the agency financial statements for the fiscal year ending June 30, 2017 per the bid requirements, specifications and terms and conditions that are contained within the solicitation and apart of hereof.

INVOICE TO		SHIP TO	
WORKFORCE WEST VIRGINIA FISCAL & ADMINISTRATIVE MANAGEMENT- 5301 112 CALIFORNIA AVE CHARLESTON WV25305-0112 US		WORKFORCE WEST VIRGINIA OFFICE OF ADMIN. SUPPORT - 5302 112 CALIFORNIA AVENUE CHARLESTON WV 25305-0112 US	

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
1	Auditing Services				

Comm Code	Manufacturer	Specification	Model #
93151608			

Extended Description :

Auditing Services per the specifications attached herein.

WWV170000007	Document Phase Draft	Document Description Auditing Services for Workforce WV	Page 3
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ADDITIONAL TERMS AND CONDITIONS

See attached document(s) for additional Terms and Conditions

INSTRUCTIONS TO VENDORS SUBMITTING BIDS

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

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

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

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

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

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

All Vendors submitting a bid must attend the mandatory pre-bid meeting. Failure to attend the mandatory pre-bid meeting shall result in disqualification of the Vendor's bid. No one person attending the pre-bid meeting may represent more than one Vendor.

An attendance sheet provided at the pre-bid meeting shall serve as the official document verifying attendance. The State will not accept any other form of proof or documentation to verify attendance. Any person attending the pre-bid meeting on behalf of a Vendor must list on the attendance sheet his or her name and the name of the Vendor he or she is representing.

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

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

Questions submitted at least five business days prior to a scheduled pre-bid will be discussed at the pre-bid meeting if possible. Any discussions or answers to questions at the pre-bid meeting are preliminary in nature and are non-binding. Official and binding answers to questions will be published in a written addendum to the Solicitation prior to bid opening.

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

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

Question Submission Deadline: June 14th, 2017 at 9:00 AM. EST.

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

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

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

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

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

- SEALED BID:
- BUYER:
- SOLICITATION NO.:
- BID OPENING DATE:
- BID OPENING TIME:
- FAX NUMBER:

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

For Request For Proposal ("RFP") Responses Only: In the event that Vendor is responding to a request for proposal, the Vendor shall submit one original technical and one original cost proposal plus N/A convenience copies of each to the Purchasing Division at the address shown above. Additionally, the Vendor should identify the bid type as either a technical or cost proposal on the face of each bid envelope submitted in response to a request for proposal as follows:

BID TYPE: (This only applies to CRFP)

- Technical
- Cost

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

Bid Opening Date and Time: June 22nd, 2017 at 1:30 PM. EST.

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

- 8. ADDENDUM ACKNOWLEDGEMENT:** Changes or revisions to this Solicitation will be made by an official written addendum issued by the Purchasing Division. Vendor should acknowledge receipt of all addenda issued with this Solicitation by completing an Addendum Acknowledgment Form, a copy of which is included herewith. Failure to acknowledge addenda may result in bid disqualification. The addendum acknowledgement should be submitted with the bid to expedite document processing.
- 9. BID FORMATTING:** Vendor should type or electronically enter the information onto its bid to prevent errors in the evaluation. Failure to type or electronically enter the information may result in bid disqualification.
- 10. ALTERNATES:** Any model, brand, or specification listed in this Solicitation establishes the acceptable level of quality only and is not intended to reflect a preference for, or in any way favor, a particular brand or vendor. Vendors may bid alternates to a listed model or brand provided that the alternate is at least equal to the model or brand and complies with the required specifications. The equality of any alternate being bid shall be determined by the State at its sole discretion. Any Vendor bidding an alternate model or brand should clearly identify the alternate items in its bid and should include manufacturer's specifications, industry literature, and/or any other relevant documentation demonstrating the equality of the alternate items. Failure to provide information for alternate items may be grounds for rejection of a Vendor's bid.
- 11. EXCEPTIONS AND CLARIFICATIONS:** The Solicitation contains the specifications that shall form the basis of a contractual agreement. Vendor shall clearly mark any exceptions, clarifications, or other proposed modifications in its bid. Exceptions to, clarifications of, or modifications of a requirement or term and condition of the Solicitation may result in bid disqualification.
- 12. COMMUNICATION LIMITATIONS:** In accordance with West Virginia Code of State Rules §148-1-6.6, communication with the State of West Virginia or any of its employees regarding this Solicitation during the solicitation, bid, evaluation or award periods, except through the Purchasing Division, is strictly prohibited without prior Purchasing Division approval. Purchasing Division approval for such communication is implied for all agency delegated and exempt purchases.
- 13. REGISTRATION:** Prior to Contract award, the apparent successful Vendor must be properly registered with the West Virginia Purchasing Division and must have paid the \$125 fee, if applicable.
- 14. UNIT PRICE:** Unit prices shall prevail in cases of a discrepancy in the Vendor's bid.
- 15. PREFERENCE:** Vendor Preference may only be granted upon written request and only in accordance with the West Virginia Code § 5A-3-37 and the West Virginia Code of State Rules. A Vendor Preference Certificate form has been attached hereto to allow Vendor to apply for the preference. Vendor's failure to submit the Vendor Preference Certificate form with its bid will result in denial of Vendor Preference. Vendor Preference does not apply to construction projects.

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

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

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

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

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

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

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

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

GENERAL TERMS AND CONDITIONS:

- 1. CONTRACTUAL AGREEMENT:** Issuance of a Award Document signed by the Purchasing Division Director, or his designee, and approved as to form by the Attorney General's office constitutes acceptance of this Contract made by and between the State of West Virginia and the Vendor. Vendor's signature on its bid signifies Vendor's agreement to be bound by and accept the terms and conditions contained in this Contract.
- 2. DEFINITIONS:** As used in this Solicitation/Contract, the following terms shall have the meanings attributed to them below. Additional definitions may be found in the specifications included with this Solicitation/Contract.
 - 2.1. "Agency" or "Agencies"** means the agency, board, commission, or other entity of the State of West Virginia that is identified on the first page of the Solicitation or any other public entity seeking to procure goods or services under this Contract.
 - 2.2. "Bid" or "Proposal"** means the vendors submitted response to this solicitation.
 - 2.3. "Contract"** means the binding agreement that is entered into between the State and the Vendor to provide the goods or services requested in the Solicitation.
 - 2.4. "Director"** means the Director of the West Virginia Department of Administration, Purchasing Division.
 - 2.5. "Purchasing Division"** means the West Virginia Department of Administration, Purchasing Division.
 - 2.6. "Award Document"** means the document signed by the Agency and the Purchasing Division, and approved as to form by the Attorney General, that identifies the Vendor as the contract holder.
 - 2.7. "Solicitation"** means the official notice of an opportunity to supply the State with goods or services that is published by the Purchasing Division.
 - 2.8. "State"** means the State of West Virginia and/or any of its agencies, commissions, boards, etc. as context requires.
 - 2.9. "Vendor" or "Vendors"** means any entity submitting a bid in response to the Solicitation, the entity that has been selected as the lowest responsible bidder, or the entity that has been awarded the Contract as context requires.

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

Term Contract

Initial Contract Term: This Contract becomes effective on _____ upon award _____ and extends for a period of _____ one (1) _____ year(s).

Renewal Term: This Contract may be renewed upon the mutual written consent of the Agency, and the Vendor, with approval of the Purchasing Division and the Attorney General's office (Attorney General approval is as to form only). Any request for renewal should be submitted to the Purchasing Division thirty (30) days prior to the expiration date of the initial contract term or appropriate renewal term. A Contract renewal shall be in accordance with the terms and conditions of the original contract. Renewal of this Contract is limited to three (3) successive one (1) year periods or multiple renewal periods of less than one year, provided that the multiple renewal periods do not exceed thirty-six (36) months in total. Automatic renewal of this Contract is prohibited. Notwithstanding the foregoing, Purchasing Division approval is not required on agency delegated or exempt purchases. Attorney General approval may be required for vendor terms and conditions.

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

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

Fixed Period Contract with Renewals: This Contract becomes effective upon Vendor's receipt of the notice to proceed and part of the Contract more fully described in the attached specifications must be completed within _____ days.

Upon completion, the vendor agrees that maintenance, monitoring, or warranty services will be provided for one year thereafter with an additional _____ successive one year renewal periods or multiple renewal periods of less than one year provided that the multiple renewal periods do not exceed _____ months in total. Automatic renewal of this Contract is prohibited.

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

Other: See attached.

4. NOTICE TO PROCEED: Vendor shall begin performance of this Contract immediately upon receiving notice to proceed unless otherwise instructed by the Agency. Unless otherwise specified, the fully executed Award Document will be considered notice to proceed.

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

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

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

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

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

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

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

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

PERFORMANCE BOND: The apparent successful Vendor shall provide a performance bond in the amount of _____. The performance bond must be received by the Purchasing Division prior to Contract award. On construction contracts, the performance bond must be 100% of the Contract value.

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

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

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

LICENSE(S) / CERTIFICATIONS / PERMITS: In addition to anything required under the Section entitled Licensing, of the General Terms and Conditions, the apparent successful Vendor shall furnish proof of the following licenses, certifications, and/or permits prior to Contract award, in a form acceptable to the Purchasing Division.

Certified Public Accounting Certification

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

8. INSURANCE: The apparent successful Vendor shall furnish proof of the insurance identified by a checkmark below prior to Contract award. Subsequent to contract award, and prior to the insurance expiration date, Vendor shall provide the Agency with proof that the insurance mandated herein has been continued. Vendor must also provide Agency with immediate notice of any changes in its insurance policies mandated herein, including but not limited to, policy cancelation, policy reduction, or change in insurers. The insurance coverages identified below must be maintained throughout the life of this contract. The apparent successful Vendor shall also furnish proof of any additional insurance requirements contained in the specifications prior to Contract award regardless of whether or not that insurance requirement is listed in this section.

Vendor must maintain:

- Commercial General Liability Insurance** in at least an amount of:
\$1,000,000.00

- Automobile Liability Insurance** in at least an amount of: _____
- Professional/Malpractice/Errors and Omission Insurance** in at least an amount of:

- Commercial Crime and Third Party Fidelity Insurance** in an amount of:

- Cyber Liability Insurance** in an amount of: _____
- Builders Risk Insurance** in an amount equal to 100% of the amount of the Contract.
-
-
-
-
-

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

10. LITIGATION BOND: The Director reserves the right to require any Vendor that files a protest of an award to submit a litigation bond in the amount equal to one percent of the lowest bid submitted or \$5,000, whichever is greater. The entire amount of the bond shall be forfeited if the hearing officer determines that the protest was filed for frivolous or improper purpose, including but not limited to, the purpose of harassing, causing unnecessary delay, or needless expense for the Agency. All litigation bonds shall be made payable to the Purchasing Division. In lieu of a bond, the protester may submit a cashier's check or certified check payable to the Purchasing Division. Cashier's or certified checks will be deposited with and held by the State Treasurer's office. If it is determined that the protest has not been filed for frivolous or improper purpose, the bond or deposit shall be returned in its entirety.

11. LIQUIDATED DAMAGES: Vendor shall pay liquidated damages in the amount of

for _____.

This clause shall in no way be considered exclusive and shall not limit the State or Agency's right to pursue any other available remedy.

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

13. PRICING: The pricing set forth herein is firm for the life of the Contract, unless specified elsewhere within this Solicitation/Contract by the State. A Vendor's inclusion of price adjustment provisions in its bid, without an express authorization from the State in the Solicitation to do so, may result in bid disqualification.

14. PAYMENT: Payment in advance is prohibited under this Contract. Payment may only be made after the delivery and acceptance of goods or services. The Vendor shall submit invoices, in arrears.

15. PURCHASING CARD ACCEPTANCE: The State of West Virginia currently utilizes a Purchasing Card program, administered under contract by a banking institution, to process payment for goods and services. The Vendor must accept the State of West Virginia's Purchasing Card for payment of all orders under this Contract unless the box below is checked.

Vendor is not required to accept the State of West Virginia's Purchasing Card as payment for all goods and services.

- 16. TAXES:** The Vendor shall pay any applicable sales, use, personal property or any other taxes arising out of this Contract and the transactions contemplated thereby. The State of West Virginia is exempt from federal and state taxes and will not pay or reimburse such taxes.
- 17. ADDITIONAL FEES:** Vendor is not permitted to charge additional fees or assess additional charges that were not either expressly provided for in the solicitation published by the State of West Virginia or included in the unit price or lump sum bid amount that Vendor is required by the solicitation to provide. Including such fees or charges as notes to the solicitation may result in rejection of vendor's bid. Requesting such fees or charges be paid after the contract has been awarded may result in cancellation of the contract.
- 18. FUNDING:** This Contract shall continue for the term stated herein, contingent upon funds being appropriated by the Legislature or otherwise being made available. In the event funds are not appropriated or otherwise made available, this Contract becomes void and of no effect beginning on July 1 of the fiscal year for which funding has not been appropriated or otherwise made available.
- 19. CANCELLATION:** The Purchasing Division Director reserves the right to cancel this Contract immediately upon written notice to the vendor if the materials or workmanship supplied do not conform to the specifications contained in the Contract. The Purchasing Division Director may also cancel any purchase or Contract upon 30 days written notice to the Vendor in accordance with West Virginia Code of State Rules § 148-1-6.1.e.
- 20. TIME:** Time is of the essence with regard to all matters of time and performance in this Contract.
- 21. APPLICABLE LAW:** This Contract is governed by and interpreted under West Virginia law without giving effect to its choice of law principles. Any information provided in specification manuals, or any other source, verbal or written, which contradicts or violates the West Virginia Constitution, West Virginia Code or West Virginia Code of State Rules is void and of no effect.
- 22. COMPLIANCE:** Vendor shall comply with all applicable federal, state, and local laws, regulations and ordinances. By submitting a bid, Vendor acknowledges that it has reviewed, understands, and will comply with all applicable laws, regulations, and ordinances.
- 23. ARBITRATION:** Any references made to arbitration contained in this Contract, Vendor's bid, or in any American Institute of Architects documents pertaining to this Contract are hereby deleted, void, and of no effect.
- 24. MODIFICATIONS:** This writing is the parties' final expression of intent. Notwithstanding anything contained in this Contract to the contrary no modification of this Contract shall be binding without mutual written consent of the Agency, and the Vendor, with approval of the Purchasing Division and the Attorney General's office (Attorney General approval is as to form only). Any change to existing contracts that adds work or changes contract cost, and were not included in the original contract, must be approved by the Purchasing Division and the Attorney General's Office (as to form) prior to the implementation of the change or commencement of work affected by the change.

- 25. WAIVER:** The failure of either party to insist upon a strict performance of any of the terms or provision of this Contract, or to exercise any option, right, or remedy herein contained, shall not be construed as a waiver or a relinquishment for the future of such term, provision, option, right, or remedy, but the same shall continue in full force and effect. Any waiver must be expressly stated in writing and signed by the waiving party.
- 26. SUBSEQUENT FORMS:** The terms and conditions contained in this Contract shall supersede any and all subsequent terms and conditions which may appear on any form documents submitted by Vendor to the Agency or Purchasing Division such as price lists, order forms, invoices, sales agreements, or maintenance agreements, and includes internet websites or other electronic documents. Acceptance or use of Vendor's forms does not constitute acceptance of the terms and conditions contained thereon.
- 27. ASSIGNMENT:** Neither this Contract nor any monies due, or to become due hereunder, may be assigned by the Vendor without the express written consent of the Agency, the Purchasing Division, the Attorney General's office (as to form only), and any other government agency or office that may be required to approve such assignments. Notwithstanding the foregoing, Purchasing Division approval may or may not be required on certain agency delegated or exempt purchases.
- 28. WARRANTY:** The Vendor expressly warrants that the goods and/or services covered by this Contract will: (a) conform to the specifications, drawings, samples, or other description furnished or specified by the Agency; (b) be merchantable and fit for the purpose intended; and (c) be free from defect in material and workmanship.
- 29. STATE EMPLOYEES:** State employees are not permitted to utilize this Contract for personal use and the Vendor is prohibited from permitting or facilitating the same.
- 30. BANKRUPTCY:** In the event the Vendor files for bankruptcy protection, the State of West Virginia may deem this Contract null and void, and terminate this Contract without notice.
- 31. PRIVACY, SECURITY, AND CONFIDENTIALITY:** The Vendor agrees that it will not disclose to anyone, directly or indirectly, any such personally identifiable information or other confidential information gained from the Agency, unless the individual who is the subject of the information consents to the disclosure in writing or the disclosure is made pursuant to the Agency's policies, procedures, and rules. Vendor further agrees to comply with the Confidentiality Policies and Information Security Accountability Requirements, set forth in <http://www.state.wv.us/admin/purchase/privacy/default.html>.

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

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

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

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

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

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

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

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

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

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

38. PURCHASING AFFIDAVIT: In accordance with West Virginia Code § 5A-3-10a, all Vendors are required to sign, notarize, and submit the Purchasing Affidavit stating that neither the Vendor nor a related party owe a debt to the State in excess of \$1,000. The affidavit must be submitted prior to award, but should be submitted with the Vendor's bid. A copy of the Purchasing Affidavit is included herewith.

39. ADDITIONAL AGENCY AND LOCAL GOVERNMENT USE: This Contract may be utilized by other agencies, spending units, and political subdivisions of the State of West Virginia; county, municipal, and other local government bodies; and school districts (“Other Government Entities”). Any extension of this Contract to the aforementioned Other Government Entities must be on the same prices, terms, and conditions as those offered and agreed to in this Contract, provided that such extension is in compliance with the applicable laws, rules, and ordinances of the Other Government Entity. If the Vendor does not wish to extend the prices, terms, and conditions of its bid and subsequent contract to the Other Government Entities, the Vendor must clearly indicate such refusal in its bid. A refusal to extend this Contract to the Other Government Entities shall not impact or influence the award of this Contract in any manner.

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

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

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

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

42. BACKGROUND CHECK: In accordance with W. Va. Code § 15-2D-3, the Director of the Division of Protective Services shall require any service provider whose employees are regularly employed on the grounds or in the buildings of the Capitol complex or who have access to sensitive or critical information to submit to a fingerprint-based state and federal background inquiry through the state repository. The service provider is responsible for any costs associated with the fingerprint-based state and federal background inquiry.

After the contract for such services has been approved, but before any such employees are permitted to be on the grounds or in the buildings of the Capitol complex or have access to sensitive or critical information, the service provider shall submit a list of all persons who will be physically present and working at the Capitol complex to the Director of the Division of Protective Services for purposes of verifying compliance with this provision. The State reserves the right to prohibit a service provider’s employees from accessing sensitive or critical information or to be present at the Capitol complex based upon results addressed from a criminal background check.

Service providers should contact the West Virginia Division of Protective Services by phone at (304) 558-9911 for more information.

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

- a. "State Contract Project" means any erection or construction of, or any addition to, alteration of or other improvement to any building or structure, including, but not limited to, roads or highways, or the installation of any heating or cooling or ventilating plants or other equipment, or the supply of and materials for such projects, pursuant to a contract with the State of West Virginia for which bids were solicited on or after June 6, 2001.
- b. "Steel Products" means products rolled, formed, shaped, drawn, extruded, forged, cast, fabricated or otherwise similarly processed, or processed by a combination of two or more or such operations, from steel made by the open heath, basic oxygen, electric furnace, Bessemer or other steel making process. The Purchasing Division Director may, in writing, authorize the use of foreign steel products if:
- c. The cost for each contract item used does not exceed one tenth of one percent (.1%) of the total contract cost or two thousand five hundred dollars (\$2,500.00), whichever is greater. For the purposes of this section, the cost is the value of the steel product as delivered to the project; or
- d. The Director of the Purchasing Division determines that specified steel materials are not produced in the United States in sufficient quantity or otherwise are not reasonably available to meet contract requirements.

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

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


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

DESIGNATED CONTACT: Vendor appoints the individual identified in this Section as the Contract Administrator and the initial point of contact for matters relating to this Contract.

Robert E. Adams, Director
 (Name, Title)
Robert E. Adams, Director
 (Printed Name and Title)
300 Chase Tower, 707 Virginia Street East, Charleston, WV 25301
 (Address)
304-345-8400 / 304-345-8451
 (Phone Number) / (Fax Number)
radams@gandkcpas.com
 (email address)

CERTIFICATION AND SIGNATURE: By signing below, or submitting documentation through wvOASIS, I certify that I have reviewed this Solicitation in its entirety; that I understand the requirements, terms and conditions, and other information contained herein; that this bid, offer or proposal constitutes an offer to the State that cannot be unilaterally withdrawn; that the product or service proposed meets the mandatory requirements contained in the Solicitation for that product or service, unless otherwise stated herein; that the Vendor accepts the terms and conditions contained in the Solicitation, unless otherwise stated herein; that I am submitting this bid, offer or proposal for review and consideration; that I am authorized by the vendor to execute and submit this bid, offer, or proposal, or any documents related thereto on vendor's behalf; that I am authorized to bind the vendor in a contractual relationship; and that to the best of my knowledge, the vendor has properly registered with any State agency that may require registration.

Gibbons & Kawash, A.C.
(Company)


(Authorized Signature) (Representative Name, Title)

Robert E. Adams, Director
(Printed Name and Title of Authorized Representative)

June 22, 2017
(Date)

304-345-8400 / 304-345-8451
(Phone Number) (Fax Number)

ADDENDUM ACKNOWLEDGEMENT FORM
SOLICITATION NO.:

Instructions: Please acknowledge receipt of all addenda issued with this solicitation by completing this addendum acknowledgment form. Check the box next to each addendum received and sign below. Failure to acknowledge addenda may result in bid disqualification.

Acknowledgment: I hereby acknowledge receipt of the following addenda and have made the necessary revisions to my proposal, plans and/or specification, etc.

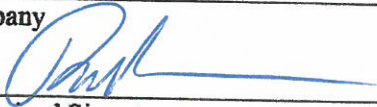
Addendum Numbers Received:
(Check the box next to each addendum received)

- | | |
|--|--|
| <input checked="" type="checkbox"/> Addendum No. 1 | <input type="checkbox"/> Addendum No. 6 |
| <input type="checkbox"/> Addendum No. 2 | <input type="checkbox"/> Addendum No. 7 |
| <input type="checkbox"/> Addendum No. 3 | <input type="checkbox"/> Addendum No. 8 |
| <input type="checkbox"/> Addendum No. 4 | <input type="checkbox"/> Addendum No. 9 |
| <input type="checkbox"/> Addendum No. 5 | <input type="checkbox"/> Addendum No. 10 |

I understand that failure to confirm the receipt of addenda may be cause for rejection of this bid. I further understand that 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.

Gibbons & Kawash, A.C.

Company



Authorized Signature

June 22, 2017

Date

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

SPECIFICATIONS

1. **PURPOSE AND SCOPE:** The West Virginia Purchasing Division is soliciting bids on behalf of WorkForce West Virginia to establish an open-end contract for financial auditing services of the agency's financial statements for the fiscal year ending June 30, 2017.

Current environment: The accounting staff of WorkForce West Virginia, as well as management, will be available during the audit to assist the auditing firm by providing information, documentation and explanations. The preparation of conformations will be the responsibility of the auditor. An appropriate number of hours of clerical support will be made available to the auditing firm for preparation of routine conformation and/or informational letters and memoranda. The agency will provide the auditing firm with workspace, desks, and chairs. The auditing firm will also be provided with access to telephone lines, internet access, photocopying facilities, and fax machines. The firm will provide WorkForce with an estimate of the number of personnel to be assigned to the audit in the detail audit plan. Final report preparation, editing, and printing shall be the responsibility of the auditing firm. No internal audit support will be available.

This was previously solicited as WWV14869 and bids opened on: 07/10/2014. Vendor's may review previous bid results at:

<http://www.state.wv.us/admin/purchase/Bids/FY2015/BO20140710.html>

2. **DEFINITIONS:** The terms listed below shall have the meanings assigned to them below. Additional definitions can be found in section 2 of the General Terms and Conditions.
- 2.1 **“Contract Item” or “Contract Items”** means the audit of the agency's financial statements for fiscal year ending June 30, 2017 and subsequent years allowed under this contract.
- 2.2 **“Pricing Pages”** means the schedule of prices, estimated order quantity, and totals contained in wvOASIS or attached hereto as Exhibit A, and used to evaluate the Solicitation responses.
- 2.3 **“Solicitation”** means the official notice of an opportunity to supply the State with goods or services that is published by the Purchasing Division.
- 2.4 **“FAM”** means the Fiscal and Administrative Management Division of WorkForce West Virginia.
- 2.5 **“GASB”** means Government Accounting Standards Board.
- 2.6 **“SAS”** means statements on auditing standards.

2.7 "FARS means Financial Accounting and Reporting Section of the West Virginia Department of Administration

3. GENERAL REQUIREMENTS:

3.1 Contract Items and Mandatory Requirements: Vendor shall provide Agency with the Contract Items listed below on an open-end and continuing basis. Contract Items must meet or exceed the mandatory requirements as shown below.

3.1.1 Vendor to preform auditing Services of agency financial statements for fiscal year ending June 30, 2017.

3.1.1.1 Vendor shall provide a written statement in conformity with Generally Accepted Accounting Principles, on the presentation of the general purpose financial statements that will include all WorkForce West Virginia funds to the Director of FAM.

3.1.1.2 The audit for fiscal year 2017 and forward must be audited in accordance with Government Auditing Standards issued by the Comptroller General of the United States.

3.1.1.3 Vendor must provide technical assistance to the WorkForce West Virginia financial personnel for the continuation of GASB 34 "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments" and the continuation of SAS 99 which revises guidance on the consideration of fraud in financial statement audits.

3.1.1.4 Vendor must audit the additional financial information schedules required by the Financial Accounting and Reporting Section (FARS) of the West Virginia Department of Administration.

3.1.1.5 Vendor shall be responsible for performing certain limited procedures involving required supplementary information required by Governmental Accounting Standards as mandated by Generally Accepted Auditing Standards.

3.1.1.6 Vendor will provide all work under the direction of the Executive Director of Workforce West Virginia or his/her designee.

3.1.1.7 Following the completion of each audit of the fiscal's year financial statement, the firm shall issue reports on the

presentation of the financial statements in conformity with Generally Accepted Accounting Principles.

- 3.1.1.8** Vendor shall be required to provide to the Director of the Financial Accounting and Reporting Section (FARS) of the Department of Administration, 2101 Washington Street East, Building 17, 3rd floor, Charleston, WV 25305, under the authority of Section 5-A of the State Code, a written report within twenty-four (24) hours of all irregularities and illegal acts of which the firm becomes aware.
- 3.1.1.9** A copy of all such reports will be given to the Executive Director of WorkForce West Virginia and the Director of Financial Administrative & Management (FAM) in writing of each of the firm's responsibility under general accepted auditing standards, accounting policies, management judgements, accounting estimates and projections, audit adjustments and revisions of past and current estimates and projections, disagreements with management, consultation with other accountants and actuaries, major issues discussed with management prior to retention, and difficulties encountered in performing the audit.
- 3.1.1.10** The firm must immediately communicate to the Executive Director of WorkForce West Virginia and the Director of FAM any issues that arise during the course of the audit that could cause delays in the issuance of the report or have an adverse impact. A written summary of these issues must be provided within twenty-four (24) hours to the Executive Director of WorkForce West Virginia and the Director of FAM.
- 3.1.1.11** Vendor shall submit all written reports initially in draft form in order that any necessary changes may be discussed and agreed upon before final acceptance.
- 3.1.1.12** Vendor must discuss any public statements with the Executive Director or designee prior to the statements being released or made.
- 3.1.1.13** Vendor may be required to provide special assistance to the WorkForce West Virginia's auditors, the State's auditors and the Financial Accounting and the Financial Accounting and Reporting Section of the West Virginia Department of Administration since the agency's financial statements are to be included in the financial statement of the State of West Virginia.

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- 3.1.1.14** As defined by the fourth general standard as set forth in governmental auditing standards and promulgated by the United States Governmental Accounting Offices which states that “each audit Organization conducting audits in accordance with these standards should have appropriated internal control system in place undergo and external quality control review” the vendor must provide an affirmative statement that it is independent of the State of West Virginia and any component units of that entity as defined by the same standards. The vendor must also provide an affirmative statement that it is independent of WorkForce West Virginia and related systems.
- 3.1.1.15** Vendor must provide an affirmative statement that it will review the independence of all personnel within the firm assigned to this project to ensure they are independent of WorkForce West Virginia and the State of West Virginia and its component entities.
- 3.1.1.16** Vendor shall give the agency written notice of any professional relationships entered into during the period of the agreement with any major contractors as defined in WV State Code 29.22.23 (<http://wwlegis.state.wv.us/wvcode/code.cfm>) the vendor shall also notify the agency in writing if any other matters come to its attention during the course of this contract which may impair its independence.
- 3.1.1.17** Vendor and all assigned professional personnel and all associated subcontracted firms must be licensed to practice accounting in West Virginia.
- 3.1.1.18** Vendor and all associated and sub-contracted firms must have in place an internal quality control system to provide assurance that an adequate standard will be maintained during the contract as set forth in the governmental auditing standards and promulgated by the United State Governmental Accounting Offices.
- 3.1.1.19** Upon award the vendor must provide copies of their internal control documents as well as a copy of the most recent external quality control review. The quality control should have included a review of specific governmental audits. These documents must be received by the agency within forty-eight (48) hours of request.

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- 3.1.1.20** Vendor must identify the managing partner of the office from which the auditing services will be performed upon request within forty-eight (48) hours of request. The contact information for the managing partner must include the name of the managing partner, his address, his direct dial telephone number, fax number, and email address. This information is intended for use in the unlikely event that WorkForce is unable to obtain satisfactory responses from the audit team and need to have direct contact with management.
- 3.1.1.21** Vendor must identify the principle supervisory and management personnel who will be included in providing the auditing services under this contract including the partner, reviewing partners, managers, other supervisors and specialist. All personnel must hold a license to practice as a Certified Public Accountant in West Virginia.
- 3.1.1.22** Vendor must provide for each of the aforementioned personnel a resume outlining the qualifications and experience including years of experience in the auditing field and in the governmental sectors. Resumes should be attached to the bid response. At a minimum each resume must include numbers of years of total experience, number of years in specific specialty and a description of each specialty, general certificates and qualifications obtained, a listing of relevant continuing professional education courses within the last three (3) years, and a list of those clients similar to WorkForce West Virginia for which the person has performed work within the last three (3) years.
- 3.1.1.23** All personnel assigned to this project must have at least one (1) year of auditing experience in public accounting or a similar environment. References to support eh one (1) year of auditing experience must be submitted to the Director of FAM within fifteen (15) working days of receipt of the approved purchase order.
- 3.1.1.24** Subcontracted and jointly associated firms can only be added, dropped, or changed with the expressed written permission of the agency which retains the right to approve and reject these changes. Personnel to this project by subcontracted or jointly associated firms must go through the same approval process as the primary vendor's personnel; however, the primary vendor

will be responsible for the results and deliverable required under this contract.

3.1.1.25 All working papers and reports must be retained at the vendor's expense in a secure storage area for a minimum of five (5) years, unless the vendor is notified by the agency of the need to extend the retention period. The vendor will be required to make working papers available upon request to the Executive Director of WorkForce West Virginia and the Director of FAM and the Financial Accounting and Reporting Section of the West Virginia Department of Administration. In addition, the firm must respond to the inquiries of grantors and successor auditors and allow them to review working papers. The agency must be provided access keys to the storage area upon request.

3.1.1.26 Vendor must deliver five (5) copies of the bound final report to the Director of FAM, Room 618, 112 California Avenue, Charleston, WV 25305, or current location, by October 20, 2017. An electronic copy of the report must be provided in a PDF or similar format for public review on the agency's website.

3.1.1.27 Peer reviews: All vendors must provide any all peer reviews performed within the last six (6) years. The vendor must have received a rating of pass or pass with deficiencies on all applicable peer reviews. A failed peer review will not be acceptable. No vendor should bid on the request with knowledge of a pending peer review that will likely be classified as failed.

4. CONTRACT AWARD:

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

Evaluation will be on lowest Total Bid Amount meeting mandatory requirements.

4.2 Pricing Pages: Vendor should complete the Pricing Pages by providing an all-inclusive price for each deliverable reflected on the Pricing Page, (Exhibit A) Vendor should complete the Pricing Pages in their entirety as failure to do so may result in Vendor's bids being disqualified.

Vendor should type or clearly print the information into the Pricing Page to prevent errors in the evaluation. If Vendor is submitting bid on line Vendor must submit

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Pricing Page as attachment. **TOTAL BID AMOUNT** is the amount Vendor is to enter wvOASIS commodity line when submitting. Notwithstanding the foregoing, the Purchasing Division may correct errors at its discretion.

The Pricing Pages contain a list of the Contract Items and estimated purchase volume. The estimated purchase volume for each item represents the approximate volume of anticipated purchases only. No future use of the Contract or any individual item is guaranteed or implied.

Vendor should electronically enter the information into the Pricing Pages through wvOASIS, if available, or as an electronic document. In most cases, the Vendor can download the Pricing page and all supporting documentation from the wvOASIS Vendor Self Service Portal at: <https://prod-fin-vss.wvoasis.gov/webapp/prdvss11/AltSelfService>

5. **PERFORMANCE:** Vendor and Agency shall agree upon a schedule for performance of Contract Services and Contract Services Deliverables, unless such a schedule is already included herein by Agency. In the event that this Contract is designated as an open-end contract, Vendor shall perform in accordance with the release orders that may be issued against this Contract.
 - 5.1 **Delivery Time:** Vendor shall deliver contract deliverables within the timeframes set forth in the Delivery Schedule (Exhibit B). Items must be delivered to WorkForce West Virginia, 112 California Avenue, Charleston, WV, 25305, or their current location.
6. **PAYMENT:** Agency shall pay hourly rate, as shown on the Pricing Pages, for all Contract Services performed and accepted under this Contract. Vendor shall accept payment in accordance with the payment procedures of the State of West Virginia.
7. **TRAVEL:** Vendor shall be responsible for all mileage and travel costs, including travel time, associated with performance of this Contract. Any anticipated mileage or travel costs may be included in the flat fee or hourly rate listed on Vendor's bid, but such costs will not be paid by the Agency separately.
8. **FACILITIES ACCESS:** Performance of Contract Services may require access cards and/or keys to gain entrance to Agency's facilities. In the event that access cards and/or keys are required:
 - 8.1. Vendor must identify principal service personnel which will be issued access cards and/or keys to perform service.
 - 8.2. Vendor will be responsible for controlling cards and keys and will pay replacement fee, if the cards or keys become lost or stolen.

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- 8.3. Vendor shall notify Agency immediately of any lost, stolen, or missing card or key.
 - 8.4. Anyone performing under this Contract will be subject to Agency's security protocol and procedures.
 - 8.5. Vendor shall inform all staff of Agency's security protocol and procedures.

9. VENDOR DEFAULT:

- 9.1 The following shall be considered a vendor default under this Contract.
 - 9.1.1 Failure to provide Contract Items in accordance with the requirements contained herein.
 - 9.1.2 Failure to comply with other specifications and requirements contained herein.
 - 9.1.3 Failure to comply with any laws, rules, and ordinances applicable to the Contract Services provided under this Contract.
 - 9.1.4 Failure to remedy deficient performance upon request.
- 9.2 The following remedies shall be available to Agency upon default.
 - 9.2.1 Immediate cancellation of the Contract.
 - 9.2.2 Immediate cancellation of one or more release orders issued under this Contract.
 - 9.2.3 Any other remedies available in law or equity.

10. MISCELLANEOUS:

- 10.1 **No Substitutions:** Vendor shall supply only Contract Items submitted in response to the Solicitation unless a contract modification is approved in accordance with the provisions contained in this Contract.

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10.2 Reports: Vendor shall provide quarterly reports and annual summaries to the Agency showing the Agency's items purchased, quantities of items purchased, and total dollar value of the items purchased. Vendor shall also provide reports, upon request, showing the items purchased during the term of this Contract, the quantity purchased for each of those items, and the total value of purchases for each of those items. Failure to supply such reports may be grounds for cancellation of this Contract.

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

Contract Manager: Robert E. Adams

Telephone Number: 304-345-8400

Fax Number: 304-345-8451

Email Address: radams@gandkcpas.com

Exhibit A - Pricing Page
 State of West Virginia
 WORKFORCE WEST VIRGINIA

Deliverable	Description	Unit of Measure	Estimated Hours	Hourly Rates	Extended cost
PHASE I					
	Entrance Conference	Per Hour	20	99.00	1,980.00
	Detailed Audit Plan	Per Hour	50	99.00	4,950.00
	Draft of WORKFORCE West Virginia Reports and Financial Statements for Review	Per Hour	225	99.00	22,275.00
TOTAL PHASE I					29,205.00
PHASE II					
	Revised draft with all requests changed and modification of WORKFORCE West Virginia report financial statements for review	Per Hour	50	99.00	4,950.00
	Draft submitted to the Financial Accounting and Reporting Section (FARS) of the WV Department of Administration with copies to Executive Director of WORKFORCE West Virginia and Director of Finance	Per Hour	30	99.00	2,970.00
TOTAL PHASE II					7,920.00
PHASE III					
	Unsigned Final Draft with all modifications to WORKFORCE West Virginia management for final review	Per Hour	45	99.00	4,455.00
	Final signed report submitted to WORKFORCE West Virginia and FARS	Per Hour	45	99.00	4,455.00
TOTAL PHASE III					8,910.00
Hourly Service:	Rate per Hour for Accounting, Auditing, and Consulting Services	Per Hour	10	180.00	1,800.00
Total Bid Amount: (Total Hourly Services + Total Phases)					47,835.00
HOURS SHOWN ARE AN ESTIMATION AND IS FOR AWARD PURPOSES ONLY					
Vendor may request payment pursuant to the following schedule :					
* First Payment shall be 25% of the Grand Total and can be submitted upon completion of Phase I , identified in the above table					
* Second Payment shall be 25% of the Grand Total and can be submitted upon completion of Phase II , identified in the above table					
* Third payment shall be 50% of the Grand Total and can be submitted upon completion of Phase III , identified in the table					
WORKFORCE West Virginia requires that the accounting first be available to assist with accounting issues and new reporting requirements as they arise on an as-needed basis. The bid must include firm fixed fee for the services shown as well as an hourly rate for accounting and auditing consulting services. The total cost submitted for bid must include all travel and out-of-pocket expenses.					

AUDITING SERVICES DELIVERY SCHEDULE

DELIVERABLES	Required Date
Entrance conference	BEFORE JULY 31, 2017
Detailed Audit Plan	AUGUST 14, 2017
Draft of Agency's reports and financial statements for review	AUGUST 21, 2017
Revised draft with all requests changed and modifications of agency's reports and financial statements for review	AUGUST 28, 2014
Draft submitted to the Financial Accounting and Reporting Section (FARS) with copies to Executive Director or WorkForce West Virginia and the Director of FAM	SEPTEMBER 5, 2017
Unsigned final draft with all modifications to the agency's management for final review	OCTOBER 13, 2014
Final signed report submitted to the agency and FARS	OCTOBER 20, 2017

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 Vendor Preference, if applicable.

1. **Application is made for 2.5% 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;
 Bidder is a resident vendor partnership, association, or corporation with at least eighty percent of ownership interest of bidder held by another entity that meets the applicable four year residency requirement; 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% 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% vendor preference for the reason checked:**
 Bidder is a nonresident vendor that employs a minimum of one hundred state residents, or a nonresident vendor which has an affiliate or subsidiary which maintains its headquarters or principal place of business within West Virginia and employs a minimum of one hundred state residents, and for purposes of producing or distributing the commodities or completing the project which is the subject of the bidder's bid and continuously over the entire term of the project, on average at least seventy-five percent of the bidder's employees or the bidder's affiliate's or subsidiary's employees are residents of West Virginia who have resided in the state continuously for the two immediately preceding years and the vendor's bid; or,
4. **Application is made for 5% 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% 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% 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.
7. **Application is made for preference as a non-resident small, women- and minority-owned business, in accordance with *West Virginia Code* §5A-3-59 and *West Virginia Code of State Rules*.**
 Bidder has been or expects to be approved prior to contract award by the Purchasing Division as a certified small, women- and minority-owned business.

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) rescind the contract or purchase order; 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.

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, A.C.

Signed: 

Date: June 22, 2017

Title: Director

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

STATE OF WEST VIRGINIA
Purchasing Division

PURCHASING AFFIDAVIT

MANDATE: Under W. Va. Code §5A-3-10a, no contract or renewal of any contract may be awarded by the state or any of its political subdivisions to any vendor or prospective vendor when the vendor or prospective vendor or a related party to the vendor or prospective vendor is a debtor and: (1) the debt owed is an amount greater than one thousand dollars in the aggregate; or (2) the debtor is in employer default.

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

DEFINITIONS:

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

"Employer default" means having an outstanding balance or liability to the old fund or to the uninsured employers' fund or being in policy default, as defined in W. Va. Code § 23-2c-2, failure to maintain mandatory workers' compensation coverage, or failure to fully meet its obligations as a workers' compensation self-insured employer. An employer is not in employer default if it has entered into a repayment agreement with the Insurance Commissioner and remains in compliance with the obligations under the repayment agreement.

"Related party" means a party, whether an individual, corporation, partnership, association, limited liability company or any other form or business association or other entity whatsoever, related to any vendor by blood, marriage, ownership or contract through which the party has a relationship of ownership or other interest with the vendor so that the party will actually or by effect receive or control a portion of the benefit, profit or other consideration from performance of a vendor contract with the party receiving an amount that meets or exceeds five percent of the total contract amount.

AFFIRMATION: By signing this form, the vendor's authorized signer affirms and acknowledges under penalty of law for false swearing (W. Va. Code §61-5-3) that neither vendor nor any related party owe a debt as defined above and that neither vendor nor any related party are in employer default as defined above, unless the debt or employer default is permitted under the exception above.

WITNESS THE FOLLOWING SIGNATURE:

Vendor's Name: Gibbons & Kawash, A.C.

Authorized Signature: _____ Date: 6/16/17

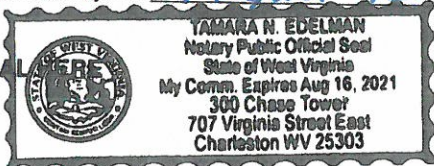
State of WEST VIRGINIA

County of KANAWHA, to-wit:

Taken, subscribed, and sworn to before me this 16 day of JUNE, 2017.

My Commission expires August 16, 2021.

AFFIX SEAL



NOTARY PUBLIC

Y. Edelman

APPENDIX D

FIRM AND ENGAGEMENT TEAM MEMBERS LICENSE TO PRACTICE



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

*The person indicated below is
licensed as a
Certified Public Accountant
for the period beginning
July 1, 2016 through June 30, 2017*

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

Louis J. Costanzo III
Board President

Thomas A. ...
Executive Director



State of West Virginia
 West Virginia Board of Accountancy
 405 Capitol Street, Suite 908
 Charleston, WV 25301-1744
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Certified Public Accountant
 for the period beginning
 July 1, 2016 through June 30, 2017*

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

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

Louis J. Costanzo III
 Board President

Thomas J. ...
 Executive Director

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[REDACTED]
ANTHONY LEE CARPENTER

[REDACTED]

Louis J. Costanzo III
Board President

Brian A. Sturges
Executive Director



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 West Virginia Board of Accountancy
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 Charleston, WV 25301-1744
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 for the period beginning
 July 1, 2016 through June 30, 2017

WV005196
 STAUNTON THOMAS GORRELL
 10 WEST FERN RD
 CHARLESTON WV 25314



STAUNTON THOMAS GORRELL



Louis J. Costanzo III
 Board President

Brenda S. Gardner
 Executive Director

Louis J. Costanzo III
 Board President

Brenda S. Gardner
 Executive Director