



West Virginia Purchasing Division

2019 Washington Street, East
Charleston, WV 25305
Telephone: 304-558-2306
General Fax: 304-558-6026
Bid Fax: 304-558-3970

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

Header # 1

List View

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

Procurement Folder: 192035

Procurement Type: Central Master Agreement

Vendor ID: 000000206913

Legal Name: SMITH COCHRAN & HICKS PLLC

Alias/DBA:

Total Bid: \$77,800.00

Response Date: 10/20/2016

Response Time: 9:55

SO Doc Code: CRFQ

SO Dept: 0606

SO Doc ID: HSE1600000006

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Close Date: 10/20/16

Close Time: 13:30

Status: Closed

Solicitation Description: ADDENDUM 4 GRANT MONITORING AND AUDITING

Total of Header Attachments: 1

Total of All Attachments: 1



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

**State of West Virginia
 Solicitation Response**

Proc Folder : 192035

Solicitation Description : ADDENDUM 4 GRANT MONITORING AND AUDITING SERVICES

Proc Type : Central Master Agreement

Date issued	Solicitation Closes	Solicitation Response	Version
	2016-10-20 13:30:00	SR 0606 ESR10201600000001769	1

VENDOR
000000206913 SMITH COCHRAN & HICKS PLLC

Solicitation Number: CRFQ 0606 HSE1600000006

Total Bid : \$77,800.00 **Response Date:** 2016-10-20 **Response Time:** 09:55:54

Comments:

FOR INFORMATION CONTACT THE BUYER
 Crystal Rink
 (304) 558-2402
 crystal.g.rink@wv.gov

Signature on File	FEIN #	DATE
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All offers subject to all terms and conditions contained in this solicitation

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
1	MANAGER (SENIOR)	240.00000	HOUR	\$175.000000	\$42,000.00

Comm Code	Manufacturer	Specification	Model #
80000000			

Extended Description : MANAGER (SENIOR)

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
2	SUPERVISOR	160.00000	HOUR	\$155.000000	\$24,800.00

Comm Code	Manufacturer	Specification	Model #
80000000			

Extended Description : SUPERVISOR

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
3	ACCOUNTANT/AUDITOR	40.00000	HOUR	\$125.000000	\$5,000.00

Comm Code	Manufacturer	Specification	Model #
80000000			

Extended Description : ACCOUNTANT/AUDITOR (TEAM LEAD)

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
4	ACCOUNT TECHNICIAN	40.00000	HOUR	\$95.000000	\$3,800.00

Comm Code	Manufacturer	Specification	Model #
80000000			

Extended Description : ACCOUNT TECHNICIAN

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
5	ADMINISTRATIVE ASSISTANTS	40.00000	HOUR	\$55.000000	\$2,200.00

Comm Code	Manufacturer	Specification	Model #
80000000			

Extended Description :	ADMINISTRATIVE ASSISTANTS
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STATE OF WEST VIRGINIA

**GRANT MONITORING
AND AUDITING SERVICES**

SOLICITATION: CRFQ 0606 HSE 1600000006

OCTOBER 20, 2016



smithcochranhicks PLLC
CERTIFIED PUBLIC ACCOUNTANTS



HORNE
CPAs & BUSINESS ADVISORS



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

State of West Virginia
 Request for Quotation
 34 – Service - Prof

Proc Folder: 192035

Doc Description: ADDENDUM 4 GRANT MONITORING AND AUDITING SERVICES

Proc Type: Central Master Agreement

Date Issued	Solicitation Closes	Solicitation No	Version
2016-10-12	2016-10-20 13:30:00	CRFQ 0606 HSE1600000006	5

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:
 Smith, Cochran & Hicks, PLLC (SCH)
 3510 MacCorkle Avenue SE
 Charleston, WV 25304
 304.345.1151

FOR INFORMATION CONTACT THE BUYER

Crystal Rink
 (304) 558-2402
 crystal.g.rink@wv.gov

Signature X

FEIN # 55-0697264

DATE October 20, 2016

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

ADDITIONAL INFORMATION:

THE STATE OF WEST VIRGINIA PURCHASING DIVISION FOR THE AGENCY, WEST VIRGINIA DIVISION OF HOMELAND SECURITY AND EMERGENCY SERVICES (WVDHSEM), IS SOLICITING BIDS TO ESTABLISH AN OPEN-END CONTRACT FOR CERTIFIED PUBLIC ACCOUNTING (CPA) FIRMS TO PROVIDE PROFESSIONAL SERVICES FOR GRAND ADMINISTRATION ACTIVITIES RELATED TO FEDERALLY FUNDED DISASTER GRANT PROGRAMS PER THE ATTACHED DOCUMENTATION.

INVOICE TO		SHIP TO	
ACCOUNTING TECHNICIAN 304-558-5380 HOMELAND SECURITY & EMERGENCY MANAGEMENT BLDG 1 RM EB80 1900 KANAWHA BLVD E CHARLESTON WV25305-0360 US		ACCOUNTING TECHNICIAN 304-558-5380 HOMELAND SECURITY & EMERGENCY MANAGEMENT BLDG 1 RM EB80 1900 KANAWHA BLVD E CHARLESTON WV 25305-0360 US	

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Comm Code	Manufacturer	Specification	Model #
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INVOICE TO		SHIP TO	
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<u>Comm Code</u>	<u>Manufacturer</u>	<u>Specification</u>	<u>Model #</u>
80000000			

Extended Description :
ADMINISTRATIVE ASSISTANTS

SCHEDULE OF EVENTS

<u>Line</u>	<u>Event</u>	<u>Event Date</u>
1	VENDOR QUESTION DEADLINE	2016-09-02

ADDENDUM ACKNOWLEDGEMENT FORM
SOLICITATION NO.: CRFQ HSE1600000006

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

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

Addendum Numbers Received:

(Check the box next to each addendum received)

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

I understand that failure to confirm the receipt of addenda may be cause for rejection of this bid. I further understand that that any verbal representation made or assumed to be made during any oral discussion held between Vendor's representatives and any state personnel is not binding. Only the information issued in writing and added to the specifications by an official addendum is binding.

Smith, Cochran & Hicks, PLLC (SCH)

Company



Authorized Signature

October 20, 2016

Date

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



smithcochranhicks PLLC
CERTIFIED PUBLIC ACCOUNTANTS

October 20, 2016

West Virginia Department of Administration
Purchasing Division
2019 Washington Street East
P.O. Box 501301
Charleston, WV 25305

Dear Ms. Rink,

In this response, we present to you our unique qualifications for the West Virginia Grant Monitoring and Auditing Services, solicitation number CRFQ 0606 HSE1600000006. Smith, Cochran & Hicks, PLLC (SCH), in partnership with HORNE LLP (HORNE) forms a dynamic team of Certified Public Accountants (CPAs) and other experienced professionals. This team brings a distinctive blend of traditional accounting and over ten years of working knowledge of federally funded disaster recovery programs, specifically FEMA (Federal Emergency Management Agency) allocations and grants.

Our team has been involved in every major natural U.S. disaster since 2006. We have worked directly with over 1,000 sub-recipients on FEMA projects nationwide over the past ten years. We tackle the recovery issues that no one else can handle. What sets us apart, though, is not just our technical expertise. It is also our depth of Stafford knowledge, our track record of innovative solutions, and most of all our sense of urgency to get things done. More than 70% of our team members have been personally impacted or have had loved ones impacted by disasters. We know how it feels to lose homes and communities. We think like you do, that we have a public trust to get disaster recovery right the first time and move it forward as quickly as possible. We promise to work alongside you every step of the way so that you can focus on the needs of your constituents.

Because we know how critical each and every dollar is in your recovery, our team specializes in navigating compliance pitfalls that can occur. When you bring our team onboard, you will have:

- A management team of Certified Public Accountants experienced in government sector work
- A team of recovery experts that bring the wisdom and experience of a decade of field-tested results
- Facts when you need them, delivered by proven reporting used in partnership with clients in three FEMA regions
- Innovative solutions with proven precedent, such as using blended federal funding streams to minimize the financial impact to local communities
- The peace of mind that comes from having an accounting firm skilled in the same review techniques used by FEMA

We appreciate your consideration of our proposal and look forward to the possibility of bringing this expertise to the State of West Virginia.

Sincerely,

Patrick Smith, CPA, CVA
Smith, Cochran & Hicks, PLLC
Managing Member



TABLE OF CONTENTS

01	Company Background
03	Qualifications for Grant Monitoring and Auditing Services
14	Grant Monitoring
29	Compliance Review Tasks
33	Audits and Other Administrative Tasks
38	Qualifications
47	Qualified Project Staff
55	Contract Manager
57	Pricing
59	Attachments



COMPANY BACKGROUND

Smith, Cochran & Hicks, PLLC (SCH) is a Certified Public Accounting firm headquartered in Charleston, West Virginia. The firm has proudly served a broad range of clients throughout the Mid-Atlantic region of the United States since 1979. As one of the most diverse public accounting firms in West Virginia, we are dedicated to providing outstanding service to our clients and offering specialized services you don't find in traditional accounting practices. In addition to tax and accounting services, SCH offers specialized support in the areas of financing assistance, unclaimed property consulting, class-action settlement administration, public utilities, and workers' compensation insurance premium audits and market conduct examinations.

A large portion of SCH's practice has long been devoted to serving governmental agencies and non-profit entities. Throughout the years, our professionals have assisted such organizations in achieving a broad range of objectives by providing quality audit, accounting, and consulting services. Services for these agencies and entities include, but are not limited to:

- Audit and accounting
- Cost allocation and management plans
- Internal control assessments and implementation
- Compilation and review of forecasted or projected financial information
- Assistance in budgeting and planning
- Other consulting and management advisory services as requested by the client

Our deep understanding of State governmental guidelines, financial reporting, and various regulations, to which both government agencies and non-profit entities must adhere, enables us to deliver effective, cost-efficient, professional services. As a local firm, we are established in West Virginia and for this offer we are bringing in the expertise of our subcontracted firm, HORNE LLP (HORNE). While HORNE is a CPA and Business Advisory firm, they have direct and in-depth experience with federally-funded disaster recovery programs across the country.



OUR PARTNER

When HORNE's home state of Mississippi was devastated by Hurricane Katrina, the firm embarked into the world of disaster recovery. As the State transitioned into their recovery phase, it became apparent that a large influx of federal funds to the State of Mississippi would benefit from public accounting techniques to successfully manage the recovery efforts which began in 2005. That's where HORNE's disaster recovery journey began. The HORNE team has proudly

worked alongside their clients to set the bar for grant management, program implementation, monitoring and quality cost tracking. Today, HORNE's collaboration with State and local agencies remains on the cutting edge of recovery finance.

HORNE is motivated by a mission of creating value and making a difference; a mandate that drives the services they provide and the clients they choose to pursue. Hurricane Katrina devastated their very own homes and impacted many of their team members in Mississippi. The opportunity to serve their neighbors and rebuild their community established HORNE's Government Services practice group. This sincerest sense of empathy is what drives HORNE's work to this day.

Since 2006, HORNE has assisted with the administration of over \$22 billion in FEMA (Federal Emergency Management Agency) and CDBG-DR (Community Development Block Grant - Disaster Recovery) funds to help impacted communities in Mississippi, Texas, New Jersey, New York, Colorado, South Carolina, and Oklahoma.

HORNE partners with government agencies to ensure financial compliance by implementing recovery programs that safeguard expenditure of grant funds in compliance with federal disaster recovery programs and facilitate a smooth disaster closeout process. HORNE's government services team consists of Certified Public Accountants (CPA), Project Management Professionals (PMP)[®], Certified Internal Auditors (CIA), Certified Fraud Examiners (CFE), and other highly-qualified professionals experienced with managing complex federal requirements.

OUR TEAM

As CPA firms, both SCH and HORNE have successfully completed our most recent peer review in 2015 sponsored by the American Institute of Certified Public Accountants (AICPA). The peer review, administered every three years, meets the objectives of quality control standards established by the AICPA.

Together, SCH and HORNE, as the "SCH Team," bring the utmost excellence in service. Our staff is driven by our core values, mission, and sincere dedication to our clients. The SCH Team is anchored by experienced CPA professionals with a staff knowledgeable in Federal Emergency Management Agency (FEMA) programs, cross-cutting regulation and the adaptation of traditional audit practices for large-scale grant management. With our team, not only do you get the best in knowledge and skill, but you get the passion and heart that is so needed in this line of work.

**WITH OUR TEAM, NOT ONLY DO YOU GET THE BEST IN
KNOWLEDGE AND SKILL, BUT YOU GET THE PASSION AND
HEART THAT IS SO NEEDED IN THIS LINE OF WORK.**



QUALIFICATIONS FOR GRANT MONITORING AND AUDITING SERVICES

We have structured our response using a comprehensive description of program services. For your convenience, a cross-reference chart is provided for quick reference in linking RFQ requirements to our proven experience and approach to Grant Monitoring, Compliance Review, and Auditing.

ITEM NUMBER	SCOPE OF WORK CROSSWALK	PAGE NUMBER
GRANT MONITORING		
3.2.1	Vendor shall perform complex (journey-level) grant coordination, financial and programmatic compliance, technical assistance, and administration work to plan, organize, and monitor federally funded disaster grants within the State of West Virginia.	14 - 28
3.2.2	Vendor will conduct applicant briefings and other outreach and training activities, ensure grant applications are processed properly, and monitor both the programmatic and financial aspects of awarded projects.	19 - 21
3.2.3	Vendor shall ensure deadlines are met, applications or other documentation are complete and correct before submission to federal authorities, that monitoring activities are conducted in accordance with the project guidelines, and payment requests are promptly and correctly processed.	17 - 28
3.2.4	Vendor will review progress reports, payment requests and provide guidance and assistance to grant recipients on documentation requirements and resolution of project related problems.	5 - 10, 19 - 21, 27 - 28
3.2.5	Vendor shall perform budget monitoring and project site inspections, and document progress and/or completion of projects, causes for delays in project completion from established timelines, or deviations from the scope of work to ensure procurement and contracting compliance.	27 - 28
3.2.6	Vendor will assist with local jurisdictions with requests for project extensions or project change requests, if needed.	27 - 28
3.2.7	Vendor shall provide reports related to assigned projects, by sub-recipient, and by project.	5 - 10
3.2.8	Vendor will identify and flag potential duplicate services contracts and provide for fraud, waste, and abuse identification and remediation.	10 - 12
COMPLIANCE REVIEW TASKS		
3.3.1	Vendor shall perform financial compliance reviews of sub-recipient projects, which will entail examining sub-recipient support documentation for sub grant expenditures, evaluating compliance with relevant statutes, regulations and OMB circulars and grant agreement and report the results.	29 - 32
3.3.2	Vendor shall identify and flag potential duplicate services contracts and provide for fraud, waste, and abuse identification and remediation.	10 - 12
3.3.3	Vendor will provide reports related to assigned projects.	5 - 10

ITEM NUMBER	SCOPE OF WORK CROSSWALK	PAGE NUMBER
AUDITING AND OTHER ADMINISTRATIVE TASKS		
3.4.1	Vendor shall perform reviews of sub-recipient audits and make recommendations for needed improvements in sub-recipient project administration to address audit findings as warranted.	33 - 37
3.4.2	Vendor will perform peer review analysis on projects assigned to other contractors or agency staff.	33 - 35
3.4.3	Vendor will identify and flag potential duplicative service contacts and provide for fraud, waste and abuse identification and remediation.	10 - 12
3.4.4	Vendor will assist in training agency staff and in conducting programmatic policy and procedure reviews.	35 - 36
3.4.5	Vendor will provide sub-recipient assistance to include the development of appropriate project financial controls and reports.	35 - 36
3.4.6	Vendor will provide reports related to assigned projects.	5 - 10
3.4.7	WVDHSEM anticipates that the majority of the Grant Monitoring Tasks work (Section 3.2) will be versed technical and administrative staff under the supervision of the grants/accounting staff and managed by certified public accountants – auditors or accountants – will be versed in governmental accounting principles, particularly those related to Federal Grant disaster awards.	34, 47 - 56
QUALIFICATIONS		
3.5.1	The Vendor must have a minimum of five (5) years' experience and an understanding of the nature of the work required as a Grant Monitor.	38 - 40
3.5.2	Partner Time for routine grant monitoring activities would be extremely limited and should be included in overhead of normal rates for other staff in this area.	22, 31
3.5.3	Compliance reviews of sub-recipient projects and other special projects or assignments may require more involvement by certified professionals and therefore partner review.	22, 31
3.5.4	This vendor must provide with their bid, a minimum of three (3) references, from similar projects. Identified shall include: A. Project begin and end dates B. Contact name, e-mail (if available), and telephone number C. Brief description of deliverables D. Scope of work performed	40 - 46
3.5.5	Grant monitoring will include travel throughout the State of WV based on grant projects. The specific locations may vary. Vendors must have the necessary abilities to travel and the financial resources to provide the services on an as needed, and/or as requested basis.	46
3.5.6	Vendors should provide with bid, evidence of minimum of five (5) years of past work history on Grant Monitoring	38 - 46

APPROACH

The SCH Team offers an impartial risk-based approach to managing federal funds. We will provide auditing, compliance review and grant monitoring that is effective without being excessive. We believe that you are looking for a private partner whose team members are ready to operate alongside your staff on day one, and we are pleased to submit that team for your consideration. Our response is organized in the three functional areas of Grant Monitoring, Compliance Review and Audit and other administrative tasks. However, because reporting and Duplication of Benefits (DOB) are critical to all three areas, we address those functions first.

REPORTING

We take a cutting-edge approach to reporting and communication management. Our highly-skilled reporting staff represents over 70 years of experience in business process and technology solutions; bringing unrivaled expertise and advanced data-literacy. Timely reporting allows WVDHSEM and our staff to create extensive reporting tools for transparency, accountability, and performance improvement.

Our team has worked with Grantees and sub-recipients on multiple disaster allocations for over ten years to design informative reports that drive results. The SCH Team offers a flexible reporting structure to WVDHSEM that will allow the State to customize reports based on the information that management needs. Our reporting scales on your request, whether the reporting is for your executive level team members, your daily operations staff, or your closeout personnel. With access to accurate and timely reporting, your team members will be able to manage contractors and program compliance at all levels.

Our customized monitoring and review solution employs enterprise content management solutions, Microsoft Share Point, Microsoft Project Server, and Microsoft SQL Reporting Services. Our system has been used across three FEMA regions to extract data from various State grant and financial management systems as well as FEMA systems such as NEMIS and EMMIE. The data collected is then transferred into a series of reports for management use. These systems promote data consistency and efficiency by providing your Leadership and the SCH Team instant access to project updates including any requested deliverables as outlined in the examples below:

STATUS REPORTING CHART						
COMMUNICATION TYPE	DESCRIPTION	FREQUENCY	FORMAT	PARTICIPANTS/ DISTRIBUTION	DELIVERABLE	OWNER
Aging Report	Email summary of project aging	Weekly	Email	Project Sponsor & Team	Status Report	Project Manager
Status Report	Email summary of project status					
Status Report – Detailed						
Project Team Meeting – Agenda	Agenda items for weekly project team meeting				Agenda	
Project Team Meeting	Meeting to review action items and status updates	In Person	Project Sponsor & Project Manager or designee	Updated Action Plan		
FEMA Quarterly Reporting	Electronic Quarterly Report	Quarterly	Email	Project Sponsor & Team	FEMA Quarterly Report Information	



As a foundation, SCH will build strong status reports with direct and peripheral compliance monitoring indicators including but not limited to those summarized below:

Daily Reporting

Hot Topics Report

Issues that need program management attention and resolution in order to minimize negative impact on communities, sub-recipients and negative media.

Funding Packages

Our system has the capacity to generate daily funding package reports, delivered directly to recipients you identify to include the current queue of all funding request packages, the sub-recipient and the dollar amount as well as aging of the current queue and the overall workflow process. This allows us to identify bottlenecks and funding or closeout packages that are pending. It also provides your Leadership team with a daily report to assess progress of a sub-recipient's reimbursement or to be able to quickly respond to inquiries.

Construction Progress Reporting

Our electronic content management and workflow systems track sub-recipient progress through aging historical performance-based metrics to compare established spending and construction goals to actual expenditures and activity. If a contractor's progress was impeded by weather and work has slowed down and not in alignment with projections, we are able to identify the possibility of an extension request and begin working on obtaining the required extension prior to the period of performance expiring.

Coordinated Matching and Multiple Federal Funding Stream Reporting

We are able to provide your program managers a status of projects participating in coordinated matching with CDBG-DR funds or other federal funding streams. This report identifies where the FEMA funding contribution is compared to other funding sources. If a project has been identified to participate in local matching of eligible costs through CDBG-DR, we reconcile FEMA's SmartLink draw-downs to the State's financial accounting system and identify the current funding percentages applied thus far from various funding sources and adjust funding recommendations to ensure all funding streams stay within the funding agreement percentage stipulated per the grant agreements.

**WE NEVER STOP
AT JUST HANDING
YOU A REPORT; WE
PROVIDE YOU WITH
INTERPRETATION
AND THEN
COLLABORATE
WITH YOU ON
THE RESOLUTION
AND RE-DIRECTION
OF PROCESSES
AS NEEDED.**

Other Monitoring Reports

Weekly, monthly, and quarterly reports are available to stakeholders to provide information needed for your operations and to ensure proactive communications of issues and resolutions. Examples include:

Communication reports

Provides summaries of key meetings for stakeholder visibility and detail of volume and frequency of sub-recipient contact. We will also highlight non-responsive subrecipients here for WVDHSEM review.

Capping reports

Highlight compliance issues identified to ensure resolution and proactive implementation of lessons-learned.

Project Worksheet Status

Includes details of project worksheet status and time incurred.

Action reports

Tracks workflows and volume of extensions, versions, appeals, funding, and closeout needing WVDHSEM's attention.

We never stop at just handing you a report; we provide you with interpretation and then collaborate with you on the resolution and re-direction of processes as needed. Once program data is uniformly captured and reported, our team offers a variety of technical expertise to you and your sub-recipients for those issues that are identified.

Reporting Example

Funding Recommendation Package

Providing your team with the tools and resources to make sound decisions regarding funding of expenditures and eligibility of work is what we do best. To illustrate, we provide you with an example of our funding request process, whether it is an interim funding reimbursement or our close out funding recommendation, and the reporting tools we provide to identify and discuss items which we determine as a potential risk.

Our team members perform an in-depth review of all the required documentation submitted and prepare the following reports for your Leadership to review:

Available for Funding (AFF) Report

- Cost lines obligated
- Costs claimed by sub-recipient by obligation line item
- Overruns
- Out of Scope Expenditures
- Exceptions (i.e. Procurement, Missing Documentation)
- Calculated Final Recommendation

Summary of Documentation

This report summarizes all of the critical information of the project and expenses submitted:

- Project Worksheet Obligation
- Cost detail submitted by sub-recipient summarized by vendor
 - (invoice #, date, vendor, amount)
- Payment Information submitted by sub-recipient
 - (check#, date, amount paid)
- Total Amount Claimed
- Reductions Applied to Costs Claimed (insurance proceeds, other funding sources, NFIP penalties)

Additional Cost Report

- This report identifies by vendor and invoice, costs that do not appear to be within the scope of work of the project worksheet
- Costs incurred beyond the approved period of performance
- Costs claimed on amendments to contracts not yet approved

Exception Report

- Procurement Issues Identified
- Risk Assessments
- Lack of Documentation
- Costs identified as high risk as a result of our review

Depending on the funding package, interim or closeout, it is placed into a workflow path and reviewed by a manager prior to submission to WVDHSEM. Through this workflow path and the various queues, we can perform analytics on the data and generate various reports on the data stored in our content management system.

Quarterly Reporting Assistance

If requested, we can assist the sub-recipients to compile accurate quarterly reports. Providing a review of their required quarterly reports prior to FEMA submission in order to identify possible action items. Efficient and accurate self-reporting on the part of sub-recipients will help them to identify and reduce barriers to their successful recovery. We can provide guidance when a version should be requested or an extension is needed. We provide reviews of quarterly

reports of sub-recipient submissions for a number of our clients, and adding the financial review component has eliminated many potential issues that would have gone unrecognized until at times, it would be too late.

Property Acquisition Status Reports

The process of acquiring an individual's property is a highly emotional time for the homeowners and the community. The acquisition of a property is a long and convoluted process with many steps and hands involved. Our team has had great success in acquisition projects as it is important to treat each property to be acquired as a stand-alone project. We have developed a daily status report of each property, indicating the status of where it is in the process of acquisition and who has it in their queue to perform the next action. Utilizing our report and distributing it daily to all of the players in the workflow steps ensures total transparency to all stakeholders of the program and minimizes the negative impact on property owners who are waiting to close on their damaged home in order to begin their individual recovery.

Once developed, reports may be set up on subscription schedules. These subscriptions transmit reports via email to production staff, program leadership, partner organizations, and State personnel, as required.

PREVENTING DUPLICATION OF BENEFIT & PROGRAMS

Under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, Grantees have the firm responsibility of ensuring no two sources of assistance are paid for the same recovery activity. While it sounds simple enough, the clear identification of duplicated payments across multiple programs is a complex comparison of incongruent parts. Historically, resolving the complex duplication of benefits (DOB) issue has been a struggle for some firms. However, thanks to our decade of experience, we've seen the compound issues that can arise in the payout of assistance, and our team offers adaptive solutions to multi-faceted problems. Our exclusive processes ensure that proceeds and benefits are identified and reduced from an applicant's award up front, reducing the Grantee's risk for recoupment of overpaid funds.

Our program knowledge spans multiple disasters of varying recovery program design across three FEMA regions. Since the early days of Katrina, our team has continued to improve field-tested procedures for early detection of duplication of benefit risks.

DUPLICATION OF PROGRAMS

Our team has seen the evolution of Stafford Act programs and we have first-hand experience in verifying benefits across the recovery timeline including FEMA, FEMA National Flood Insurance Policy (NFIP), Small Business Administration (SBA), Department of Agriculture (USDA), Department of Defense (DOD/U.S. Army Corp of Engineers (USACE), Department of Labor (DOL) and Housing and Urban Development (HUD) programs.

We pride ourselves on our technical expertise and in-depth knowledge of the programmatic policies and regulations across different federal agencies that govern recovery efforts. We have developed relationships with those federal agencies and know the documentation required to certify whether benefits have been received from an alternate funding source. The SCH Team is diligent in assuring you will have minimal risk of DOB resulting from multiple sources.

For example, in our disaster recovery work, we have experienced the multitude of nuances related to debris removal from the US Army Corps of Engineers “first pass” to FEMA’s requirements for private property debris removal. One of our Grantees administering an acquisition project had many homes washed from their foundations and either rested in the middle of streets or in the river downstream, presenting a danger to bridges and the communities. Through the USACE and the FEMA Personal Property Debris Removal programs, these hazards were removed, but we also were mindful of the impact on the acquisition/demolition project the Grantee was administering. We worked with the federal agencies to document which properties were removed via their program in order to ensure demolition costs were minimal for the affected properties and did not include structure removal.

Another DOB possibility relates to the use of CDBG-DR funding. As many Grantees recovering from the impact of disasters become aware of the ability to utilize CDBG-DR funding to offset unmet needs and provide coordinated match to FEMA projects, the SCH Team has already begun the implementation of this creative disaster financing methodology. Our team is able to implement the program for WVDHSEM if approved. We have the skills necessary to coordinate with the appropriate programs to ensure duplication of programs does not occur while providing you with the flexibility to maximize your recovery with minimal impact to your general funds.

DUPLICATION OF BENEFITS

Our team has first-hand experience in addressing the many DOB risks WVDHSEM will face including but not limited to:

Insurance Proceeds

One of the most susceptible areas to DOB is insurance proceeds. Our DOB review process minimizes risk to the State and our work papers include an insurance proceeds review. In some cases, we have found that FEMA makes mistakes and overstates insurance reductions on the project worksheet. Without an insurance review, this excessive reduction could potentially go unrecognized and would leave the sub-recipient with more out-of-pocket costs that should have otherwise been covered by FEMA.

On the other hand, in some cases, FEMA doesn’t take enough insurance proceeds, which could lead to an applicant overpayment. Insurance reviews ensure that project worksheets are aligned appropriately with the amount of insurance proceeds received by the sub-recipient. While FEMA is accurate in their calculations most of the time, our experience in this area is that they do make mistakes and a second pair of eyes helps to eliminate overpayment recovery, OIG findings, appeals, and improper sub-recipient out of pocket costs. It is much easier to get it right up front than to have to fix it after the fact.

With the utilization of our review process, we identify any offsets or errors in calculation we have determined to be applicable to any sub-recipient claimed costs. These include insurance proceeds, NFIP (National Flood Insurance Program) penalties applied, and other funding sources absorbing any of the costs claimed by the sub-recipient.

Duplication of Services

DOB can also occur within project contracts executed by sub-recipients. As an example, for a HORNE client, the team identified a contract that a sub-recipient had entered into with a consultant providing services that were also included in a general contractor's scope. Their team consulted with the Grantee's leadership and alerted them of the duplicative services being provided. A meeting was held between the sub-recipient and its contractors to resolve the duplicative scopes. Had they not had processes in place to review contracts executed to perform the grant's scope of work, there would have been reimbursements processed incorrectly.

Donations

When we see others suffering as a result of a disaster, we want to help. Unfortunately, there are instances when donations received from businesses or individuals have a negative impact on reimbursement of costs claimed by a sub-recipient. Such examples of this can include:

- A local library received books donated after Katrina – these books had to be valued as inventory and offset from project costs.
- Go Fund Me pages were set up to help survivors repair their homes – the donation of funds toward repairs had to be offset from the offer price of homes.

In summary, because of the SCH Team's extensive experience with disaster-related funding from FEMA and CDBG-DR, we have become skilled in safely managing programs within the constraints of the Disaster Relief Act of 1974 and its amendment, the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act). We apply our understanding of DOB/DOP payout within our Grant Monitoring and Compliance Review tasks. Our position is to combine the highest level of discretion and client communication with the same audit-style skepticism employed by OIG review teams. In other words, our DOB/DOP processes mimic OIG standards. We employ a red flag process in which SCH team members bring identified concerns to SCH project leaders to establish consensus and a game plan. This established process includes not discussing these issues with the sub-recipient without a Grantee representative present. Our goal is to maintain the effective, collaborative relationship that exists between the State and its sub-recipients. Therefore, the utilization of the "help us understand" method of communication is the preferred approach to learning whether or not funding has actually been duplicated. In the meantime, we continue to provide updates to State management to ensure that we have the approval to address the issues or concerns noted. When we have encountered a misunderstanding of policy or contracting regulations in the past, by observing this early, we are able to quickly intervene and provide necessary guidance to eliminate the risk of wasteful spending of federal funds.

The following chart is a summarized roadmap of the possible workflows the SCH Team will work with you to establish in each functional area.

GOALS, OBJECTIVES AND PROCESS CHART		
Goals & Objectives		
GRANT MONITORING	COMPLIANCE REVIEW	OTHER ADMIN TASKS
<ul style="list-style-type: none"> Maximize funding Expedite closeout Minimize deobligation risk Automate quarterly reporting Early detection of scope creep Transfer knowledge 	<ul style="list-style-type: none"> Expedite closeout Minimize risk Provide accountability mechanism 	<ul style="list-style-type: none"> Provide targeted expertise and best practices Improve transparency and accountability Provide additional resources Transfer knowledge
Expected Process Flows by Task Areas		
GRANT MONITORING	COMPLIANCE REVIEW	OTHER ADMIN TASKS
<ul style="list-style-type: none"> Assess subrecipient needs Complete initial assessment report Assign subrecipient monitoring team Accumulate and assess documentation for assigned projects Evaluate and report on scope changes Review pay requests Complete multi-step review process based upon project risk Provide all supporting work papers and documents Refer PW file for closeout Automate and reconcile quarterly reports Assess subrecipient policies and procedures; make recommendations for improvements as needed Transfer knowledge Report regularly 	<ul style="list-style-type: none"> Assess risk Assign team Meet with subrecipient and PA Specialist Request documentation Perform compliance review procedures on a test basis Evaluate subrecipient policies and procedures Complete review process Meet with subrecipient and PA Specialist in closing meeting Provide draft report for review Provide all supporting work papers and documents Issue final report Report regularly 	<p>Other Services</p> <ul style="list-style-type: none"> Define scope and budget Survey existing platform and resources Execute with real-time modification Issue agreed-upon deliverables and transfer knowledge <p>Reviews</p> <ul style="list-style-type: none"> Obtain inventory of audit reports Assign team to review Accumulate findings, identified by significance and risk Develop remediation plans Discuss remediation plans Upon approval, assist with implementation of remediation plans Evaluate remediation plan implementation Issue agreed upon deliverable Report regularly



GRANT MONITORING

THE SCH TEAM BRINGS MORE THAN 50 YEARS OF EXPERIENCE IN FINANCIAL ANALYSIS, AUDIT PROCEDURES, AND PROCESS IMPROVEMENT RECOMMENDATIONS. THIS EXPERIENCE COUPLED WITH A DECADE OF FOCUSED EXPERTISE IN DISASTER RECOVERY PROGRAMS MEANS WE OFFER FULL SPECTRUM MONITORING SERVICES THAT FOSTER ONGOING IMPROVEMENT.

The SCH team brings more than 50 years of experience in financial analysis, audit procedures, and process improvement recommendations. This experience coupled with a decade of focused expertise in disaster recovery programs means we offer full spectrum monitoring services that foster ongoing improvement. We approach sub-recipient project and process improvement from an objective standpoint with the utmost adherence to regulatory compliance. All resulting identified opportunities to improve projects and operations will result in recommendations to integrate such standards and compliance, and set strategic planning toward WVDHSEM's goals.

We have extensive experience assisting both Grantees and sub-recipients with the structure, management and implementation of project worksheet and hazard mitigation application management processes and systems. Our team has managed and processed more than \$22 billion in disaster recovery funding. Our work has stood the test of audits by the OIG, State Audit Offices, and other regulatory agencies and consistently received clean opinions.



WE KNOW DISASTER RECOVERY

Since 2006, HORNE, a member of the SCH Team, has assisted communities across seven states with their disaster recovery process. HORNE's work began in Mississippi assisting the State with the development of processes to manage over \$3.2 billion in FEMA Public Assistance funding due to the impact of Hurricane Katrina. This surge of federal funds had to be managed to not only be compliant with financial standards and federal regulation but programmatically compliant with FEMA assistance guidelines.

Since that time, the HORNE team's experience has vastly grown both in geography and depth of knowledge. HORNE has performed grant coordination, compliance and technical assistance services in seven states across multiple federally-declared disasters, as displayed by the following chart:

DISASTER RECOVERY EXPERIENCE												
DISASTER	PA				HMGP				CDBG-DR			
	Tracking	Document Retrieval	Compliance	Infrastructure	Tracking	Document Retrieval	Compliance	Infrastructure	Tracking	Document Retrieval	Compliance	Infrastructure
DR1604 – Hurricane Katrina	•	•	•	•	•	•	•	•	•	•	•	
DR1606 – Hurricane Rita	•	•	•	•	•	•	•	•				
DR1709 – Texas Severe Storms, Tornadoes, & Flooding	•	•	•	•								
DR1780 – Hurricane Dolly	•	•	•	•	•	•	•	•	•	•	•	
EM3290 – Hurricane Gustav	•	•	•									
DR1791 – Hurricane Ike	•	•	•	•	•	•	•	•	•	•	•	
DR1931 – Hurricane Alex	•	•	•									
DR4067 – Colorado High Park And Waldo Canyon Wildfires					•	•	•		•	•	•	
DR4085 – New York Hurricane Sandy									•	•	•	
DR4086 – New Jersey Hurricane Sandy											•	
DR4117 – Oklahoma Severe Storms and Tornadoes											•	•
DR4133 – Colorado Royal Gorge Wildfire					•	•	•					
DR4134 – Colorado Black Forest Wildfire					•	•	•	•	•	•	•	
DR4145 – Colorado Severe Storms, Flooding, Landslides, and Mudslides					•	•	•	•	•	•	•	•
DR4159 – Texas Severe Storms & Flooding	•	•	•	•								
DR4223 – Texas Severe Storms, Tornadoes, Straight-line Winds, & Flooding	•	•	•	•								
DR4241 – South Carolina Severe Storms and Flooding							•		•	•	•	
DR4245 – Texas Severe Storms, Tornadoes, Straight-line Winds, and Flooding	•	•	•	•								
DR4255 – Texas Severe Winter Storms, Tornadoes, Straight-line Winds, and Flooding	•	•	•	•								
DR4266 – Texas Severe Storms, Tornadoes, and Flooding	•	•	•	•								
DR4269 – Texas Severe Storms and Flooding	•	•	•	•								
DR4272 – Texas Severe Storms and Flooding (178 counties, including Houston)	•	•	•	•					•	•	•	

WE TAKE A SOLUTIONS-BASED APPROACH

The SCH Team is accustomed to working in the various stages of program implementation of the life cycle of disaster recovery and we have team members skilled in each of the major project categories within PA and HMGP. Above all, we have experience partnering with Grantees to develop processes to ensure the most expeditious review of expenditures and efficient closeout of projects, providing real-time support and monitoring. The questions in the chart below are examples of areas we review as part of overall grant compliance and technical assistance:

EXAMPLES OF PROJECT REQUIREMENTS	PROGRAM IMPACTED
Did the sub-recipient comply with Federal, State and local laws, regulations and policies?	PA, HMGP
Ensure the sub-recipient obtained and provided all permits which were required by FEMA in order to meet the Environmental requirements of the project worksheet or grant award.	PA, HMGP
Ensure the sub-recipient complied with all stipulations identified in the Environmental Conditions section of the grant award.	PA, HMGP
Has the sub-recipient provided documentation of insurance requirement compliance?	PA, HMGP
Have the costs claimed been documented by the sub-recipient? <ul style="list-style-type: none"> • Procurement regulations followed and supporting documentation provided • Compliance with Contracting requirements • Invoices and proof of payment 	PA, HMGP
Overpayments reimbursed to Grantee?	PA, HMGP
Have sub-recipients documented property owners participating in acquisition/elevation projects and filed the restrictive language warranty deeds with the local court records?	HMGP
Have donations and funding from other sources been identified?	PA, HMGP
Have duplication of benefits been researched and applied to acquisition/elevation projects?	HMGP

We take an agile approach. As the above questions identify possible areas of risk or noncompliance, we tailor solutions that align with programmatic and financial concerns.

THE SCH TEAM BRINGS PROGRAMMATIC SOLUTIONS.

IN OUR SERVICE TO YOU WE:

- Will explore the applicability of Public Assistance Alternative Procedures programs with WVDHSEM. We will provide guidance and monitor the performance periods of your debris removal projects to maximize your federal funding through the Accelerated Debris Removal Incentive program.
- Bring our knowledge and work with match-funding to WVDHSEM to use a Coordinated Matching program, utilizing CDBG-DR funding for both Public Assistance and HMGP projects that meet eligibility requirements.
- Will explore the feasibility of implementing a Global Match program through FEMA for the West Virginia HMGP program.
- Will discuss the feasibility of incorporating 406 Hazard Mitigation work into permanent repair projects.

THE SCH TEAM BRINGS FOCUSED EXPERTISE IN FINANCIAL COMPLIANCE:

- We begin each project with the end in mind, making sure project documentation is audit-ready throughout the life of the program.
- We review all Department of Homeland Security's Office of Inspector General (OIG) reports issued on Public Assistance and HMGP programs and provide clients with potential financial impacts to consider in the implementation of their programs.
- We provide technical assistance to ensure compliance with 2 CFR 200 and to provide tools and resources to ensure OIG and FEMA best practices are effectively and efficiently implemented.
- We have experience interacting with the OIG on our clients' behalf and have assisted with 70 OIG audits by providing our clients with the necessary documentation and response information, as well as attending entrance and exit conferences.
- We have played an important role in assisting our clients to successfully respond to the Improper Payments Elimination and Recovery Improvement Act of 2012 (IPERIA) which requires the governing federal agency to review administered programs and identify those that may be at risk for improper payments.

GRANT MONITORING OBJECTIVES

We approach each recovery program with a fresh perspective and a toolbox of lessons learned from our on-the-job experience in seven states. No two Grantees are alike, and no two sub-recipients have the same recovery needs. Each new allocation and the communities served by it bring new challenges; challenges we have a passion for meeting. No matter what the circumstances, the SCH Team stands ready to apply our knowledge and expertise to support

your recovery needs. We know that no matter what the situation, at the core of every good Grant Monitoring program are the following three objectives: building awareness, effective management, and diligent monitoring.

**WE OPERATE WITH
AN INGRAINED
SENSE OF URGENCY
AND EMPATHY
THAT GUIDES OUR
EVERYDAY ACTIONS.
THIS PASSION SETS
US APART FROM
THE COMPETITION
AND ENABLES
OUR TEAM TO
DELIVER GUIDANCE
THAT LEADS TO
UNRIVALED RESULTS**

Building Awareness Based on Our Expertise

Our people are extremely goal-oriented. We operate with an ingrained sense of urgency and empathy that guides our everyday actions. This passion sets us apart from the competition and enables our team to deliver guidance that leads to unrivaled results. Our success springs from our tried-and-tested approach that effectively and efficiently serves affected citizens through compassionate interaction while maintaining focus on forward-thinking procedures to ensure compliance. We have been in your shoes and we know our experiences can benefit you.

Our top priority is to educate sub-recipients on FEMA processes and provide ongoing guidance that supports compliance at every step along the path to recovery. Through published guidance, open conversation and technical assistance, our team will provide expert insight into solutions for success customized to the needs of the sub-recipient. When we identify that a sub-recipient is missing documentation, our team members note the deficiency in our work papers and notify program management. Our team members provide to the sub-recipient a list of documentation deficiencies and recommended curative measures. In the event that original documentation is unavailable, our team members work with the sub-recipient to identify alternative acceptable documentation. If no appropriate solution is forthcoming, our team members work with program staff to take appropriate measures such as adjustment of funding recommendation until FEMA's closeout review has taken place.

Through the FEMA programmatic and financial monitoring process, our team has provided meticulous oversight for critical recovery projects working with over 1,000 sub-recipients. This team has worked with Grantees in the early phase of recovery to strategize critical funding, build relationships with FEMA officials, and has worked to provide clear guidance for sub-recipients in communities newly impacted by natural disaster. We have witnessed first-hand the necessity for financial assistance to be provided as quickly as possible.

As an example, one of our HMGP clients was facing the dilemma of executing an acquisition/demolition program with sub-recipients impacted by flooding. The communities impacted by the flooding event were small towns with operating budgets typically around \$100K a year and they were experiencing a significant cash flow issue with the impact of the disaster on the tax base due to homes being literally swept away in the flood waters and the occupants relocating due to unavailable housing. Additionally, the local match of the FEMA recovery programs was taking a toll on the local coffers. The HORNE team worked with the Grantee and sub-recipients to develop a process where the State would fund 100% of the actual property purchase and closing costs of the property to be acquired via the FEMA award and request reimbursement from FEMA only after the closing documents were executed. This eliminated the outlay of funds from the local communities and in turn afforded them the ability to eliminate survivors rebuilding on the high risk locations, while maintaining compliance with federal funding regulations.

The SCH Team has the ability to provide West Virginia with insight and guidance from our knowledge leaders who have worked with Grantees and sub-recipients in numerous states. The SCH Team has the capability and skill necessary to provide the WVDHSEM with a wealth of knowledge, lessons learned, and informed guidance. Our knowledge leaders have worked in three FEMA regions covering over 1,000 sub-recipients in multiple states. Not only are SCH and HORNE CPA firms, but many of our team members have worked in the disaster recovery sector for over a decade. Our subject matter experts are able to provide programmatic guidance based on field-tested experience and provide Grantee's with worry-free federal compliance reviews. Throughout our years of experience, we have assisted states in implementing disaster recovery programs by providing them with best-practice methodologies, assisting in the development of policies and directives to be circulated to sub-recipients, enhancing technology systems, and monitoring the progress of grant awards not only at the state level, but the sub-recipient level as well.

As an example, nearly eight years after our partner, HORNE, first gained experience working with FEMA programs, they took the lead in designing an acquisition workflow for a newly awarded Grantee, allowing them to rapidly implement a key portion of their Hazard Mitigation Grant Program (HMGP). This workflow process, created as a module in a commonly used grant management system, manages the acquisition of property through the use of HMGP funds, from cradle to grave. Each step of the approval process has been included in the workflow to enable a sub-recipient to submit documentation instantly via electronic upload. This acquisition workflow process has been designed to automate document review by quickly and accurately generating necessary documents such as DOB forms and contract to purchase, populated by the information entered by the sub-recipient. With a goal to bring value to our clients, we are always looking for an opportunity to incorporate efficient and less cumbersome methods to manage the nuances of the disaster recovery programs.

Applicant Briefings, Outreach, Training and Monitoring

Throughout our disaster-related accounting experience, we have realized the need for technical advisors who provide expert opinions during the recovery phase of a disaster. Whether in the grant application formulation stage, the Project Worksheet obligation stage, or during interim construction, a technical advisor can provide the needed information to help ensure compliance related to project completion and scope of work. Through our partnership, the SCH Team will provide technical expertise to the WVDHSEM applicants and sub-recipients, and will work to develop a relationship in order to expedite the recovery of their communities.

Disasters are complex. Navigating disaster assistance programs can be confusing at best. Our technical advisors will work with sub-recipients on a daily basis to ensure understanding of compliance requirements and to maintain awareness of the status of each project. If misunderstandings occur, technical advisors will work as advocates for the sub-recipient and work through team leaders to confirm questions are answered and issues addressed by FEMA.

At SCH and HORNE, we pride ourselves on our technical expertise and in-depth knowledge of the regulations and programmatic policies that govern recovery efforts. Not only do we have experience in 2 CFR 200 and 44 CFR, but we also have widespread exposure to other recovery program nuances such as the Uniform Relocation Act requirements stipulated in 49 CFR, which could potentially impact not only HMGP acquisitions, but Public Assistance projects due to eminent domain for infrastructure repair. We have broad experience in the Acquisition program and the triggers a sub-recipient should be aware of when reviewing the eligibility of a parcel due to mineral rights and oil and gas leases. Our clients have the advantage of our past collaboration with FEMA on the vagueness of the existing policy regarding these property eligibility issues. We have also been the leader in implementing DOB and duplication of programs processes, and training sub-recipients when meeting with property owners participating in buyout programs in both Hazard Mitigation Assistance (HMA) and CDBG-DR.

**OUR TEAM
CONSTANTLY
THINKS OUTSIDE
OF THE BOX
WHEN OFFERING
TECHNICAL
ADVICE AND
HAS CREATIVELY
DESIGNED WAYS
TO USE FEDERAL
FUNDING STREAMS
AVAILABLE FOR
COMMUNITIES
IMPACTED BY
PRESIDENTIALLY
DECLARED
DISASTERS.**

Our team constantly thinks outside of the box when offering technical advice and has creatively designed ways to use federal funding streams available for communities impacted by Presidentially Declared Disasters. Maximizing Congressional appropriations and being aware of the federal funding waivers available for request puts SCH into the position of assisting WVDHSEM and its sub-recipients to develop a robust long-term recovery effort. Our teams have been instrumental in the implementation of global match funding opportunities through FEMA's HMGP program. We will also provide technical assistance and guidance to request the implementation of utilizing CDBG-DR funding streams to offset local match requirements of the Stafford Act, while also achieving credit for assisting low-income beneficiaries as required by the CDBG-DR program.

Your sub-recipients will receive relevant guidance and training specific to the requirements of the program for which they are receiving funding. As an example, we currently provide the sub-recipients of one of our clients with a pre-review of their quarterly reporting submission as a pre-emptive measure and work with them to ensure the information is current and accurate when provided to the Grantee. We target error. When we observe a sub-recipient referring to services not included in the current scope of work, we caution them to submit a Scope of Work Change to ensure there is no error when initiating a contract or purchase order that would be outside the scope of work currently approved.

One of the most rewarding aspects of our work is creating relationships with not only the Grantee but the sub-recipients. Throughout our experience working with government clients, we have determined that our team's unique, collaborative relationship with sub-recipients and Grantees affords us the rare opportunity to provide on-site technical assistance and resolve issues sooner rather than later. In essence, we become a partner in the management of the grant, making sure any upcoming period of performance is addressed with an extension request if needed or by coordinating the request of a version. We leverage this opportunity by offering a financial and compliance perspective on the scope of work from the outset of project kickoff. As a result of these meetings, all participants reach a clear understanding of the project's programmatic and financial requirements, the accounting processes in place, and the role

the team members provide throughout the life of the grant. Our involvement at the project administration level ensures messaging is consistent and concise, this eliminates frustration with all sub-recipients and stakeholders. Additionally, our team provides oversight throughout the life of the grant to expedite issue resolution and create opportunities to collaborate with representatives. Action items are identified and assigned to leads with the expected deliverable to be provided by the agreed upon date. This provides all involved with a sense of teamwork, working together towards one common goal.

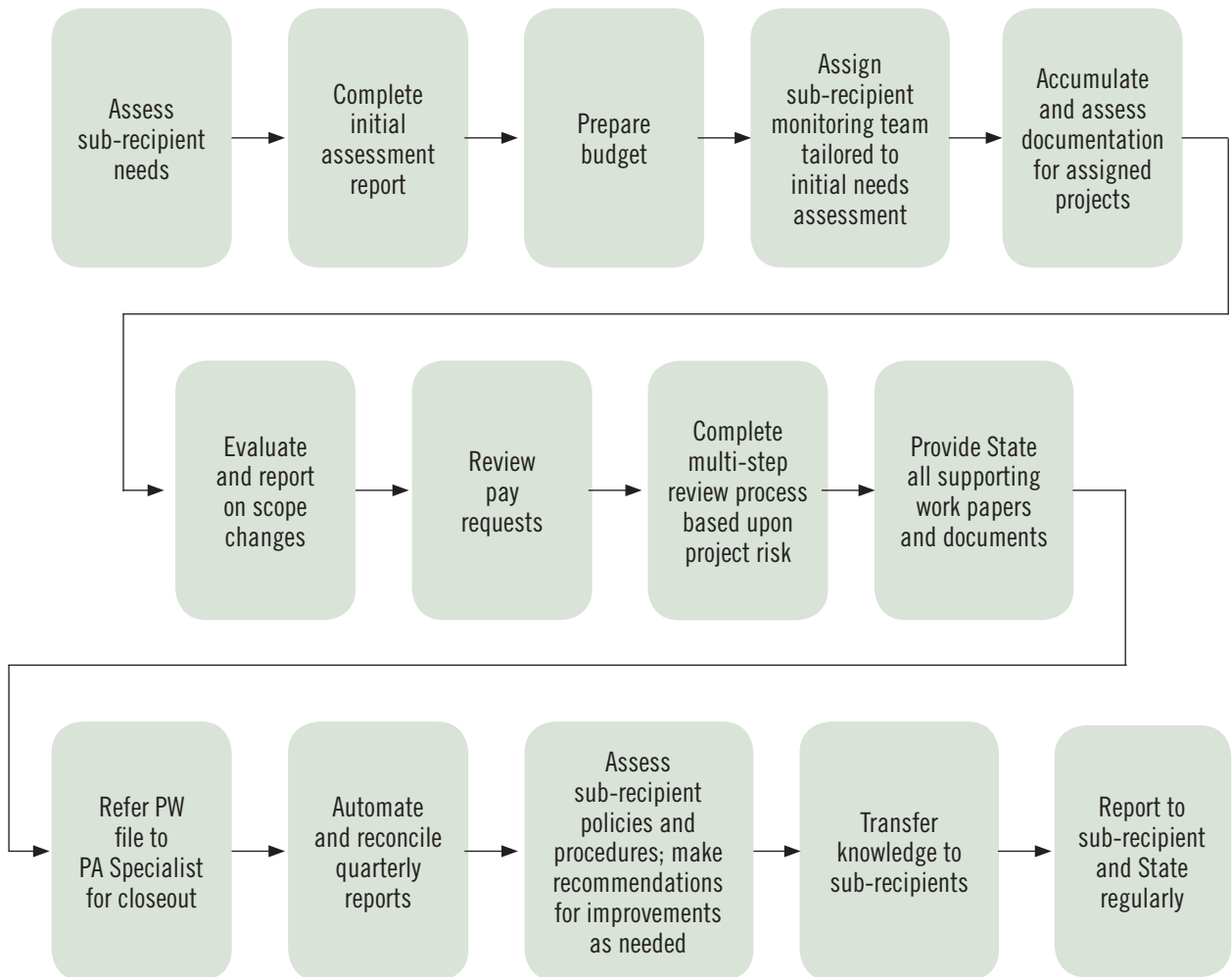
Part of effective applicant technical assistance involves guidance related to grant applications. Our team has been involved in the programmatic review of 683 applications for FEMA, as well as HUD funding. We have provided the application development within FEMA's systems including NEMIS (National Emergency Management Information System), EMMIE (Emergency Management Mission Integrated Environment) and EGrants systems in order to expedite the application submission process and ensure the information provided to FEMA is accurately reflecting the scope of work of the project along with the financial components necessary to complete the work. The SCH Team can facilitate the subsequent Request for Information issued upon FEMA's review of the application and ensure the deadline to resubmit the information is met in order for the application to remain viable in FEMA's system. Upon approval of applications, SCH Team members have administered the dissemination process, have prepared Grantee/sub-recipient contracts, and tracked the progress of execution of their contract to complete the scope as stipulated.

In addition, we will walk alongside WVDHSEM, sub-recipients, and their contracted engineers to explore and incorporate 406 hazard mitigation components into FEMA Public Assistance repair projects. There are many mitigation steps that can be taken after flood events; something as simple as changing a culvert or as complex as elevating an existing bridge can deliver critical risk reduction of impact in subsequent disasters and help build a more resilient community.

**ONE OF THE MOST REWARDING ASPECTS OF
OUR WORK IS CREATING RELATIONSHIPS WITH NOT
ONLY THE GRANTEE BUT THE SUB-RECIPIENTS.**

Management of Operations

The SCH Team has developed a published process system which enables us to efficiently follow a systematic approach to providing effective compliance oversight and recommend funding. This will allow us to continuously prepare WVDHSEM for future audits by the Department of Homeland Security Office of Inspector General (OIG) or any other related investigation from a State or Federal Agency. We will also work with sub-recipients using our tracking and reporting system to reconcile project performance. Our review process provides sub-recipients with real-time monitoring services. This robust level of monitoring is a critical element of the recently issued 2 CFR 200, and it has been our methodology on the projects we have managed since day one.



Our team's experience in monitoring for both programmatic and financial compliance has led us to develop leveraged models that allow for minimal Partner time for routine tasks. Our team has processes in place to escalate any identified risk areas that warrant Partner involvement. As such, we have included this time in the overhead of normal rates for other staff as referenced in RFQ item 3.5.2

Diligent Grant Monitoring

As an example of our team's value add, during programmatic review of applications prior to submission to FEMA for a client's HMGP grant program, our team identified the opportunity to include eligible costs. When reviewing the financial component of the application, they noted there had been no request for pre-award costs which inherently come with some of the project types. As a result of this review, HORNE was able to alert the client to the opportunity to include this in their requests. As a result, sub-recipients were able to claim all costs expected to be incurred, to successfully complete the scope of work.

**THROUGHOUT OUR
WORK, WE HAVE
REVIEWED 11,539
PAY REQUESTS
TOTALING OVER
\$3.1 BILLION AND
WE ARE ALWAYS
ANTICIPATING
WHERE SUB-
RECIPIENTS ARE
MOST LIKELY TO
MEET COMPLIANCE
CHALLENGES**

Another essential aspect of sub-recipient monitoring is the prompt and accurate review of payment requests. Throughout our work, we have reviewed 11,539 pay requests totaling over \$3.1 billion and we are always anticipating where sub-recipients are most likely to meet compliance challenges. We have provided them with the tools, systems, and oversight needed to successfully meet those challenges and to execute, document, and close out projects. SCH will assist WVDHSEM's sub-recipients to implement nationally recognized best practice policies and procedures to better prepare sub-recipients for future disasters.

When a sub-recipient submits a pay or reimbursement request, an SCH Team member will review, compare, and test the provided documentation with the appropriate category checklist. Once the team member has confirmed that the necessary documentation has been provided, the team member will compare documented costs to the project scope and budget line item. The team member will also test procurement methods used as well as a review of contractual agreements to ensure both are compliant with federal regulations. If there are costs identified during testing as requiring additional documentation or clarification, we will discuss the issues with the sub-recipient. If a resolution can't be reached quickly, these are flagged as exceptions or variances. The SCH Team member consults with the sub-recipient and provides an explanation of the exception/variance process and collaborates to set a deliverable date for the sub-recipient to provide resolution to the exception. Examples of exception flags could range from unsupported costs; improper procurement or risk of duplication of costs between Public Assistance, 406 Mitigation programs or possible HUD funding through CDBG-DR program; Scope of Work change issues or budget line item overruns. All pay requests will go through independent supervisor review for quality control. Once the reviews are complete, any unresolved discrepancies will be noted and communicated to WVDHSEM. If WVDHSEM management agrees with the discrepancies identified, the SCH Team member will communicate the issues along with the funding impact to the sub-recipient through an established uniform correspondence template. The SCH Team member will then follow up with a phone call or site visit (based on your preferences) to discuss any questions or concerns that the sub-recipient may have. The SCH Team member will make recommendations based on prior experience for resolution of any potentially ineligible cost requests.

Our team's work with force account labor and equipment costs is an example of the type of testing our team employs when reviewing reimbursement requests. In our experience working

on disasters, force account labor and equipment costs have become the cost types which can create the most issues for a Grantee. The documentation required to support labor costs claimed, and equipment used in recovery efforts, is extensive and becomes voluminous. Testing the costs submitted by a sub-recipient within a projects scope of work is cumbersome for those who have had minimal exposure to the concept of eligible Forced Account costs. Common pitfalls of Forced Account cost reimbursements are:

- Overtime eligible for a particular employee's role
- Eligibility of emergency preparedness and first responders labor costs claimed prior to disaster impact
- The 24/16 rule
- Equipment Rates
- Idle time
- Reconciliation of equipment usage to labor documentation

We perform extensive testing of these costs by sub-recipient which can be drilled down to the project level. What we have found in our testing is on any given day a sub-recipient's employee could perform tasks which would have a cost attributed to more than one project worksheet. Therefore, it is imperative that each employee of a recipient claimed on a project worksheet is tracked in total for every day's tasks performed to ensure costs claimed are not duplicated on project worksheets. Our testing process offers peace of mind that tasks performed will not be claimed twice.

Overpayments to sub-recipients are also considered as part of our reimbursement request process. FEMA's Public Assistance Program Management and Grant Closeout SOP delineates the roles and responsibilities of the agency, its recipients, and sub-recipients. The SOP notes that it is ultimately the responsibility of a sub-recipient to reimburse the recipient for any overpayments it has received, be they a result of the deobligation of costs in a project worksheet, the consequence of an adverse OIG audit, the finding of a duplication of benefits, or any other unforeseen situation.

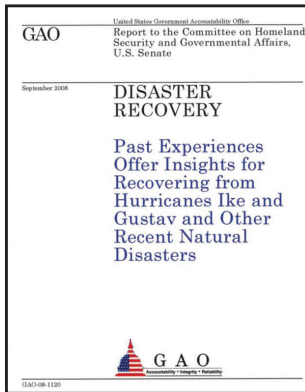
It's a fact of life in disaster recovery that even with robust oversight and grant administration procedures, overpayments are inevitably made. Our team has innovative experience in tracking and resolving these situations. We collaborate with you and your sub-recipients to create overpayment recovery plans designed to recapture overpaid funds and minimize the impact on your sub-recipients' cash flows while preserving a clean audit trail. Our team has developed an overpayment recovery database which tracks overpaid project worksheets and the lifecycle of the overpayment recovery process. We generate reports identifying overpaid projects and payments recovered to date and have facilitated the recovery of over \$61 million on behalf of our clients.

IN OUR WINDSHIELD VIEW, IN ADDITION TO TRAINING ON BEST PRACTICES FOR THE IMPLEMENTATION OF PROGRAM REQUIREMENTS, WE ARE ALWAYS LOOKING TO COLLABORATE AND TRAIN ON NEW AND PROPOSED REGULATIONS.

Program Awareness through Training

A valuable result stemming from monitoring is the identification of on-going issues of concern which yield the opportunity for effective training. Such sub-recipient training will be tailored to the needs of the State and sub-recipients to ensure maximum effectiveness. In our windshield view, in addition to training on best practices for the implementation of program requirements, we are always looking to collaborate and train on new and proposed regulations. Examples of our training library and resources that have been provided at both the Grantee and sub-recipient levels include:

- *Best Practices in Section 428 Compliance: Public Assistance Alternative Procedure Pilot Program*
 - Three years after implementation, review the impacts of the Public Assistance Program Alternative Procedures across multiple disasters.
- *Super Circular and Impact on FEMA grant sub-recipients*
 - 2 CFR 200 requirements that impact sub-recipients
- *Coordination of Federal Funding Streams*
 - Expand your disaster recovery landscape across multiple federal grant programs and learn how the programs can work together to maximize funding sources available to state and local jurisdictions.
- *Best Practices in Pre-disaster Contracting*
 - Don't wait until recovery to implement procurement practices required for federal grants.
- *Redefining Disaster Recovery – Resiliency*
 - Understand the culture shift from recovery to resilience as we explore and address unmet needs from previous disasters and vulnerabilities in future disasters.
- *Common Audit Findings and the Way Forward*
 - Review common issues and pitfalls as identified by the OIG and discuss best practices.
- *The Monitoring Process*
 - Review and discuss the monitoring process, objectives, and expectations with sub-recipients.
 - Accounting Fundamentals and Compliance Review Methodology
 - Overall Compliance Review Approach
 - Legal Authorities and Other sub-recipient Pressure Points
 - Maintaining the compliance review trail
 - Effective Monitoring Techniques and Workflow
 - Effective Compliance Review techniques and workflow



Document Management

Another critical component to sub-recipient monitoring is a well-designed document management system. We've designed document management systems for our clients that have received federal recognition as a best practice. Our disaster compliance monitoring and reporting processes have been cited three times by the Government Accountability Office (GAO) as best practices. As part of the fabric of our culture, we are always in search of improvement through implementation of innovative systems. We have an in-house Information Technology (IT) team of Project Management Professionals (PMP)[®] and highly-skilled database developers who have deep knowledge of federal standards on document management and grant administration. Our IT experts can quickly convert any paperwork process to an error-proof automated approval system supporting accuracy in timeline tracking, monitoring tracking, and payment processing.

After a disaster occurs, States can find themselves in a position needing certain levels of FEMA Public Assistance dollars to be dispersed to sub-recipients. At the same time, States need to avoid de-obligations from any potentially poor record keeping or administrative missteps. The Grantee needs a system to ensure complete transparency and demonstrate good stewardship of federal taxpayer dollars. HORNE, part of the SCH Team, has experience responding to this need by developing a solution that has proven to be an invaluable resource. This solution includes:

- Documenting reconciliation strategies to maximize funding
- Developing custom reports that continually monitor, identify, and document evolving conditions and needs
- Identifying and documenting potential additional eligible costs, such as construction change orders
- Identifying alternative documents that will expedite funding and maintain the highest level of compliance under the Stafford Act
- Developing a robust reporting mechanism to view and document project status throughout the funding and closeout process

Our documentation processes have been established to facilitate the payment request process by flagging questionable costs into a variance/exception queue, by generating a report to be provided with the payment request, and withholding reimbursement recommendation from the funding referral package until the issue is resolved. If no resolution via supporting documentation is available through communication with the sub-recipient, the variance/exception is then presented to the Grantee and flagged as a potential risk in order for a final funding decision by the Grantee.

This process eliminates the delay of the reimbursement to the sub-recipient for other submitted expenditures which aren't flagged as a variance/exception. WVDHSEM can then move forward with funding documented costs and generate the much-needed cash flow for sub-recipients to continue their mitigation and recovery.

**OUR DOCUMENT
MANAGEMENT
AND WORKFLOW
SYSTEM CUSTOMIZED
FOR MONITORING
OUR ONGOING
PROJECTS HAS
BEEN IMPLEMENTED,
AND DUE TO ITS
FLEXIBILITY, IS
CURRENTLY BEING
UTILIZED AND
ACCESSED BY
FEDERAL OVERSIGHT
AUTHORITIES TO
PERFORM CLOSEOUT
REVIEWS IN THE
PUBLIC ASSISTANCE
PROGRAM**

Our standardized processes and work papers facilitate and expedite the State's review and FEMA closeout for each project. These work papers contain all pertinent documentation to support project worksheet progress and closeout. All working papers are fully cross-referenced and become the property of the State at the end of the engagement. With our experienced team and proven processes serving in a grant monitoring role, the risk of de-obligation decreases.

The SCH Team also has an enterprise content management system for monitoring teams which preserves and makes available readily accessible reconciled financial documents when requested by other federal and State agencies. Our document management and workflow system customized for monitoring our ongoing projects has been implemented, and due to its flexibility, is currently being utilized and accessed by federal oversight authorities to perform closeout reviews in the Public Assistance program.

Budget Monitoring and Site Inspections

As CPAs, we specialize in creating visibility and advocating for facts. Any stakeholder you designate will be able to access project-by-project progress detail, budget, and payment status. We are available to brief your team members and stakeholders on all aspects of project and payment progress at your request and in a manner that represents West Virginia with the utmost professionalism and discretion. Our team oversees project-by-project accounting, budgeting, and progress on more than 15,762 projects for FEMA funding across 14 disasters. Our project specialists utilize reporting metrics to ensure:

- Project timelines remain within the period of performance
- Payment progress is in alignment with project timelines and funding expectations of WVDHSEM
- Projects are completed within the scope of work of both the project worksheet and contract terms, where applicable

Action reports and executive summaries will be provided to WVDHSEM for review and consideration including time extensions requested and the reason for project delays, project scope changes, project versions, funding status, closeouts, non-responsive sub-recipients, and complex programmatic issues. All of these areas cover necessary information when responding to requests regarding budgetary needs and cash flow projections for specific periods of time.

Part of budget monitoring is to recognize the need for change requests and extensions. We know, in depth, the administrative processes necessary to document for approval, changes to project scope and budget inherent in large-scale infrastructure recovery. HORNE has formally processed 161 time extensions and 43 version requests.

In order to best identify extension or change request needs, the SCH Team employs a thorough review process at the conclusion of each quarterly reporting period that results in a red flag grant management report. This report identifies projects that are estimated to overrun the

obligation or period of performance deadline and identifies costs incurred but not yet submitted for reimbursement. We will develop and customize this same type of report for WVDHSEM. We will coordinate with your team regarding the status of the project reported and gather the necessary information from the sub-recipient to request extensions, scope of work changes, versions needed, or expenses not submitted to WVDHSEM for reimbursement. Once requests for information are made to the sub-recipient, the SCH Team will track the responses received and provide a progress report in order to alert WVDHSEM project managers when documentation expected to be submitted has a deadline approaching. We will then coordinate with WVDHSEM to prepare the submission to FEMA in order to request the scope of work change, version, or extension request. Then, as FEMA requests for additional information are received, the SCH Team will coordinate between WVDHSEM and the sub-recipient to fulfill the additional information needed.

Upon project completion, the SCH Team will brief the sub-recipient on their final project status and expenditures as compared to budgeted amounts. The team will then perform final site inspections and refer the project to FEMA closeout. HORNE has conducted over 683 site inspections and has submitted requests for closeout for over 7,101 projects. Depending on the complexity of the project and at the direction of WVDHSEM, the SCH Team will partner with qualified team members to ensure that site inspections meet WVDHSEM expectations. WVDHSEM will be provided with all supporting work papers and documents to ensure a comprehensive file is available and easy to navigate for future reviews.

In addition, if requested by the WVDHSEM at the time of quarterly reporting, we have the ability to generate a federal draw down report from FEMA's system to identify projects that have been paid by the State but not yet drawn down from your FEMA fund account. This will alert your financial team of action needed to keep the State's cash availability at the level necessary to reimburse your sub-recipient submitted expenditures for reimbursement.

In summary, SCH takes pride in keeping the progress of your recovery needs current and will be available to take over any administrative tracking and coordination of documents or funding in order to afford your team the availability to address other issues in your recovery efforts.



COMPLIANCE REVIEW TASKS

The SCH Team has high proficiency in performing compliance reviews for federally-funded disaster recovery grants under the Stafford Act related to all aspects of FEMA Public Assistance and Hazard Mitigation programs. Our team conducts both financial and programmatic compliance reviews to ensure that project goals, objectives, performance requirements, timelines, milestone completion, budgets, and other related grant requirements are met. We specialize in compliance with:

- Robert T. Stafford and Emergency Response Act
- Implementing Recommendations of the 9/11 Commission Act of 2007, P.L. 110-53
- American Recovery and Reinvestment Act of 2009, P.L. 111-5 (ARRA)
- Improper Payments Information Act of 2002 (IPIA) (P.L. 107-300)
- Federal Funding Accountability and Transparency Act of 2006, P.L. 109-282
- Code of Federal Regulations (CFR) for Emergency Management Assistance (44 CFR)
- CFR for Grants and Agreements (2 CFR)
- Sandy Recovery Improvement Act (SRIA) of 2013

Programmatic and Financial Compliance

Our team will conduct thorough programmatic reviews and provide the necessary guidance and training to ensure sub-recipients comply with Federal, State, and local laws, regulations, and policies to fulfill the following responsibilities:

- Compliance with 2 CFR 200 requirements including procurement, cost reasonableness and audit
- Compliance with 44 CFR
- Obtain all required permits and comply with environmental requirements
- Purchase and maintain necessary insurance
- Complete projects in accordance with the approved scope of work and within the regulatory timeframes
- Report progress on large projects
- Request progress payments for large projects
- Submit request for any Improved Projects prior to start
- Submit request for any Alternate Projects prior to starting work
- Follow appropriate protocol to request time extensions, as appropriate
- Promptly notify WVDHSEM of the need for a change in grant conditions
- Document final costs
- Request grant closeout from WVDHSEM for small and large projects.

- Dispose of equipment and supplies purchased to complete eligible work in accordance with regulation
- Fully participate in all Federal audits of grant funds, as required
- Complete audits as required
- Retain all records for a minimum of three years after the Grantee and FEMA closeout the Sub-recipient as required by 44 C.F.R. § 13.42.

Our team will assist sub-recipients in complying with WVDHSEM policies and procedures, program requirements, general federal regulations and basic programmatic reporting requirements connected with receiving funding assistance. Through our programmatic reviews, we will confirm programs and projects are carried out in a manner consistent with WVDHSEM plans and strategies, as well as applicable guidance and regulations.

Our Procedures

We have spent years perfecting our compliance review production system. We manage costs by understanding the trends in disaster grant compliance. Our flexibility has helped us adapt our procedures to meet the needs of States and to increase the responsiveness of our sub-recipients which includes but is not limited to:

- Beginning the process with desk reviews and conduct on-site inspections based on a risk assessment analysis
- Develop comprehensive reports based on full review of files, site visits and staff interviews
- Developing a document request system to automate sub-recipient requests and communicate progress
- Implementing sub-recipient risk assessment procedures to identify high, medium and low risk sub-recipients
- Focusing on sub-recipient entrance and findings meetings in an effort to minimize throughput time of assignments
- Work with clients to come to an acceptable threshold to trigger a procurement compliance review to minimize potential issues with OIG findings
- Customizing a reporting system to provide transparency and promote accountability

For those times when our compliance review is not the first compliance work that's been conducted for a given grant, we won't waste taxpayer dollars by working from a self-imposed blank slate. We always consider prior monitoring work when calculating the number and type of hours necessary to complete a compliance engagement. We understand that the State is continuously developing a more sophisticated standard of grant monitoring and we work alongside your grant monitoring function to leverage previously completed work into value for you.

Our compliance reviews for federal funding are performed with a team approach. Each team is led by an experienced professional who specializes in Stafford Act compliance. As referenced

in RFQ section 3.5.3, certified professionals as well as Partners are utilized as needed. Team members are assigned tasks according to their specialization.

For example, some of our team members have spent years focusing on Public Assistance Category A Debris Removal compliance reviews. These specialists bring a wealth of detailed knowledge and information related to allowable costs, acceptable documentation standards, and the most likely areas where duplication or fraud may occur.

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BY THE STATE.**

The SCH Team is agile, with the ability to flex staff levels up and down based on the number of projects assigned at any one time by the State.

Once project assignments are made, our skilled managers review the projects for an initial scope assessment of the number and type of team member hours necessary to perform compliance review activities for each individual project. The SCH Team has years under our belt in generating budgets on a project-by-project basis. We are able to quickly and accurately determine the extent of the work necessary to review a project based on the program, project type, project dollar amount, and often a history of experience with the funding sub-recipient.

Once a project budget has been created by SCH and approved by the State, we assign the project to a specialized team who will then submit a documentation request to the sub-recipient. Documentation requests are created based on the stated scope of work of the project worksheet and our extensive knowledge of what is acceptable documentation under FEMA standards. Our team will meet face-to-face with sub-recipient staff and any third-party agents who may have been engaged to manage grant compliance, especially if our team has not previously worked with the sub-recipient to explain the compliance review process and documentation needs. The SCH Team will work with sub-recipients to gather documentation and, when necessary, report to the State on any delays or non-responsiveness on the part of the sub-recipient.

Once all documentation is received, our assigned team will begin the compliance testing process. Sample sizes of sub-recipient data will be selected based on our experience reviewing similar project types and in consideration of guidance from the State. All testing will be performed against the parameters of the original project worksheet scope of work alongside sub-recipient policies and procedures effective at the time of the event. After testing is completed, we will perform a quality control review process to ensure the accuracy of all working papers.

Following the completion of all testing and review activities, the SCH Team will submit a draft report on any findings to WVDHSEM. We will also meet with sub-recipients to explain any review findings and, at your direction, provide guidance on how sub-recipients might resolve such findings.

Our standardized processes and work papers facilitate and expedite WVDHSEM's review and FEMA closeout for each project. These work papers document tests of sub-recipient compliance

and include reporting. All of the SCH Team's working papers will be the property of the State at the end of the engagement.

We will report weekly to State management on the progress of all assigned projects relative to elapsed review time and the agreed upon project budget. Also, at the State's direction, the SCH Team will be able to provide web-access to all reports in dashboard form so that State management has real-time progress data with which to make additional assignments and keep all stakeholders apprised of compliance review activity.





AUDITS AND OTHER ADMINISTRATIVE TASKS

In addition to being a dynamic disaster recovery provider, SCH and HORNE maintain a CPA firm foundation and are qualified to review audits of State and local governments. We have wide-ranging experience in performing single audits for local government jurisdictions, specifically as related to compliance with federal disaster funding rules and regulations. Because we have performed single audits, we understand how to communicate observations and findings to sub-recipients and their specific implications on Public Assistance and Hazard Mitigation Grant Programs. Currently, we assist sub-recipients in reviewing compliance review findings, Single Audit findings, Management responses, and Corrective Action Plans and providing our unique insights and recommendations. More recently, we have provided training seminars and consultative services to our state agencies and sub-recipients to navigate the transition to 2 CFR 200 with disasters that span over eight years.

Upon engagement, we are prepared to immediately begin a review of all applicable single audits for the sub-recipients of federal funding on behalf of WVDHSEM. We will perform an initial review of all assigned audits and sort them according to the type and degree of findings. Based on the scope of assignments, we will leverage teams to:

- Review audit findings,
- Identify opportunities for improvement in control design and develop a resolution plan, and
- Implement plans to manage financial and procedural control risks.

After a resolution plan is drafted for the findings of a given audit, our team will begin working with the relevant sub-recipient jurisdiction to address the findings. Findings will be addressed in two basic categories — financial and procedural controls. Our team will work with sub-recipient financial staff to review internal control weaknesses as identified in the audit and implement solutions taking into consideration the resources that are available to the sub-recipient. For example, some control considerations such as segregation of duties may not always be practical given the number of staff available to the sub-recipient. Audit resolutions must be tailored to the specific needs of the sub-recipient and they must be realistic solutions.

Once monitoring or compliance reviews are completed, it's a quality control best practice to perform independent desk reviews sometimes known as peer reviews for a sample of projects. The objective of a desk review is to determine the effectiveness of the monitoring or compliance review performed. Our team stands ready to:

**WE HAVE
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AND LOCAL LEVEL
DISASTER RECOVERY
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WEATHERS REGULAR
AUDITS WITH
NO FINDINGS.**

- Ensure work programs and sign-offs are complete
- Determine file completeness based on the category of work
- Ensure WVDHSEM's sampling methodology was consistently applied
- Review error rates to ensure they are in alignment with acceptable ranges communicated by the State
- If requested, perform walkthrough of sampled items
- Review the impact of findings and recommend a sub-recipient monitoring plan, where applicable

The SCH Team will work with WVDHSEM to conduct peer reviews within specified parameters. A timeline will be drafted to ensure expedient closure of each review.

Our flexible, cross-trained team of CPAs and accounting professionals stand ready to work with WVDHSEM on day one. Our team members on our current projects receive 40 hours of initial training using customized training programs for the Stafford Act and FEMA regulations that are tailored to Grantee's specifications. In addition to our customized training modules, all team members working with WVDHSEM will maintain Public Company Accounting and Oversight Board (PCAOB) and Yellow Book continuing education hours which include courses directly related to government auditing. Therefore, ensuring that you will have a well-versed technical team.

In addition to the auditing and other administrative tasks identified in the RFQ, the SCH Team is perfectly positioned to provide WVDHSEM support in preparing for, participating in, and responding to feedback from audits at both the State and federal level. Having us on board means you never have to worry about what auditors will ask for, what they might test, or what the results might be. We have repeatedly assisted State and local level disaster recovery management in preparing for audits and we have consistently delivered a product that weathers regular audits with no findings.

One example of such an audit related to the Improper Payments Elimination and Recovery Act (IPERIA). HORNE has over seven years of experience assisting clients in successfully responding to IPERIA audits. Throughout the audit process, we keep our clients informed of the progress by providing weekly updates as well status reports on potential issues. In response to the audit, HORNE assists clients in working with the appropriate regional IPERIA administrator and in the initial response to the various sampling methodologies used by the requesting agency. HORNE partners with clients' management team to obtain, review, and create a final submission package for the requesting agency within the prescribed timeline. HORNE currently has one client for whom they have performed monitoring services for the life of their disaster. With the combination of these monitoring services throughout the disaster and their ability to efficiently respond to the IPERIA auditors, this client received a report with zero findings.

Training is an integral component of a successful program. We know from experience that bringing in teams to review, recommend, and resolve is only a portion of a successful audit

program. Another priority aspect of our scope must be to train existing State staff to perform some of the programmatic functions and control reviews in order to ensure knowledge transfer.

Once West Virginia processes are standardized, the SCH Team will review and document the established process standards and train State staff in performing reviews of the work of sub-recipients and contractors as well as their own peer reviewers. We will work with State management to identify the most flexible training platforms that work within the time constraints of project officers to maximize effectiveness.

The SCH Team has far-reaching practice in developing and administering training on monitoring procedures. We have developed written guidance, online presentations, and in-person instructor-led courses for our clients. With this experience and materials on hand, we can develop a training manual tailored to the West Virginia recovery. Members of the SCH Team have been reviewing government agency policies and procedures and making recommendations for improvements for over ten years. We will collaborate with West Virginia to set the scope of the review and create a timeline for completion in accordance with the Agency's needs.

A recent example of our team's success in this area occurred in 2014. HORNE was engaged by the Mississippi Development Authority (MDA) to design, implement, and oversee the comprehensive Section 3 compliance training program for its entire Community Development Block Grant – Disaster Recovery (CDBG-DR) program which encompassed \$5.4 billion in managed funding. They developed the relevant content and training materials, constructed the outreach model for local covered jurisdictions, and led the training sessions as keynote speakers. HORNE provided technical assistance to sub-recipients, contractors, and subcontractors and also developed a record-keeping system for MDA by which it could retain all documentation of attendance and outreach related to the training sessions, thereby documenting MDA's compliance with Section 3 and full participation of the CDBG-DR stakeholders.

The SCH Team takes a hands-on consultative approach when working with sub-recipients. We partner with our clients as a member of their team to clarify and confirm all funding compliance requirements to:

- Conduct a review of internal controls in accordance with COSO (Committee of Sponsoring Organizations) standards
- Ensure funding is directed appropriately to accomplish goals and to help prevent de-obligation of funds
- Recommend standardized processes and procedures that simplify program implementation and audit compliance
- Implement solutions to produce superior results and reduce costs by streamlining systems and processes, and taking advantage of opportunities to improve programs

We will monitor sub-recipient projects and financial controls to ensure key performance indicators as defined by 2 CFR 200, Subpart D are properly adhered to, and issues are addressed and resolved quickly and efficiently. Based on monitoring results, SCH will customize corrective action plans for sub-recipients with a less than satisfactory review. We will conduct any necessary training and further monitoring of areas such as financial management systems, procurements, conflicts of interest, recordkeeping, audit requirements, and cost principles.

Additionally, to evaluate the effectiveness of a sub-recipient's internal controls as mandated by 2 CFR 200.303, the SCH Team reviews the sub-recipient's organizational structure, turnover, grant experience and performance, policies and procedures, reporting, accounting system, and financial stability. Based on assessment results, SCH will tailor sub-recipient monitoring plans to align with risks identified.

ADDITIONAL CONSIDERATIONS

While not specifically addressed in your request for qualification, we feel it is important to note areas in which we have brought value to other clients we have served.

Small Projects

Our team has facilitated the oversight and funding of small projects for our clients. We perform a review of every small project worksheet and identify any that are potentially misclassified due to inaccurate application of insurance proceeds, or understated deductibles. Furthermore, we ensure insurance requirements stipulated in the project worksheets have been properly documented and coordinate with sub-recipients any documentation needed in order to process the funding of 100% of the small project payments.

Small to Large Projects

When a project is reclassified from a small project to a large project by FEMA, this changes the documentation requirements on the project. We have observed this to be very frustrating for sub-recipients to have to retrieve documentation that was not previously required at the time the small project was funded. Communicating this possibility to your sub-recipients is important from the point of the applicant briefing and advising them to retain all documentation to support small project costs in the event of a project reclassification. For projects particularly at risk of reclassification, we suggest to many of the sub-recipients to provide the documentation to support costs to our team as if it were a large project, in order for it to be stored electronically in our document management system. Our team anticipates future needs and provides solutions to your sub-recipients in order to minimize their frustration of misplaced documents they assumed would not be required to be submitted.

Emergency Mutual Aid Compact

The HORNE team played a critical role in the management and reconciliation of the mission assignment claims of labor costs, expenses, equipment and supplies provided by responding states through NEMA's EMAC cooperative agreement in response to Hurricane Katrina.

A total of 219 claims accompanied by supporting documentation, totaling more than \$119 million, were submitted to our client for reimbursement of costs incurred through mission assignments. Upon submission of these claims the HORNE team reviewed costs and determined if they were adequately documented. Additionally, the review identified FEMA eligible costs in order to have project worksheets developed and obligated to reimburse the Grantee for costs reimbursed to the 36 states responding to the devastation left behind as a result of Katrina. Our team then worked with our FEMA counterparts to develop the project worksheet and provided the FEMA analyst with the working papers prepared by our EMAC team to expedite the approval and obligation of the federal funds.



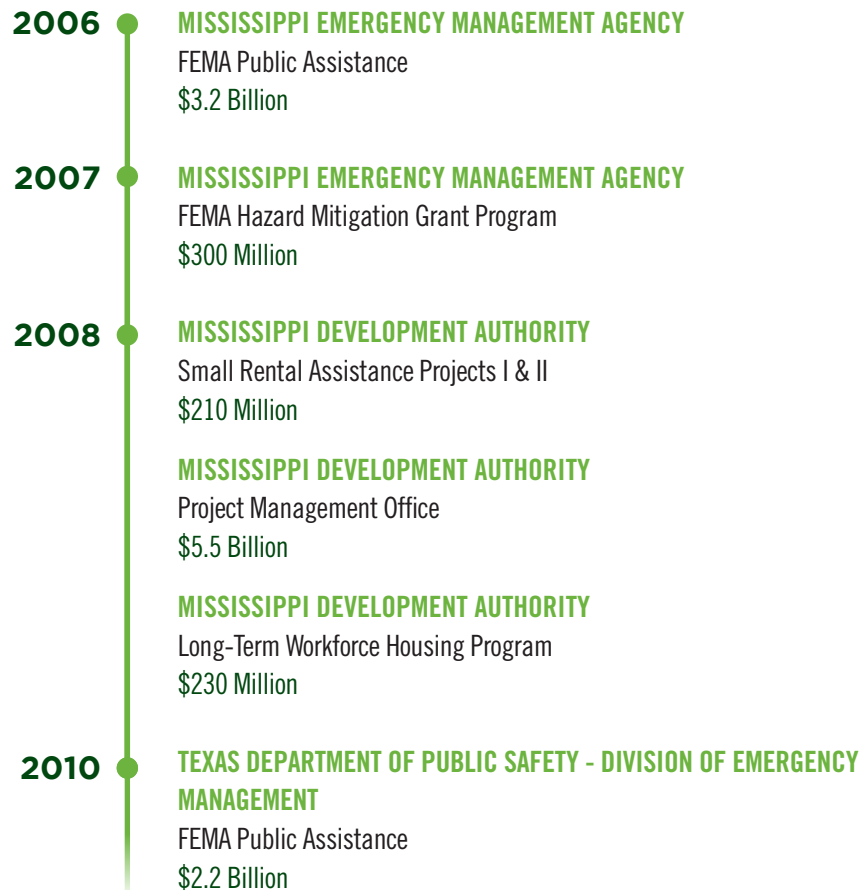


QUALIFICATIONS

TEAM QUALIFICATIONS

Because SCH and HORNE are CPA firms with over 500 team members and over 50 years of corporate experience, we couple traditional accounting and auditing knowledge with a far-reaching understanding of federal grant compliance and monitoring requirements. Our field-tested knowledge of federal and State guidelines enables us to translate complex regulations into actionable guidance. The SCH Team partners with governments to provide financial compliance by implementing recovery programs, ensuring expenditure of grant funds by federal and State guidelines, and documenting spending of those funds. The SCH Team has a wealth of experience in disaster recovery that began in 2006 and continues today, supporting funding recipients through the management of programs that are governed by Sections 24 and 44 of the Code of Federal Regulations, 2 CFR 200, as well as FEMA's most up-to-date Public Assistance guidance (FP 104-009-2).

The following timeline demonstrates our breadth of experience with disaster recovery projects over the past ten years.



- 2010** ● **MISSISSIPPI DEVELOPMENT AUTHORITY**
 Neighborhood Home Program
 \$182 Million
- 2012** ● **TEXAS GENERAL LAND OFFICE**
 City of Galveston Rounds 1 & 2 (as subcontractor)
 \$221.5 Million

TEXAS GENERAL LAND OFFICE
 Homeowner Opportunity Program Planning
 \$60 Million

TEXAS GENERAL LAND OFFICE
 Lower Rio Grande Valley Development Council, Round 2 (as subcontractor)
 \$122 Million

TEXAS GENERAL LAND OFFICE
 Southeast Texas Regional Planning Commission, Round 2 (as subcontractor)
 \$190.1 Million

TEXAS GENERAL LAND OFFICE
 Disaster Recovery Body of Knowledge Planning
- 2013** ● **TEXAS GENERAL LAND OFFICE**
 City of Houston Round 2
 \$63.1 Million

TEXAS GENERAL LAND OFFICE
 Galveston County Round 2
 \$112.9 Million

● **NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS**
 reNEW Jersey Stronger
 Sandy Integrated Recovery Operations and Management System (as subcontractor)
 \$3.2 Billion
- 2014** ● **NEW YORK GOVERNOR'S OFFICE OF STORM RECOVERY**
 NY Rising (as subcontractor)
 \$1.52 Billion

COLORADO DEPARTMENT OF LOCAL AFFAIRS
 Action Plan and Substantial Action Plan Amendment (as subcontractor)
 \$320 Million

- 2015** ● **NEW YORK GOVERNOR'S OFFICE OF STORM RECOVERY**
 Housing Trust Fund Corporation
 Social Services Block Grant
 \$26.5 Million

NEW YORK GOVERNOR'S OFFICE OF STORM RECOVERY
 Housing Trust Fund Corporation
 Professional Services for CDBG-DR Advisory & Project Management Support
 \$3.8 Billion

**COLORADO DEPARTMENT OF PUBLIC SAFETY,
 DIVISION OF HOMELAND SECURITY
 AND EMERGENCY MANAGEMENT**
 DHSEM Program Support Services for FEMA and HUD Funds
 \$152.2 Million HMGP and CDBG-DR
- 2016** ● **SOUTH CAROLINA DEPARTMENT OF COMMERCE**
 CDBG-DR Action Plan Development and Implementation
 for Severe Storms and Flooding Recovery
 \$96.8 Million

RELEVANT EXPERIENCE

MISSISSIPPI EMERGENCY MANAGEMENT AGENCY

PUBLIC ASSISTANCE PROGRAM

\$3.2 Billion

January 2006 – Ongoing

Scope of Work

Financial oversight and document management services for \$3 billion of PA funds including monitoring and reporting to meet compliance and financial reporting standards.

Key Deliverables

Pay request packages; weekly and monthly status reporting; and final inspection documentation packages

Following the onslaught of Hurricane Katrina, HORNE's multi-disciplinary team joined forces with the State of Mississippi to achieve great strides toward a successful recovery. HORNE has worked hand-in-hand with the Mississippi Emergency Management Agency (MEMA), FEMA, State and local governments, and sub-recipients over the last ten years to move Mississippi forward.

Their partnership with the State continues to exhibit their ability to assess and design the required document management and financial analysis programs and systems required by the

FEMA Public Assistance program. HORNE's team consists of trained and qualified professionals who specialize in implementing and executing these types of programs and systems to FEMA's required standards.

Standing in the wake of Hurricane Katrina, HORNE developed a solution for MEMA that consisted of a system of on-the-ground, accounting resources and web-based, real-time technology. This combination provided the financial structure specifically required to meet the compliance and transparency guidelines established to ensure an honest government and maintain public trust. Working with State and federal officials, they created and implemented the first State-based, real-time audit system for Public Assistance. In addition to working with the State and sub-recipients to develop the required documentation for large Project Worksheets (PWs), they provide technical assistance and oversight to the sub-recipients for the entire life cycle of those PWs. The HORNE team works with the State to ensure that all claimed costs are allowable and that all cash requests are within the scope and processed correctly. They also work hard to ensure that all costs that can be claimed are claimed.

The financial management and oversight HORNE provided after Hurricane Katrina included accounting oversight, document compliance, and pay request processing for more than 780 sub-recipients, totaling over 11,000 projects and representing \$3.2 billion through FEMA's Public Assistance Program. HORNE's Mississippi team was highlighted for expeditious closeout of projects by the OIG in its summary of Hurricane Katrina public assistance projects in Louisiana, Mississippi, and Alabama.¹

Reference:

Larry Bowman, Mississippi Emergency Management Agency,
Public Assistance Director
601.933.6696 | lbowman@mema.ms.gov

¹Department of Homeland Security Office of Inspector General (OIG-12-30, January 2012)

MISSISSIPPI EMERGENCY MANAGEMENT AGENCY

HAZARD MITIGATION GRANT PROGRAM

\$313 Million

February 2007 – Ongoing

Scope of Work

Financial and compliance review, project tracking, various reporting and document management services for Mississippi's HMGP projects and funds

Key Deliverables

Pay request packages; weekly and monthly status reporting; and final inspection documentation packages

Since February 2007, HORNE has provided accounting and oversight services related to \$313 million of Hazard Mitigation Grant Program funding to the Mississippi Emergency Management Agency (MEMA). This funding was a result of Hurricane Katrina's unprecedented destruction in 2005. We work closely with MEMA, the local municipalities, and State agencies to facilitate the funding of approved grant projects and ensure that procurement and contracting compliance regulations are followed.

HORNE works with eligible sub-recipients using a tracking and reporting system to test submitted documentation for completeness and correctness. Prior to providing recommendations for payment to MEMA, the analyst team reviews submitted expenditures and documentation. The team summarizes and reports variances, helping to address unresolved issues with the sub-recipients and MEMA prior to any recommendations for funding. Finally, they electronically index and link documents as part of a centralized electronic document management enterprise system, so MEMA always has access to the documentation.

The HORNE team has partnered with MEMA to develop and implement a 100% electronic pay request system which facilitates the preparation, review, and tracking of pay requests. They also worked with MEMA to develop a reporting system to reconcile project financial performance so that leadership could make informed funding decisions.

Reference:

Jana Henderson, Mississippi Emergency Management Agency,
HMGP Director
601.933.6604 | jhenderson@mema.ms.gov

**COLORADO DEPARTMENT OF HOMELAND SECURITY AND EMERGENCY MANAGEMENT,
FLOOD AND FIRE RECOVERY, HAZARD MITIGATION GRANT PROGRAM**

\$88.2 Million

February 2015 – Ongoing

Scope of Work

Programmatic guidance; financial and compliance review

Key Deliverables

Request for Reimbursement packages; project status reporting; project closeout documentation packages; compose program policies and training; coordinated Matching with CDBG-DR funding and Global Matching implementation

HORNE's team of FEMA experts arrived in February 2015 to assist the Colorado Department of Homeland Security and Emergency Management (DHSEM) with their HMGP program, an \$88.2 million funding source designed to target mitigation activities. Upon arrival, many opportunities to innovate the State's program design were observed. Their team of proven knowledge leaders provided programmatic guidance, financial and compliance review of reimbursement requests, project tracking, and reporting and document management for various project types including acquisition, elevation, infrastructure.

Along with HORNE's scoped program management activities, they proactively led the State to include pre-award activities in sub-recipient applications for appropriate reimbursement. They streamlined the appraisal process for acquisition activities, developed an Emergency Management Grants database for accurate monitoring, automated reporting and implemented coordinated and global match procedures to promote cash flow from FEMA and CDBG-DR match funding streams.

Reference:

Marilyn Gally, Colorado Office of Emergency Management,
Recovery and Mitigation Director
720.852.6694 | marilyn.gally@state.co.us

**COLORADO DEPARTMENT OF HOMELAND SECURITY AND EMERGENCY MANAGEMENT,
FLOOD AND FIRE RECOVERY, CDBG-DR MATCH PROGRAM**

\$64 Million

February 2015 – Ongoing

Scope of Work

Programmatic guidance; financial and compliance review

Key Deliverables

Request for reimbursement packages; project status reporting; compose program policies and training; project summary from application reviews

HORNE provides programmatic guidance, financial and compliance review of reimbursement requests including Davis Bacon and Section 3, project tracking, reporting assistance, closeout package review, project review and site visits, and document management, coordinated Matching processing with FEMA PA and HMGP grant awards.

Reference:

Marilyn Gally, Colorado Office of Emergency Management,
Recovery and Mitigation Director
720.852.6694 | marilyn.gally@state.co.us

HATFIELD-McCOY REGIONAL RECREATION AUTHORITY (HMRRA)

\$1.9 Million Annual Operating Budget (2016)

2005 - 2015

Scope of Work

Consulting and CPA Services

Key Deliverables

Grant tracking; quarterly financial statements; quarterly and annually payroll tax assistance; preparation of W-2's and 1099's

SCH provided Hatfield-McCoy Regional Recreation Authority (HMRRA) assistance with grant tracking, quarterly compiled financial statements, quarterly and annual payroll tax reporting assistance, and the preparation of year-end W-2's and 1099's. SCH has also assisted HMRRA with the review of their internal control processes and review of their internal financial policies and procedures.

Reference:

Jeffrey Lusk, Hatfield-McCoy Regional Recreation Authority,
Executive Director
304.752.3255 | jlusk@trailsheaven.com

WEST VIRGINIA FREE

\$800,000 Annual Operating Budget (2016)

May 2016 - Ongoing

Scope of Work

Consulting and CPA services

Key Deliverables

Recording revenue and expenditures; preparation and filing of payroll tax returns; financial reporting; grant tracking and reporting; audit preparation

SCH has provided services to West Virginia Free since May 2016, serving as the organization's principal accounting service provider. Specific services include recording revenue and expenditures, preparation and filing of payroll tax returns, financial reporting, grant tracking and reporting, and audit preparation. West Virginia Free receives \$683,500 annually in private grants and has a total annual budget of approximately \$800,000.

Reference:

Margaret Chapman Pomponio, West Virginia Free
Executive Director
304.342.9188 | Margaret@wvfree.org

WEST VIRGINIA HEALTHY KIDS AND FAMILIES COALITION

\$975,000 Annual Operating Budget (2016)

April 2016 - Ongoing

Scope of Work

Consulting and CPA services

Key Deliverables

Management of grant drawdowns; reporting to agency on grant expenditures and activity; preparation of checks, tracking, and recording expenses; budget forecasting and expenditure schedules

SCH manages all aspects of accounting operations for West Virginia Healthy Kids and Families Coalition (WVHKFC). Primary responsibilities for the organization include management of multiple grant drawdowns, reporting to state agencies on grant expenditures and activity, preparation of checks, tracking and recording expenditures, recognizing revenues, financial reporting, preparation of monthly, quarterly, and annual payroll taxes, and providing assistance in forecasting budgets and expenditure schedules. WVHKFC's annual budget is approximate \$975,000, with over \$900,000 of revenue coming from state and private grants.

Reference:

Stephen Smith, West Virginia Healthy Kids and Families,
Executive Director
304.610.6512 | stephennoblesmith@gmail.com

ENACT, INC.

\$2.2 Million Annual Operating Budget (2014)

October 2011 - Ongoing

Scope of Work

Consulting and CPA services

Key Deliverables

Monitor and advise on grant compliance, grant tracking and reporting; and preparation of federal drawdown

SCH has provided services to EnAct, Inc., similar to those included in this request for proposal, since October 2011. SCH serves as EnAct's Chief Financial Officer and as such monitors and advises on grant compliance, grant tracking and reporting, as well as preparation of the federal drawdowns with the West Virginia Office of Economic Opportunity. During our tenure, EnAct has averaged \$850,000 in federal expenditures annually.

Reference:

Brent Pauley, EnAct Inc.
Chief Executive Officer
304.414.4475 | bpauley@enactwv.org

COMMUNITY ACCESS, INC.

\$509 Million (2015)

2007 - Ongoing

Scope of Work

Auditing agreed upon Procedures – West Virginia Department of Health and Human Resources

Key Deliverables

Agreed upon procedures; review all grant expenditures; grant tracking and accounting oversight

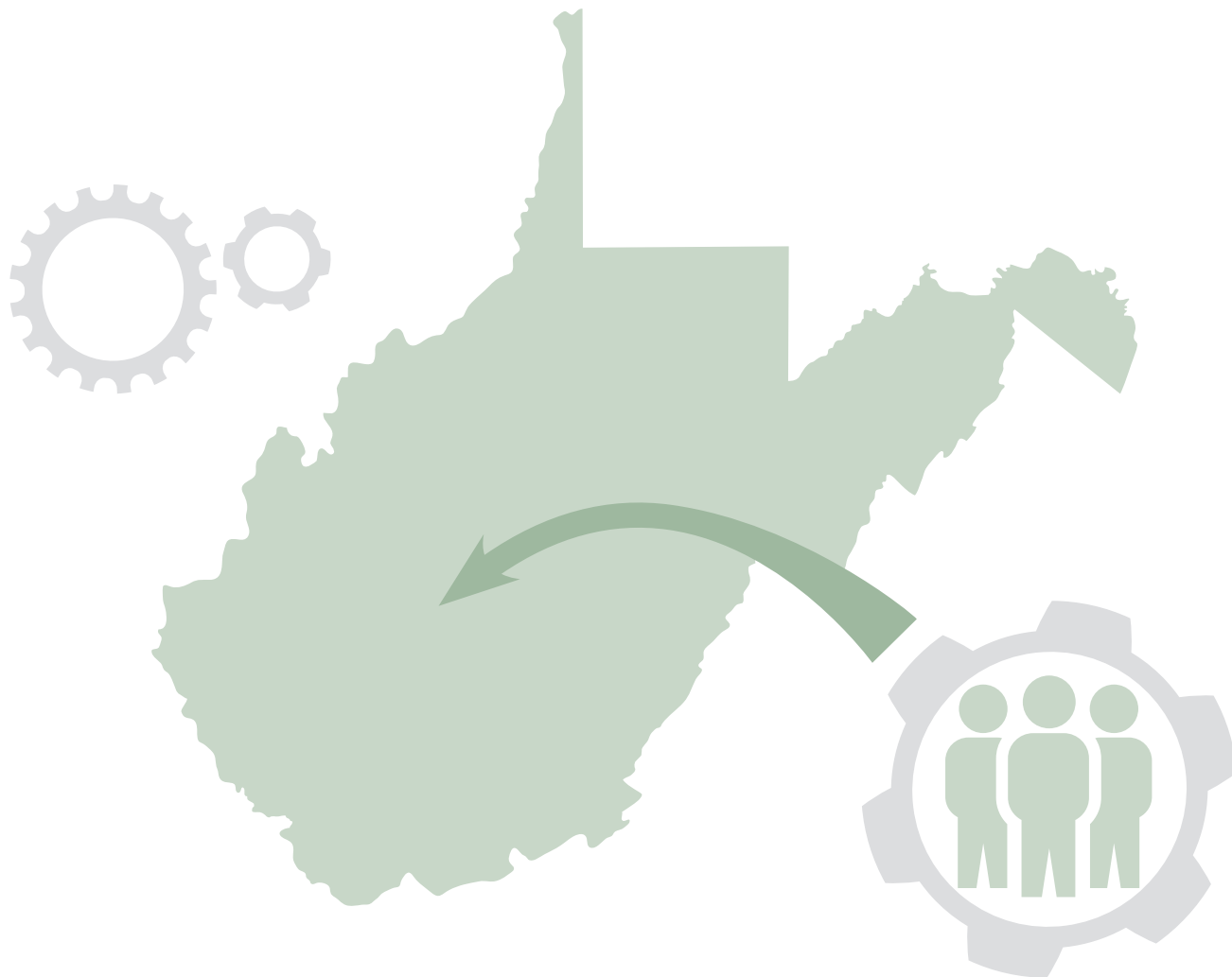
SCH has applied agreed upon procedures developed by the West Virginia Department of Health and Human Resources on the financial records of Community Access, Inc., for more than five (5) years. These procedures include reviewing all grant expenditures to determine the allowability of costs with federal and state guidelines, agreement with underlying records, and that proper procedures were followed with grant tracking and accounting.

Reference:

Jeffrey McCroskey, Community Access, Inc.
 Executive Director
 304.545.1483 | jeffmccroskey@aim.com

SERVICE IN WEST VIRGINIA

Smith, Cochran & Hicks, PLLC (SCH) is firmly established in the State of West Virginia. Project operations for the scope of this RFQ will be based out of the SCH Charleston office with a mobile team available to travel to project sites on a schedule as determined in collaboration with West Virginia, and on an as needed basis.



QUALIFIED PROJECT STAFF



smithcochranhicks PLLC
CERTIFIED PUBLIC ACCOUNTANTS



HORNE
CPAs & BUSINESS ADVISORS



JOHN A. HADJIS
MANAGER (SENIOR)

FIRM

HORNE LLP
July 2015 – Present

AREAS OF EXPERTISE

- FEMA Public Assistance
- Stafford Act
- Disaster Recovery
- Project Management
- Strategy and Policy Analyst
- Training
- Defense Coordinating Officer for Response to Natural Disasters

YEARS OF EXPERIENCE

- 33

EDUCATION

- Master of Strategic Studies, Naval War College
- MPA, Organizational Behavior, University of Missouri at Kansas City
- BA, Economics, University of Kansas

John is a Senior Manager on HORNE's Government Services team. He oversees state-funded FEMA Public Assistance projects in the State of Texas and is responsible for financial and compliance oversight of federal Public Assistance funds requested by government and not-for-profits subgrantees.

He is a leader with vast hands-on experience in program and project management, leading, counseling, and developing diverse, high performing teams. He leads teams that partner with various state agencies to assist communities and individuals in recovery from natural disasters and in taking measures to mitigate the effects of future disasters.

John served over 27 years in the United States Army and he is a trained Defense Coordinating Officer for response to natural disasters. John commanded a Training Support Brigade in Division East, First Army at Camp Shelby, Mississippi and provided direction and guidance to over 1,000 soldiers and their families in 7 battalions. He led the brigade through Hurricane Katrina, re-established fully functional operations, and was training more than 2,000 soldiers within 48 hours of the storm passing.

PROJECT SPECIFIC EXPERIENCE

Project Manager, Texas Division of Public Safety (TDPS), Texas Department of Emergency Management (TDEM), Public Assistance, July 2015 – Present

John is responsible for day-to-day communication with the project team for HORNE's current TDEM contract and provides manager-level reviews for Stafford Act compliance reviews, oversight support for project teams, and coordination of meetings with TDEM officials. John oversees the monitoring team of professionals that prepare funding requests referrals, prepare and submit project worksheet closeout packages, and help sub-recipients work through complex Stafford Act related issues.

Team Lead, Brigade Training Team, February 2013 to June 2014

John was Team Lead for a 7-person team responsible for mentoring and assistance to the commander and staff of a unit responsible for collective training in the United Arab Emirates (UAE) Land Forces. He developed and instituted training policy and guidance for training across the live, virtual, constructive, and gaming continuums. John designed, planned, resourced, executed, assessed, and captured lessons learned for the first brigade group level constructive and live training exercises executed in Land Forces.

Project Manager, February 2012 to November 2012

John was the Project Manager of a 21-person team conducting a domain analysis of defense, safety, security, emergency management, and crisis action response training and education in the United Arab Emirates in order to align that training and education with the UAE's Qualification Framework and award credit and accreditation for education and training completed.



JOHN A. HADJIS

MANAGER (SENIOR)

Strategic Planner and Global Force Manager, February 2010 to February 2012

He was responsible for developing and promulgating missile defense policy, synchronizing strategic planning, and providing recommendations on missile defense force management to 7 United States Global Combatant Commands (GCCs) and to the DoD and Joint Staff senior leadership.

Chief of Staff, Division West, First Army, August 2007 to August 2009

John was responsible for the direction and guidance to a staff of 190 persons of a U.S. Army active duty division. Responsible for the mission planning and execution required to resource seven geographically dispersed subordinate brigades in their training of over 260,000 Reserve Component soldiers in 24 states and 49 commands throughout the western United States.

Brigade Commander, Division East, First Army, July 2005 to July 2007

He was responsible for the direction and guidance to over 1000 soldiers and their families in 7 battalions. Responsible for training active, reserve, and joint forces for deployment to overseas contingency missions. Managed a budget of \$9 million dollars. Conceived, planned and supervised construction projects to improve training realism. Recruited, retained, counseled, disciplined, and professionally developed soldiers and civilians in the brigade. Supported civil authorities in federally declared disasters and served as a Defense Coordinating Officer in support of homeland security operations.

Chief of Staff Joint Task Force Guantanamo, July 2004 to July 2005

John was responsible for the direction and guidance of a joint staff for a joint/interagency task force of 2,200 personnel and a budget of \$175 million. Ensured staff coordination, logistical support, public affairs, planning, and mission execution for the joint task force's operations and missions in support of U. S. Southern Command and the National Command Authority.

Battalion Commander, 4th Infantry Division (Mechanized), November 1999 to June 2002

He was responsible for the direction and guidance to over 500 soldiers and their families in 4 companies. Responsible for each soldier's training, development, retention, readiness, discipline, welfare, and family support. Managed and ensured the readiness of combat equipment and vehicles valued at more than \$100 million and executed a training and education budget of over \$2 million.



VICKI SMITH, CFE
CONSULTING SUBJECT MATTER EXPERT

FIRM

HORNE LLP
October 2007 to Present

AREAS OF EXPERTISE

- Public Assistance
- 404 Hazard Mitigation Grant Program
- Stafford Act Compliance
- Disaster Recovery Program Compliance
- Grants Management
- Governmental Accounting and Information Systems
- Federal Funding Streams
- Coordinated and Global Matching

YEARS OF EXPERIENCE

- 10

EDUCATION

- Master's Certification, Emergency Management and Homeland Security, Florida State University
- BS, Business Administration, Accounting Systems, University of West Florida

**REGISTRATION/
CERTIFICATION**

- Certified Fraud Examiner

**PROFESSIONAL
AFFILIATIONS**

- Association of Certified Fraud Examiners

Vicki serves as a senior manager in the government services division of HORNE where she collaborates to provide technical, programmatic, and regulatory guidance to the Colorado Division of Homeland Security and Emergency Management's (DHSEM) Hazard Mitigation Grant Program and CDBG-DR recovery team. Additionally, she manages and provides direction to the HORNE team, ensuring programmatic and regulatory compliance via the monitoring of projects and procurement, as well as resulting funding recommendations to the DHSEM leadership. She leads quality assurance efforts and develops processes to improve program effectiveness on the Colorado Division of Homeland Security and Emergency Management's Support Services project for FEMA and HUD disaster recovery funds contract.

RELEVANT PROJECT EXPERIENCE

Senior Manager, Colorado Division of Homeland Security and Emergency Management, HMGP and CDBG-DR Recovery Team, Centennial, Colorado, January 2015 – Present

Vicki provides technical, programmatic, and regulatory guidance to the Colorado Division of Homeland Security and Emergency Management's (DHSEM) Hazard Mitigation Grant Program and CDBG-DR recovery team. Additionally, she manages and provides direction to the HORNE team, ensuring programmatic and regulatory compliance via the monitoring of projects and procurement, as well as resulting funding recommendations to the DHSEM leadership. She leads quality assurance efforts and develops processes to improve program effectiveness on DHSEM's Support Services project for FEMA and HUD disaster recovery funds contract. Vicki is also the HMGP system administrator for the Colorado EMGrants system that manages the HMGP grant management process from application to closeout. Additionally, she has FEMA security clearance and access to the NEMIS system in order to effectively manage the grants and process Quarterly Reports.

Mississippi Emergency Management Agency, Senior Manager & SME, Public Assistance/404 HMGP Projects, Biloxi, Mississippi, October 2007 to Present

Vicki was the senior manager for HORNE on the Mississippi Emergency Management Agency's Public Assistance and 404 Hazard Mitigation projects. She managed a team of professionals who provided oversight support for Mississippi's Hurricane Katrina FEMA federal programs of Public Assistance and 404 Hazard Mitigation grant programs in order to ensure compliance with the Robert T. Stafford Act and 44 Code of Federal Regulations (CFR) which governs FEMA's administration of disaster relief and emergency assistance services.

The scope of work performed on behalf of the Mississippi Emergency Management Agency (MEMA) is to provide financial oversight and document management services under FEMA's \$3.2 billion Public Assistance program and \$313 million 404 HMGP projects related to Hurricane



VICKI SMITH, CFE

CONSULTING SUBJECT MATTER EXPERT

TRAINING

FEMA Independent Study Courses Completed w/ Certificate

- IS-00100.b Introduction to Incident Command System
- IS-00007 A Citizen's Guide to Disaster Assistance
- IS-00240.a Leadership and Influence
- IS-00241.b Decision Making and Problem Solving
- IS-00242.a Effective Communication
- IS-00247.a Integrated Public Alert and Warning System
- IS-00800.b National Response Framework
- IS-00139 Exercise Design
- IS-00235.b Emergency Planning
- IS-00030.a Mitigation eGrants System
- IS-00031.a Mitigation eGrants

Katrina. These services include monitoring and reporting to meet compliance and financial reporting standards. The project team also provides reporting for MEMA and FEMA in regards to project worksheet status reports, performance benchmarks reports, and outstanding technical issues reports. Vicki managed and coordinated the recovery of funds, and managed the work of team members assigned to identify EMAC claim issues from responding states. Additionally, she worked with MEMA to develop reporting tools and prepare responses to special projects as needed.

Vicki continues to work closely with MEMA HMGP management in a proactive partnership to facilitate the closure of projects and recommend funding solutions of more complex projects for sub-recipients to the agency.

BRIAN A. MESSER, CPA, CFE
MANAGER (SENIOR)

FIRM

Smith, Cochran & Hicks, PLLC
2013 to Present

AREAS OF EXPERTISE

- Grants Management
- Budgeting/Payroll
- Accounts Receivable and Payable
- Tax Preparation
- Attestation Engagements
- Financial Presentations
- Insurance

YEARS OF EXPERIENCE

- 12

EDUCATION

- MPA, West Virginia University
- BS, Business Administration and Finance, West Virginia State University

CERTIFICATIONS

- Certified Public Accountant, State of West Virginia
- Certified Fraud Examiner

PROFESSIONAL AFFILIATIONS

- West Virginia Society of Certified Public Accountants
- American Institute of Certified Public Accountants
- Government Finance Officer Association
- Association of Government Accountants
- Association of Certified Fraud Examiners

Brian is a Senior Associate at SCH where he prepares individual and business tax returns, advises clients on tax, accounting, and business matters and represents taxpayers in resolving matters with the IRS and State Tax Departments.

His professional career began with the West Virginia State Treasurer’s Office which he served diligently for nearly three years in the Cash Management – Electronic Funds Division. He then took a position as the Director of Finance for the West Virginia Center for Professional Development where he was charged with the responsibility of planning, organizing, and directing the fiscal operations as well as implementing internal controls. In 2009 Brian became the Chief Financial Officer for the Office of the West Virginia Secretary of State. He supervised all financial aspects of the Agency, advised the Secretary of State on fiscal matters, and successfully implemented and monitored internal controls. In 2013 Brian joined SCH as a senior associate and is responsible for the preparation of tax returns and advising clients on tax, accounting, and other business matters.

Brian began his career serving in the United States Army as a Platoon Sergeant, Unit Trainer, and Nuclear, Biological, and Chemical Specialist. In his time serving he was awarded two Army Commendation Medals, four Army Achievement Medals, two Army Good Conduct Medals, and various campaign and operation service awards.

PROJECT SPECIFIC EXPERIENCE

Senior Associate, Smith, Cochran & Hicks, PLLC (SCH), 2013 to Present

As a Senior Associate at SCH, Brian prepares individual and business tax returns, advises clients on tax, accounting, and business matters and represents taxpayers in resolving matters with the IRS and State Tax Departments. He performs research on regulations and best practices. Brian conducts financial education presentation to various organizations and meets with potential clients to highlight the services and benefits of the Firm.

Chief Financial Officer, Office of the West Virginia Secretary of State, 2009 – 2013

Brian was responsible for planning, organizing and directing State Agency fiscal operations for 10 funds. He advised the Secretary of State on fiscal matters; he was responsible for forecasting agency revenues, preparing and operating within budget; preparing appropriation requests, budget narratives, and expenditure schedules; conducting research on issues of fiscal importance; he issued fiscal notes. Brian monitored and implemented internal control measures, as needed; he organized records for financial, compliance, and performance audits; he served on the statewide ERP Change Leadership Team and compiled data for the agency portion of the State CAFR. He generated periodic and ad-hoc reports; adjusted fiscal operations, as needed; briefed government officials, legislative bodies, and other stakeholders. He also coordinated with various stakeholders to achieve common goals. He was responsible for supervising AP/AR, Purchasing, Budget, HR/Payroll, Contracts, Accounting, Grants Management, and any other financial-related fields.

BRIAN A. MESSER, CPA, CFE
MANAGER (SENIOR)*Owner/Operator, Brian A. Messer, CPA, 2009 – 2013*

As owner/operator of his own practice, Brian prepared individual and business tax returns, advised clients on tax and accounting matters and completed monthly/quarterly bookkeeping and reporting. He planned, conducted, and reported on attestation engagements; conducted financial education presentation to various organizations and performed all administrative functions of the practice.

Director of Finance, West Virginia Center for Professional Development, 2007 - 2009

Brian was responsible for planning, organizing, and directing State Agency fiscal operations for the West Virginia Center for Professional Development. He forecasted budgetary needs, prepared and operated within budget; tracked and recorded expenditures, and recognized revenues totaling nearly \$7 million. He prepared grant and appropriation requests; awarded grants; monitored and implemented internal control measures as needed; organized records for financial, compliance, and performance audits; and generated periodic and ad-hoc reports. He advised the CEO on fiscal matters; lobbied Congress and the State Legislature for funding and program implementation; he briefed boards of directors, government officials, and legislative bodies; and he coordinated with government organizations, non-profits, and businesses to achieve common goals. He was responsible for supervising AP/AR, Purchasing, Budget, HR/Payroll, Contracts, Accounting, Grants Management, and any other financial-related fields.

Cash Management – Electronic Funds Division, West Virginia State Treasurer's Office, 2004 – 2007

He accounted for over \$9 billion of annual electronic disbursements and receipts; approved and posted deposits and disbursements for over 30 state agencies in the State's Financial Management System; prepared daily and periodic electronic funds activity reports; confirmed daily account balances and performed periodic bank reconciliations. Brian provided customer service to public, private, and individual state customers; he analyzed discrepancies and conducted research to satisfy the situation and he introduced and implemented processes to improve overall office efficiency.

JENNIFER SCOTT, CPA
SUPERVISOR

FIRM

Smith, Cochran & Hicks, PLLC
2016 to Present

AREAS OF EXPERTISE

- Grant Management
- Procurement
- Class Action Claims Administration
- AP/AR

YEARS OF EXPERIENCE

- 6

EDUCATION

- BS, Business Administration and Accounting, West Virginia State University
- BA, Economics, West Virginia State University

CERTIFICATIONS

- Certified Public Accountant, State of West Virginia

Jennifer began her career in the government sector with the West Virginia Center for Professional Development. There she quickly moved to a management position and was tasked with the oversight of all fiscal matters, including the management and reporting of state, federal, and private grants. In 2016 she made the transition to SCH and works in the Claims Administration division providing support to class action claims administration projects.

Jennifer is a Certified Public Accountant (CPA). She is a graduate of West Virginia State University and holds a Bachelor of Science degree in business administration with a concentration in accounting and a Bachelor of Arts in economics.

PROJECT SPECIFIC EXPERIENCE

Associate, Smith, Cochran & Hicks, PLLC (SCH), 2016 to Present

Jennifer provides support with class action claims administration projects.

Finance Manager, Accounts Payable Coordinator, West Virginia Center for Professional Development, 2010 – 2016

Jennifer was responsible for planning, organizing, and directing state agency fiscal operations. She also supervised AP/AR, purchasing, accounting, and contracts; forecasted budgetary needs and prepared the agency's appropriation request. She briefed the Board of Directors, government officials, and legislative bodies; and advised the CEO on fiscal matters. Jennifer managed and reported on state, federal, and private grants. She examined and revised internal controls; organized records for financial and performance audits; she was responsible for the coordination and implementation of ERP system agency-wide (wvOASIS and Kronos). Jennifer also served as the Procurement Officer, P-Card Coordinator, Privacy Officer, Equal Employment Opportunity (EEO) Officer, Leave Coordinator, and Inventory Management Coordinator. She audited, prioritized, and processed agency accounts payable ensuring timely payment; she tracked and recorded expenditures; recognize revenues; reviewed grant applications and reports; accounted for and issued grant funds. Jennifer also generated periodic and ad-hoc reports for the agency CEO and provided in office and training site customer service.



PROPOSAL FOR GRANT MONITORING AND AUDITING SERVICES

CONTRACT MANAGER

Your Contract Manager, Patrick Smith, is fully empowered to make all necessary contract decisions and can be contacted by mail, telephone, or email at the information below:

Contract Manager: Patrick Smith, CPA, CVA, Managing Member

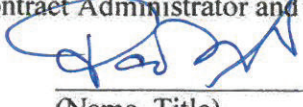
Telephone Number: 304.345.1151

Fax Number: 304.346.6731

E-mail Address: psmith@schcpa.com

Physical Address: 3510 MacCorkle Avenue SE, Charleston, WV 25304

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.

 Managing Member

 (Name, Title)
Patrick Smith, CPA, CVA, Managing Member

 (Printed Name and Title)
3510 MacCorkle Avenue SE, Charleston, WV 25304


 (Address)
304.345.1151/304.346.6731

 (Phone Number) / (Fax Number)
psmith@schcpa.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.

Smith, Cochran & Hicks, PLLC (SCH)

 (Company)
 Managing Member

 (Authorized Signature) (Representative Name, Title)
Patrick Smith, CPA, CVA, Managing Member

 (Printed Name and Title of Authorized Representative)
September 22, 2016

 (Date)
304.345.1151/304.346.6731

 (Phone Number) (Fax Number)

Revised 05/04/2016



PRICING




smithcochranhicks PLLC
CERTIFIED PUBLIC ACCOUNTANTS



HORNE
CPAs & BUSINESS ADVISORS

Exhibit A			
CRFQ HSE1600000006	Disaster Grant Monitoring and Auditing		
Position Title	Hourly Rate	Estimated Hours Per Project	Extented Amount
Manager (Senior)	\$ 175	240	\$ 42,000
Supervisor	\$ 155	160	\$ 24,800
Accountant/Auditor (Team Lead)	\$ 125	40	\$ 5,000
Account Technician	\$ 95	40	\$ 3,800
Administrative Assistants	\$ 55	40	\$ 2,200
Total Bid Amount			\$ 77,800

Bidder/Vendor	Smith, Cochran & Hicks, PLLC (SCH)
Contact Name	Patrick Smith, CPA, CVA
Address	3510 MacCorkle Avenue SE, Charleston, WV 25304
Phone Number	304.345.1151
Fax Number	304.346.6731
Email Address	psmith@schcpa.com
Authorized Signature	

NOTES:

- * Quantities are estimated for bid evaluation purposes only.
- ** Estimated cost for bid evaluation purposes only.

ATTACHMENTS



smithcochranhicks PLLC
CERTIFIED PUBLIC ACCOUNTANTS



HORNE
CPAs & BUSINESS ADVISORS

Rev. 04/14

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; or 80% of the ownership interest of Bidder is held by another individual, partnership, association or corporation resident vendor who has maintained its headquarters or principal place of business continuously in West Virginia for four (4) years immediately preceding the date of this certification; **or**,

Bidder is a nonresident vendor which has an affiliate or subsidiary which employs a minimum of one hundred state residents and which has maintained its headquarters or principal place of business within West Virginia continuously for the four (4) years immediately preceding the date of this certification; **or**,

2. Application is made for 2.5% 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 employing a minimum of one hundred state residents or is a nonresident vendor with an affiliate or subsidiary which maintains its headquarters or principal place of business within West Virginia employing a minimum of one hundred state residents who certifies that, during the life of the contract, on average at least 75% of the employees or Bidder's affiliate's or subsidiary's employees are residents of West Virginia who have resided in the state continuously for the two years immediately preceding submission of this bid; **or**,

4. Application is made for 5% 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.

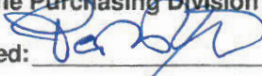
Bidder has been or expects to be approved prior to contract award by the Purchasing Division as a certified small, women- and minority-owned business.

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) reject the bid; or (b) assess a penalty against such Bidder in an amount not to exceed 5% of the bid amount and that such penalty will be paid to the contracting agency or deducted from any unpaid balance on the contract or purchase order.

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

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

Bidder: Smith, Cochran & Hicks, PLLC (SCH)

Signed: 

RFQ No. HSE160000006

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 exceed 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: Smith, Cochran & Hicks, PLLC (SCH)

Authorized Signature: [Signature] Date: 9/19/2016

State of West Virginia

County of Kanawha, to-wit:

Taken, subscribed, and sworn to before me this 19th day of SEPTEMBER, 2016.

My Commission expires OCTOBER 2, 2018.

AFFIX SEAL HERE

NOTARY PUBLIC

[Signature]

Purchasing Affidavit (Revised 07/01/2012)





smithcochranhicks PLLC
CERTIFIED PUBLIC ACCOUNTANTS

