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Header 1

List View

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

Procurement Folder: 499464

Procurement Type: Central Master Agreement

Vendor ID: 000000213588 

Legal Name: DIXON HUGHES GOODMAN LLP

Alias/DBA:

Total Bid: \$66,000.00

Response Date: 03/22/2019 

Response Time: 11:08

SO Doc Code: CRFQ

SO Dept: 0209

SO Doc ID: FAR1900000001

Published Date: 3/14/19

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Status: Closed

Solicitation Description: Addendum No. 2 Conduct Audits of West Virginia's CAFR

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 :** 499464

**Solicitation Description :** Addendum No. 2 Conduct Audits of West Virginia's CAFR

**Proc Type :** Central Master Agreement

| Date issued | Solicitation Closes    | Solicitation Response        | Version |
|-------------|------------------------|------------------------------|---------|
|             | 2019-03-22<br>13:30:00 | SR 0209 ESR03221900000004375 | 1       |

| VENDOR                                   |
|--|
| 000000213588<br>DIXON HUGHES GOODMAN LLP |

**Solicitation Number:** CRFQ 0209 FAR1900000001

**Total Bid :** \$66,000.00      **Response Date:** 2019-03-22      **Response Time:** 11:08:32

**Comments:** DHG believes that developing a close, ongoing working relationship will enhance the cost/benefit relationship of the services we will provide. We anticipate that the Department of Administration/Finance Division will contact us routinely throughout the engagement to discuss new accounting issues or technical matters. We encourage this open dialogue as a means of ensuring there is mutual consensus on such matters.  
 Your decision in working with an accounting firm may not rest on any single factor. The combination of all the factors you have requested including specific governmental expertise with the State's CAFR reporting process as well as local resources and responsiveness, makes us uniquely qualified to serve the Department of Administration/Finance Division. As requested we have providing the following price example assuming 100 hours of assistance by levels requested in the RFQ.  
 Should any matters arise that may result in additional requested hours or use of level of staff other than those specified above we would perform such work based on the fee schedule outlined in the attached proposal, assuming that total engagement hours providing CAFR assistance are at minimum 200 hours.

**FOR INFORMATION CONTACT THE BUYER**  
 Melissa Pettrey  
 (304) 558-0094  
 melissa.k.pettrey@wv.gov

|                          |               |             |
|--------------------------|---------------|-------------|
| <b>Signature on File</b> | <b>FEIN #</b> | <b>DATE</b> |
|--------------------------|---------------|-------------|

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    | Partner/Member | 100.00000 | HOUR       | \$375.000000 | \$37,500.00                 |

| Comm Code | Manufacturer | Specification | Model # |
|-----------|--------------|---------------|---------|
| 84111601  |              |               |         |

**Extended Description :** Estimated Number of hours. Actual quantity may vary.  
 Department of Administration/Finance Division in need of assistance in completing the Consolidated Annual Financial Report (CAFR) and single audit

**Comments:** Level: Partner \$375 - total \$37,500  
 Should any matters arise that may result in additional requested hours or use of level of staff other than those specified above we would perform such work based on the fee schedule outlined in the attachment, assuming that total engagement hours providing CAFR assistance are at minimum 200 hours.

| Line | Comm Ln Desc                  | Qty       | Unit Issue | Unit Price   | Ln Total Or Contract Amount |
|------|-------------------------------|-----------|------------|--------------|-----------------------------|
| 2    | Professional Accounting Staff | 100.00000 | HOUR       | \$155.000000 | \$15,500.00                 |

| Comm Code | Manufacturer | Specification | Model # |
|-----------|--------------|---------------|---------|
| 84111601  |              |               |         |

**Extended Description :** Estimated Number of Hours. Actual Quantities may vary.  
 Department of Administration/Finance Division in need of assistance in completing the Consolidated Annual Financial Report (CAFR) and single audit

**Comments:** Level: Professional Accounting Associate \$155 - total \$15,500  
 Should any matters arise that may result in additional requested hours or use of level of staff other than those specified above we would perform such work based on the fee schedule outlined in the attachment, assuming that total engagement hours providing CAFR assistance are at minimum 200 hours.

| Line | Comm Ln Desc  | Qty       | Unit Issue | Unit Price   | Ln Total Or Contract Amount |
|------|---------------|-----------|------------|--------------|-----------------------------|
| 3    | Support Staff | 100.00000 | HOUR       | \$130.000000 | \$13,000.00                 |

| Comm Code | Manufacturer | Specification | Model # |
|-----------|--------------|---------------|---------|
| 84111601  |              |               |         |

**Extended Description :** Estimated Number of Hours. Actual quantity may vary.  
 Department of Administration/Finance Division in need of assistance in completing the Consolidated Annual Financial Report (CAFR) and single audit

**Comments:** Level: Associate/Support Staff \$130 - total \$13,000  
 Should any matters arise that may result in additional requested hours or use of level of staff other than those specified above we would perform such work based on the fee schedule outlined in the attachment, assuming that total engagement hours providing CAFR assistance are at minimum 200 hours.



ACCOUNTING SERVICES PROPOSAL PREPARED FOR

**State of West Virginia Department of Administration/Finance Division**

March 22, 2019

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## Scope

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Based on the RFQ, we understand the accounting support services needed will be to assist in the preparation of the Comprehensive Annual Financial Report (CAFR) for the State of West Virginia information between the periods of October through December and other periods as needed including:

- Preparation of supporting schedules and reconciliations.
- Preparation of journal entries and adjustments.
- Preparation of draft financial statements.
- Preparation and analysis of government financial statements.

The work completed will be performed under the direction of WV Department of Administration Financial Accounting and Reporting Section (FARS). We understand that the financial statement information included in the CAFR is to be prepared in accordance with the accounting principles prescribed by the Governmental Accounting Standards Board.



## Qualifications

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DHG's professional accounting staff working on this project will meet the minimum qualifications as outlined in the RFQ.

### **FIRM PROFILE**

DHG is a CPA and advisory firm offering assurance, tax and advisory services. As a Top 20 accounting and advisory firm headquartered in Charlotte, NC, we combine deep experience with a strong commitment to personal service. We have more than 2,000 professionals in 13 states and 250 partners and principals who direct these resources to your best advantage, including an office in Charleston, WV. We devote significant effort and resources to keeping ourselves and our clients abreast of new and evolving technical pronouncements, industry trends and federal, state and local laws. We are passionate about helping our clients succeed—and we do so through a resourceful approach to solving problems, providing solutions and helping our clients achieve their goals.

Dedicated client focus and relationships have been and always will be our touchstone. With DHG, you'll receive personalized service provided by a team of professionals who are eager to share their knowledge and experience with you. We draw on our extensive resources to combine comprehensive assurance, tax and advisory services. Since our founding, a commitment to our people has been at the heart of everything we do. We employ and retain best-in-class professionals with the goal of cultivating meaningful careers to best serve our clients.

You will be served locally by an industry-knowledgeable team. DHG is a registered vendor in the State of West Virginia and is qualified to practice as Certified Public Accountants in good standing with the West Virginia Board of Accountancy.

### **TRUSTED ADVISORS TO THE GOVERNMENTAL SECTOR**

For more than 50 years, our professionals have served as trusted advisors to the public sector and governmental entities. We value the importance of helping our clients improve operational performance while helping to ensure compliance with laws, regulations and grant agreements.

DHG has followed the standards of GASB financial accounting and reporting for our state and local governmental clients since 1984 (the year GASB was founded). Additionally, for more than 20 years, DHG has routinely assisted governmental units in the successful completion of the Government Finance Officers Association ("GFOA") Certificate of Achievement for Excellence in Financial Reporting. As a result, our professionals understand the complexities and unique reporting issues facing governmental entities today.

Our commitment to the governmental sector is demonstrated by the professionals we have brought together to form our firm's Governmental Services Group. By performing numerous governmental audits, Uniform Guidance audits, and successful implementations of GASB pronouncements, our Governmental Services Group has hands-on experience in all facets of governmental entities. With a team that understands the complexities of governmental operations, we are able to provide effective and innovative solutions to problems which will enable the State of West Virginia to operate more efficiently and help meet your financial objectives.

Firm-wide, DHG has more than 20 members dedicated to the firm's governmental practice, as well as many more senior level staff with significant governmental experience that also work with other industries. Senior associates and associates typically are not dedicated to a specific industry, but the firm has a significant number of staff that have experience on governmental audit engagements.



With the constant pressures facing governmental entities today stemming from mounting financial pressures, government compliance and adoption of Governmental Accounting Standards Board ("GASB") pronouncements, it is more important than ever to have a team of professionals who knows the governmental sector inside and out. With our combination of professionals who have a proven track record in working in the governmental sector and service team members who are seasoned in the complexities of governmental compliance, we are confident that DHG can meet your requirement.

### *Industry Involvement*

To further our commitment to the governmental industry, we spend our time and energy learning all we can about the issues and challenges facing your industry. We actively support and are involved in numerous local, regional and national associations and organizations, and we take pride in advising association leaders in how to help their members. Our involvement in these groups includes activities such as serving on boards, speaking and exhibiting at trade shows, writing articles for industry publications and sponsoring special events. Some of the organizations we are actively involved with include:

- AICPA Government Audit Quality Center
- Government Accounting Standards Board
- Association for Government Accountants
- Government Finance Officers Association—Special Review Committee
- National Association of Local Government Auditors
- Financial Accounting Standards Board

### **EXPERIENCE WITH THE STATE OF WEST VIRGINIA**

DHG is a full-service certified public accounting organization that provides a variety of services to authorities, boards, and commissions, state and local governmental units, and colleges and universities. Below are State of West Virginia clients that we currently provide audit services:

- West Virginia Board of Risk and Insurance Management
- West Virginia Public Employees Insurance Agency
- West Virginia Retiree Health Benefit Trust Fund



## Mandatory Requirements

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**6.1.** At this time, we are not aware of any relationships or conflicts with the Department of Administration/Finance Division that would be a risk to our firm's independence and we will take all steps to maintain that condition. DHG's firm policy over independence is more restrictive than AICPA independence rules. We require that we remain independent from Department of Administration/Finance Division. With respect to possible conflicts, we secure access to clients' information, ensuring that only the engagement team has access to confidential information. If a conflict occurs, we will discuss it with you immediately and a decision will be mutually agreed upon.

**6.2.** Norman Mosrie will be the lead engagement partner to this contract. He is licensed to practice accountancy in the State of West Virginia and is a Certified Public Accountant and has met all continuing professional education requirements within the preceding two years.

**6.3.** Norman Mosrie, lead engagement partner, is experienced in the preparation and analysis of governmental financial statements. Prior to joining DHG, Norman Mosrie, was a partner with EY. While at EY Norman served as the partner in charge of the State of WV Financial Statement and Single Audit for many years. Thus, he has significant experience with not only the technical requirements of the State-wide audit, but also with overall administration and coordination with the audit team, including subcontractors, various state entities and other component unit auditors. Norman also has significant experience with audits of State entities including the Board of Risk and Insurance Management, the Public Employees Insurance Agency and the Retiree Health Benefits Trust Fund. A government finance officer association (GFOA) special review committee member, Norman assisted the State and several component units with attaining and retaining the GFOA certificate of achievement for excellence in financial reporting. His biography and experience can be found in Appendix A.

**6.4.** Quality control is at the center of everything we do. Resolving technical issues effectively and efficiently is critical to ensure that financial statements are fairly presented and that the audit process moves forward in a timely manner. We understand the importance of getting you timely information regarding accounting and reporting issues. The firm's most recent Peer Review Report had no comments, exemplifying our excellence in providing assurance services.

The firm is a member of both the Center for Public Company Audit Firms and Private Companies Practice Section of the AICPA. As a member, the firm must adhere to stringent requirements concerning quality control and mandatory peer reviews. Peer Review is an independent and rigorous inspection of a firm's professional practice. DHG has not failed a Peer Review within the last six years. We are also a member of the Government Audit Quality Center.



## Pricing Page

DHG seeks to provide the most value for the services that we provide to our clients. The value of our services far exceeds our costs.

DHG believes that developing a close, ongoing working relationship will enhance the cost/benefit relationship of the services we will provide. We anticipate that the Department of Administration/Finance Division will contact us routinely throughout the engagement to discuss new accounting issues or technical matters. We encourage this open dialogue as a means of ensuring there is mutual consensus on such matters.

Your decision in working with an accounting firm may not rest on any single factor. The combination of all the factors you have requested including specific governmental expertise with the State's CAFR reporting process as well as local resources and responsiveness, makes us uniquely qualified to serve the Department of Administration/Finance Division. As requested we have providing the following price example assuming 100 hours of assistance by levels requested in the RFQ.

| Line | Level                             | Qty | Unit Issue | Unit Price | Total Price |
|------|-----------------------------------|-----|------------|------------|-------------|
| 1    | Partner                           | 100 | HOUR       | \$375      | \$37,500    |
| 2    | Professional Accounting Associate | 100 | HOUR       | \$155      | \$15,500    |
| 3    | Associate/Support Staff           | 100 | HOUR       | \$130      | \$13,000    |

Should any matters arise that may result in additional requested hours or use of level of staff other than those specified above we would perform such work based on the fee schedule outlined below, assuming that total engagement hours providing CAFR assistance are at minimum 200 hours.

| Staff Class                 | Standard Rates |
|-----------------------------|----------------|
| <b>Administrative Staff</b> | <b>\$100</b>   |
| <b>Associate</b>            | <b>\$130</b>   |
| <b>Senior</b>               | <b>\$155</b>   |
| <b>Manager</b>              | <b>\$175</b>   |
| <b>Senior Manager</b>       | <b>\$225</b>   |
| <b>Partner/Principal</b>    | <b>\$375</b>   |



## Contract Partner

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**Contract Manager:** Norman C. Mosrie, Partner

**Telephone Number:** 304.414.3913

**Fax Number:** 304.414.3227

**Email Address:** [norman.mosrie@dhg.com](mailto:norman.mosrie@dhg.com)



**Norman C. Mosrie, CPA, FHFMA, CHFP | Partner, DHG Assurance**

norman.mosrie@dhg.com | 304.414.3913

## EXPERIENCE

Norman serves as Assurance Services Market Leader for West Virginia focusing in the areas of government, not-for-profits, healthcare and insurance. A certified healthcare financial professional, Norman was previously a partner with a Big Four firm, where he worked for 24 years.

Norman has also been involved with providing a wide variety of audit and business advisory services to governmental clients, including having served as the coordinating partner on the State of West Virginia's Single Audit for many years, as well as currently serving various other governmental financial statement audits including the WV Board of Risk and Insurance Management, the WV Public Employees Insurance Agency and the WV Retiree Health Benefit Trust Fund.

He has significant experience performing audits in accordance with GAS and the Uniform Guidance. A GFOA special review committee member, Norman has also assisted clients in filing for the GFOA Certificate of Achievement for Excellence in Financial Reporting and has developed and led government and Single Audit training programs at the local, area, and national levels. Norman has a good working relationship with the GASB staff which is helpful facilitating consultations with GASB on technical questions, if necessary.

## LICENSES & CERTIFICATIONS

- CPA: Certified Public Accountant, NY and WV
- CHFP: Certified Healthcare Financial Professional
- FHFMA: Fellow of Healthcare Financial Management Association

## EDUCATION

- Marshall University, Bachelor of Business Administration in Accounting, Summa Cum Laude

## PROFESSIONAL & CIVIC INVOLVEMENT

- American Institute of Certified Public Accountants (AICPA), Former Council Member, Healthcare Expert Panel Chairman, National Healthcare Conference Chairman, Alternative Investments Task Force Member
- West Virginia Society of Certified Public Accountants (WVSCPA), Past President and Board of Directors
- Charleston Chapter of WVSCPAs, Past President
- Financial Accounting Standards Board (FASB), Former Not-for-Profit Advisory Committee
- Government Finance Officers Association, Special Review Committee Member
- Healthcare Financial Management Association, Principles and Practices Board Member
- Marshall University Alumni Association, Past Board Member
- Marshall University College of Business Advisory Board, Past President and current Board Member
- Rotary Club, Past President and Paul Harris Fellow



# Appendix B: Purchasing Affidavit

STATE OF WEST VIRGINIA  
Purchasing Division

## PURCHASING AFFIDAVIT

**CONSTRUCTION CONTRACTS:** Under W. Va. Code § 5-22-1(i), the contracting public entity shall not award a construction contract to any bidder that is known to be in default on any monetary obligation owed to the state or a political subdivision of the state, including, but not limited to, obligations related to payroll taxes, property taxes, sales and use taxes, fire service fees, or other fines or fees.

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

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

**DEFINITIONS:**

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

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

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

**AFFIRMATION:** By signing this form, the vendor's authorized signer affirms and acknowledges under penalty of law for false swearing (W. Va. Code §61-5-3) that: (1) for construction contracts, the vendor is not in default on any monetary obligation owed to the state or a political subdivision of the state, and (2) for all other contracts, 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: Dixon Hughes Goodman LLP

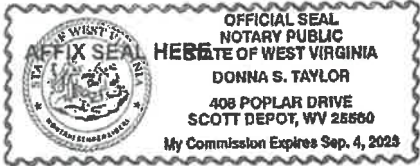
Authorized Signature: [Signature] Date: March 22, 2019

State of West Virginia

County of Kanawha, to-wit:

Taken, subscribed, and sworn to before me this 22 day of March, 2019.

My Commission expires September 4, 2023



NOTARY PUBLIC [Signature]

*Purchasing Affidavit (Revised 01/19/2018)*



# Appendix C: Addendum Acknowledgement Form

## ADDENDUM ACKNOWLEDGEMENT FORM SOLICITATION NO.: FAR190000001

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

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

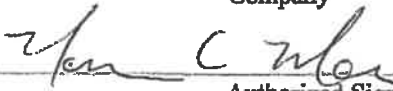
**Addendum Numbers Received:**

(Check the box next to each addendum received)

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

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

Dixon Hughes Goodman LLP  
Company

  
Authorized Signature

March 22, 2019  
Date

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

# DHG

DIXON HUGHES GOODMAN LLP

Norman C. Mosrie, Partner  
DHG Assurance  
norman.mosrie@dhg.com  
T 304.414.3913

Assurance | Tax | Advisory | [dhg.com](http://dhg.com)