

June 6, 2007

Department of Administration
Purchasing Division
State Capitol Complex
2019 Washington Street, East
P.O. Box 50130
Charleston, WV 25305-0130

Dear Evaluation Committee:

Thank you for the opportunity to continue to serve as auditors for the State of West Virginia (the State). As your current auditors with a firsthand understanding of your organization, and as the only Big Four firm in the State, we believe that we meet your mandatory qualifications, understand your deadlines, know your organization's protocols, and can therefore continue to meet your requirements appropriately, and on time.

Serving the State continues to represent a significant opportunity for our firm. As such, the State will continue to receive our very best efforts on this project. We believe our differentiators continue to be as follows:

- ◆ ***Commitment to the State***—Ernst & Young has demonstrated its commitment to the State by being part of the State's business community for more than 50 years. Awarding this contract to Ernst & Young will benefit the taxpayers of West Virginia who, of course, support the State's economy. We are West Virginians serving West Virginia! Our Charleston office provides services to state government, banking, health care, insurance, mining, distribution, and manufacturing entities across the State.
- ◆ ***A History of Value***—Our team knows the State, and the State knows our team. But our value doesn't lie merely in a long-term relationship. Our history of success in working together goes beyond the scope of the audit and incorporates significant successes working together to help you achieve your goals. For instance, we were the firm to assist the State in obtaining its initial Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting. Our team understands your organization and the sensitivity of your issues and deadlines. The RFQ has a very aggressive audit timeline, especially given that the chosen firm will not be able to start the audit process until June. By selecting Ernst & Young, you can have the confidence of knowing that you will not experience the delays that occur when having to get a new firm up to speed. We will leverage our historical State knowledge to work with you to develop an audit work plan geared towards meeting your deadlines.
- ◆ ***National Resources***—State government officials have stressed the importance of staying up to date with what other states are doing and learning how the State could improve its critical processes. In order to meet this expectation, John Good, Ernst & Young's Public Sector Industry Resident, continues on our team as your technical advisor. John regularly attends and interacts with State personnel at conferences of the NASC, NASACT, GFOA, and AGA. He has access to the most up-to-date industry information and will help to make certain that the State receives access to leading-edge information. Also, Steve Baloga, who serves as engagement partner for our audit of the Commonwealth of Pennsylvania, will bring his wide range of state audit experience and perspective to the State by once again serving as your independent review partner.

- ◆ ***Experienced Subcontractors***—We will continue to utilize two of West Virginia’s most experienced firms—Dearien & Company, A.C. and Suttle & Stalnaker, PLLC with over 21 years and 34 years, respectively, of Governmental auditing and accounting experience, including extensive experience serving the State and its related agencies.
- ◆ ***Continuous Communication***—We will communicate new ideas, opportunities, vulnerabilities, and management issues with key management personnel to invigorate thinking and action, and give you access to the professional and regulatory information and intelligence you need year-round.
- ◆ ***Fees***—Our record is one of providing high-quality services for a fair fee. Our audit approach, our use of technology, and our people all work together for that goal.

Our proposal highlights our capabilities to serve the State. We hope that, as you review our proposal, you will agree Ernst & Young is still the most qualified firm to perform the Single Audit for the State. We are excited about this opportunity and look forward to continue serving the State in this capacity.

If you have any questions, or require additional information, please call me.

Sincerely,



Norman Mosrie
Coordinating Partner



JOE MANCHIN III
GOVERNOR

STATE OF WEST VIRGINIA
DEPARTMENT OF ADMINISTRATION
PURCHASING DIVISION
2019 WASHINGTON STREET, EAST
P.O. BOX 50130
CHARLESTON, WEST VIRGINIA 25305-0130

ROBERT W. FERGUSON, JR.
CABINET SECRETARY

DAVID TINCHER
DIRECTOR

Date: June 6, 2007

RFP: FAR000007

Project: Request for Proposal: Auditing Services

The responses for this Request for Proposal are too large to scan and post online. To view these responses in their entirety, please contact the buyer, Krista Ferrell, at 304-558-2596 or via email at kferrell@wvadmin.gov to set up an appointment.

Thank you for your interest in this project.

Sincerely,

A handwritten signature in cursive script that reads "Krista S. Ferrell".

Krista S. Ferrell
Senior Buyer
File 21
West Virginia Purchasing Division

Respondents to this RFP are as follows:

Ernst & Young
900 United Center
500 Virginia Street East
Charleston, WV 25301