



CERTIFIED PUBLIC ACCOUNTANTS

## COST PROPOSAL FOR AUDIT SERVICES

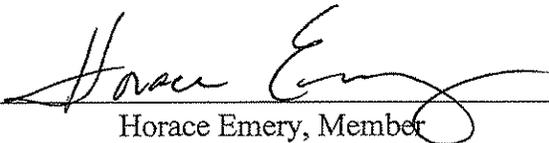
February 9, 2010

West Virginia Lottery  
312 MacCorkle Avenue SE  
Charleston, West Virginia 25315-1143

Req#: LOT455  
Opening Date: 02/09/2010  
Opening Time: 1:30 p.m.

Name of Firm - Suttle & Stalnaker, PLLC

As indicated on pages 7 and 8 of the RFQ our cost bid is attached. I, Horace Emery, certify that I am entitled to represent Suttle & Stalnaker, PLLC, empowered to submit this bid and authorized to sign a contract with the West Virginia Lottery.

  
\_\_\_\_\_  
Horace Emery, Member

*2/9/2010*  
\_\_\_\_\_  
Date

## COST BID

### SCHEDULE OF TOTAL PROFESSIONAL FEES AND EXPENSES FOR THE ANNUAL FINANCIAL AUDIT.

	<u>Hours</u>	<u>Hourly Rates</u>	<u>Total</u>
Partners, Members	50	\$ 260	\$ 13,000
Managers	20	150	3,000
Supervisory Staff	150	120	18,000
Staff	200	100	20,000
EDP Specialist	40	200	8,000
Less estimated discount			<u>(20,500)</u>
Total all-inclusive maximum price for the annual audit and other services described in this request for proposal			<u>\$ 41,500</u>

#### Rates for Additional Professional Services

The above estimate assumes that there will be adequate availability of the three internal audit staff to prepare schedules and perform procedures as appropriate. In the event the West Virginia Lottery requests additional services to either supplement the services requested in this request for proposals or to perform additional work as a result of the unavailability of the internal audit staff as appropriate or in response to specific recommendations included in any report issued on this engagement, such additional work shall be performed only if set forth in a change order to the contract between the West Virginia Lottery and Suttle & Stalnaker, PLLC. Any such additional work agreed to between the parties shall be performed at the same rates included in this proposal and made a part of the contract to be entered into.

#### Manner of Payment

During the course of this engagement, we will bill the West Virginia Lottery at the end of each calendar month for the hours of work completed during the month and the invoice shall be due and payable upon receipt by the West Virginia Lottery except that 10% of the total contract price will be withheld pending delivery of the final reports by Suttle & Stalnaker, PLLC.

## COST PROPOSAL FOR ADDITIONAL SERVICES

<u>Classification</u>	<u>Hourly Rates</u>
Partner/Member	\$260
Managers	\$150
Supervisory Staff	\$120
Staff	\$100
EDP Specialist	\$200

We understand that no changes in scope to the project will be implemented by us until such time as an approved change order is received. Formal contract amendments and change orders will be negotiated with the West Virginia Lottery, whenever necessary, to address changes to the terms and conditions, cost of, or scope of work included under the contract. An approved contract amendment means one approved by the West Virginia Lottery, the Department of Administration, and all other applicable State agencies prior to the effective date of such amendment. An approved contract amendment is required whenever the change affects the payment provision and the scope of the work. Such changes may be necessitated by new and amended federal and state regulations and requirements. No changes in scope are to be conducted except at the approval of the West Virginia Lottery.