



State of West Virginia
 Department of Administration
 Purchasing Division
 2019 Washington Street East
 Post Office Box 50130
 Charleston, WV 25305-0130

Request for Quotation

RFQ NUMBER
WV11869

PAGE
1

ADDRESS CORRESPONDENCE TO ATTENTION OF
FRANK WHITTAKER
304-558-2316

PROPERTY

RFQ COPY
TYPE NAME/ADDRESS HERE
 Hayflich & Steinberg, CPA's, PLLC
 8 Stonecrest Drive
 Huntington, WV 25701

SHIP TO

WV BUREAU OF EMPLOYMENT PROGRA
3701 MAC CORKLE AVENUE SE

CHARLESTON, WV
25304 **348-2634**

DATE PRINTED 09/09/2010	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
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BID OPENING DATE: **10/06/2010** BID OPENING TIME **01:30PM**

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
0001	1	LS		946-20		
<p>AUDITING SERVICES</p> <p>THE WEST VIRGINIA PURCHASING DIVISION, FOR THE AGENCY, WORKFORCE WEST VIRGINIA, IS SOLICITING BIDS FROM CERTIFIED PUBLIC ACCOUNTANTS TO PERFORM AN ANNUAL REVIEW OF THE AGENCY'S FINANCIAL STATEMENTS PER THE ATTACHED SPECIFICATIONS.</p> <p>ALL TECHNICAL QUESTIONS MUST BE SUBMITTED IN WRITING TO FRANK WHITTAKER IN THE WV PURCHASING DIVISION VIA EMAIL AT FRANK.M.WHITTAKER@WV.GOV OR VIA FAX AT 304-558-4115. DEADLINE FOR TECHNICAL QUESTIONS: 09/20/10 AT 4:00 PM. ALL TECHNICAL QUESTIONS WILL BE ADDRESSED BY ADDENDUM AFTER THE DEADLINE.</p> <p>EXHIBIT 3</p> <p>LIFE OF CONTRACT: THIS CONTRACT BECOMES EFFECTIVE ON AND EXTENDS FOR A PERIOD OF ONE (1) YEAR OR UNTIL SUCH "REASONABLE TIME" THEREAFTER AS IS NECESSARY TO OBTAIN A NEW CONTRACT OR RENEW THE ORIGINAL CONTRACT. THE "REASONABLE TIME" PERIOD SHALL NOT EXCEED TWELVE (12) MONTHS. DURING THIS "REASONABLE TIME" THE VENDOR MAY TERMINATE THIS CONTRACT FOR ANY REASON UPON GIVING THE DIRECTOR OF PURCHASING 30 DAYS WRITTEN NOTICE.</p> <p>UNLESS SPECIFIC PROVISIONS ARE STIPULATED ELSEWHERE IN THIS CONTRACT DOCUMENT, THE TERMS, CONDITIONS AND PRICING SET HEREIN ARE FIRM FOR THE LIFE OF THE CONTRACT.</p>						

RECEIVED

2010 OCT 14 PM 12:57

WV PURCHASING DIVISION

SEE REVERSE SIDE FOR TERMS AND CONDITIONS			
SIGNATURE <i>Frank Whittaker</i>	TELEPHONE 304-697-5700	DATE 10/12/2010	
TITLE PARTNER	FEIN 37-1496963	ADDRESS CHANGES TO BE NOTED ABOVE	

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'

GENERAL TERMS & CONDITIONS
REQUEST FOR QUOTATION (RFQ) AND REQUEST FOR PROPOSAL (RFP)

1. Awards will be made in the best interest of the State of West Virginia.
2. The State may accept or reject in part, or in whole, any bid.
3. Prior to any award, the apparent successful vendor must be properly registered with the Purchasing Division and have paid the required \$125 fee.
4. All services performed or goods delivered under State Purchase Order/Contracts are to be continued for the term of the Purchase Order/Contracts, contingent upon funds being appropriated by the Legislature or otherwise being made available. In the event funds are not appropriated or otherwise available for these services or goods this Purchase Order/Contract becomes void and of no effect after June 30.
5. Payment may only be made after the delivery and acceptance of goods or services.
6. Interest may be paid for late payment in accordance with the *West Virginia Code*.
7. Vendor preference will be granted upon written request in accordance with the *West Virginia Code*.
8. The State of West Virginia is exempt from federal and state taxes and will not pay or reimburse such taxes.
9. The Director of Purchasing may cancel any Purchase Order/Contract upon 30 days written notice to the seller.
10. The laws of the State of West Virginia and the *Legislative Rules* of the Purchasing Division shall govern the purchasing process.
11. Any reference to automatic renewal is hereby deleted. The Contract may be renewed only upon mutual written agreement of the parties.
12. **BANKRUPTCY:** In the event the vendor/contractor files for bankruptcy protection, the State may deem this contract null and void, and terminate such contract without further order.
13. **HIPAA BUSINESS ASSOCIATE ADDENDUM:** The West Virginia State Government HIPAA Business Associate Addendum (BAA), approved by the Attorney General, is available online at www.state.wv.us/admin/purchase/vrc/hipaa.htm and is hereby made part of the agreement. Provided that the Agency meets the definition of a Cover Entity (45 CFR §160.103) and will be disclosing Protected Health Information (45 CFR §160.103) to the vendor.
14. **CONFIDENTIALITY:** The vendor agrees that he or she will not disclose to anyone, directly or indirectly, any such personally identifiable information or other confidential information gained from the agency, unless the individual who is the subject of the information consents to the disclosure in writing or the disclosure is made pursuant to the agency's policies, procedures, and rules. Vendor further agrees to comply with the Confidentiality Policies and Information Security Accountability Requirements, set forth in <http://www.state.wv.us/admin/purchase/privacy/noticeConfidentiality.pdf>.
15. **LICENSING:** Vendors must be licensed and in good standing in accordance with any and all state and local laws and requirements by any state or local agency of West Virginia, including, but not limited to, the West Virginia Secretary of State's Office, the West Virginia Tax Department, and the West Virginia Insurance Commission. The vendor must provide all necessary releases to obtain information to enable the director or spending unit to verify that the vendor is licensed and in good standing with the above entities.
16. **ANTITRUST:** In submitting a bid to any agency for the State of West Virginia, the bidder offers and agrees that if the bid is accepted the bidder will convey, sell, assign or transfer to the State of West Virginia all rights, title and interest in and to all causes of action it may now or hereafter acquire under the antitrust laws of the United States and the State of West Virginia for price fixing and/or unreasonable restraints of trade relating to the particular commodities or services purchased or acquired by the State of West Virginia. Such assignment shall be made and become effective at the time the purchasing agency tenders the initial payment to the bidder.

I certify that this bid is made without prior understanding, agreement, or connection with any corporation, firm, limited liability company, partnership, or person or entity submitting a bid for the same material, supplies, equipment or services and is in all respects fair and without collusion or fraud. I further certify that I am authorized to sign the certification on behalf of the bidder or this bid.

INSTRUCTIONS TO BIDDERS

1. Use the quotation forms provided by the Purchasing Division. Complete all sections of the quotation form.
2. Items offered must be in compliance with the specifications. Any deviation from the specifications must be clearly indicated by the bidder. Alternates offered by the bidder as **EQUAL** to the specifications must be clearly defined. A bidder offering an alternate should attach complete specifications and literature to the bid. The Purchasing Division may waive minor deviations to specifications.
3. Unit prices shall prevail in case of discrepancy. All quotations are considered F.O.B. destination unless alternate shipping terms are clearly identified in the quotation.
4. All quotations must be delivered by the bidder to the office listed below prior to the date and time of the bid opening. Failure of the bidder to deliver the quotations on time will result in bid disqualifications: Department of Administration, Purchasing Division, 2019 Washington Street East, P.O. Box 50130, Charleston, WV 25305-0130
5. Communication during the solicitation, bid, evaluation or award periods, except through the Purchasing Division, is strictly prohibited (W.Va. C.S.R. §148-1-6.6).



State of West Virginia
 Department of Administration
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VENDOR

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WV BUREAU OF EMPLOYMENT PROGRA
 3701 MAC CORKLE AVENUE SE

CHARLESTON, WV
 25304 348-2634

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
09/09/2010				

BID OPENING DATE: 10/06/2010 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
<p>RENEWAL: THIS CONTRACT MAY BE RENEWED UPON THE MUTUAL WRITTEN CONSENT OF THE SPENDING UNIT AND VENDOR, SUBMITTED TO THE DIRECTOR OF PURCHASING THIRTY (30) DAYS PRIOR TO THE EXPIRATION DATE. SUCH RENEWAL SHALL BE IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE ORIGINAL CONTRACT AND SHALL BE LIMITED TO TWO (2) ONE (1) YEAR PERIODS.</p> <p>CANCELLATION: THE DIRECTOR OF PURCHASING RESERVES THE RIGHT TO CANCEL THIS CONTRACT IMMEDIATELY UPON WRITTEN NOTICE TO THE VENDOR IF THE COMMODITIES AND/OR SERVICE SUPPLIED ARE OF AN INFERIOR QUALITY OR DO NOT CONFORM TO THE SPECIFICATIONS OF THE BID AND CONTRACT HEREIN.</p> <p>BANKRUPTCY: IN THE EVENT THE VENDOR/CONTRACTOR FILES FOR BANKRUPTCY PROTECTION, THE STATE MAY DEEM THE CONTRACT NULL AND VOID, AND TERMINATE SUCH CONTRACT WITHOUT FURTHER ORDER.</p> <p style="text-align: center;">NOTICE</p> <p>A SIGNED BID MUST BE SUBMITTED TO:</p> <p style="text-align: center;">DEPARTMENT OF ADMINISTRATION PURCHASING DIVISION BUILDING 15 2019 WASHINGTON STREET, EAST CHARLESTON, WV 25305-0130</p> <p>THE BID SHOULD CONTAIN THIS INFORMATION ON THE FACE OF THE ENVELOPE OR THE BID MAY NOT BE CONSIDERED:</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE <i>Frank Whittaker</i>	TELEPHONE 304-687-5700	DATE 10/12/2010
TITLE PARTNER	FAX 37-1496863	ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'



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09/09/2010				

BID OPENING DATE: 10/06/2010 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
SEALED BID						
BUYER:				44		
RFQ. NO.:				WWV11869		
BID OPENING DATE:				10/06/10		
BID OPENING TIME:				1:30 PM		
PLEASE PROVIDE A FAX NUMBER IN CASE IT IS NECESSARY TO CONTACT YOU REGARDING YOUR BID:						

CONTACT PERSON (PLEASE PRINT CLEARLY):						

***** THIS IS THE END OF RFQ WWV11869 ***** TOTAL: _____						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE <i>[Signature]</i>	TELEPHONE (304) 697-5700	DATE 10/12/2010
TITLE PARTNER	FAX 37-1496963	ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'

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 Resident Vendor Preference, if applicable.

- 1. **Application is made for 2.5% resident 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% resident 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% resident 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% resident 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% resident 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% resident 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.

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: HAYFLICH & STEINBERG, LLC, PLLC Signed: [Signature]

Date: 10/21/2010 Title: PARTNER

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

STATE OF WEST VIRGINIA
Purchasing Division

PURCHASING AFFIDAVIT

West Virginia Code §5A-3-10a states: 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 the debt owed is an amount greater than one thousand dollars in the aggregate.

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.

"Debtor" means any individual, corporation, partnership, association, limited liability company or any other form or business association owing a debt to the state or any of its political subdivisions. "Political subdivision" means any county commission; municipality; county board of education; any instrumentality established by a county or municipality; any separate corporation or instrumentality established by one or more counties or municipalities, as permitted by law; or any public body charged by law with the performance of a government function or whose jurisdiction is coextensive with one or more counties or municipalities. "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.

EXCEPTION: The prohibition of this section does not apply where a vendor has contested any tax administered pursuant to chapter eleven of this 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.

Under penalty of law for false swearing (*West Virginia Code §61-5-3*), it is hereby certified that the vendor affirms and acknowledges the information in this affidavit and is in compliance with the requirements as stated.

WITNESS THE FOLLOWING SIGNATURE

Vendor's Name: HAYFLICH & STEINBERG, CPA's, PLLC

Authorized Signature: [Signature] Date: 10/12/2010

State of WEST VIRGINIA

County of CABELL, to-wit:

Taken, subscribed, and sworn to before me this 12TH day of OCTOBER, 2010.

My Commission expires AUGUST 31, 2014.

AFFIX SEAL HERE

NOTARY PUBLIC [Signature]





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SUGGESTION

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BID OPENING DATE: 10/14/2010 BID OPENING TIME: 01:30PM

LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
<p>***** ADDENDUM NO. 1 *****</p> <p>THIS ADDENDUM IS ISSUED TO:</p> <p>1) EXTEND THE BID OPENING DATE AND TIME TO: 10/14/2010 AT 1:30 PM</p> <p>2) REPLACE THE ENTIRE SPECIFICATIONS WITH THE ATTACHED REVISED SPECIFICATIONS.</p> <p>3) PROVIDE THE ATTACHED TECHNICAL QUESTIONS & ANSWERS.</p> <p>4) PROVIDE THE ATTACHED 2009 WORKFORCE WEST VIRGINIA 2009 FINANCIAL STATEMENT.</p> <p>***** END ADDENDUM NO. 1 *****</p>						
0001	1	LS		946-20		
AUDITING SERVICES						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE <i>Part Der</i>	TELEPHONE 304-687-5700	DATE 10/12/2010
TITLE PART DER	FEB 37-1496963	ADDRESS CHANGES TO BE NOTED ABOVE

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A Proposal to Serve

West Virginia Bureau of Employment Programs
WorkForce West Virginia

WORKFORCE
West Virginia
ISA

HAYFLICH. HAYFLICH.NET

HAYFLICH & STEINBERG, CPA's, PLLC
#8 STONECREST DRIVE • HUNTINGTON, WV 25701
TEL: (304) 697-5700 • FAX: (304) 697-5704

An Independent Member of BDO Seidman Alliance

Robert C. (Rob) Fuller, CPA
Fuller@hayflich.net

Richard A. (Rick) Eskins, CPA, CVA, CGFM
Eskins@hayflich.net

AN INDEPENDENT MEMBER OF
BDO
SEIDMAN
ALLIANCE

OUR PROPOSAL TO PROVIDE AUDIT AND OTHER SERVICES

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Our Preliminary Understanding of Your Needs

The West Virginia Bureau of Employment Programs WorkForce West Virginia's (WorkForce) immediate goal is to comply with financial reporting obligations during the forthcoming years. With your approval, our immediate focus will be on the following:

Audit Services

For the year ending June 30, 2011, we will provide audit services in accordance with generally accepted auditing standards, *Governmental Auditing Standards*, issued by the Comptroller General of the United States.

The completed audit package will include the following:

- Independent auditors' report
- Complete set of financial statements, including notes
- Independent auditors' report on compliance and internal control over financial reporting based on an audit of financial statements performed in accordance with *Governmental Auditing Standards*
- Statement on Auditing Standards No. 114, *The Auditor's Communication With Those Charged With Governance* required communications
- Statement on Auditing Standards No. 115, *Communicating Internal Control Related Matters Identified in an Audit* required communications

Timing of Work

It is our goal to complete engagements in a timely and efficient manner with as little disruption as possible to the client's routine. Thus our schedule for performing the audit will be dependent upon your schedule and availability. To achieve maximum efficiency, we will strive to avoid starting our work before you and your staff are fully prepared, but also allow for sufficient time to complete the audit before the established due dates. Assuming standard lead time, we would anticipate a schedule as follows:

- Before June 24, 2011 Entrance conference.
- July 3, 2011 – Deliver detailed audit plan with “Prepared By Client Schedule” wherein we will list the various schedules and analyses that we will need from you to complete our audit.
- July 18, 2011 – Annual fieldwork of approximately 10 days.
- September 2, 2011 – Submit draft financial statements with reports to WorkForce for review.
- September 15, 2011 – Submit draft financial statements with reports to WV FARS, Executive Director of WorkForce and Director of FAM.
- October 11, 2011 – Submit final unsigned draft to WorkForce management for final review.
- October 17, 2011 – Issue final signed reports to WorkForce and WV FARS.

Our Experience Serving the Governmental & Nonprofit Industries

HAYFLICH & STEINBERG, CPA's, PLLC is a full-service regional accounting firm with offices located in Huntington, West Virginia. Our clients conduct business nationwide and internationally. They range in size from small business to multi-million dollar enterprises and are located in West Virginia, Ohio, Kentucky, Maryland, Virginia, North Carolina, Tennessee, Pennsylvania, Indiana, Arizona, Texas, Florida and Washington D.C.

The firm is organized departmentally, in a manner conducive to making the highly specialized abilities of the firm's members available to all clientele. Considering the complexity of business today, a blend of several specialists is often required to handle an engagement properly. The professionals we commit to an engagement not only have the necessary training and experience, but also a results-oriented attitude.

In addition to performing audits in accordance with generally accepted auditing standards, we also regularly perform audits in accordance with *Government Auditing Standards*. We are a member in good standing of the American Institute of Certified Public Accountants Government Audit Quality Center.

Your Service Leadership Team's Government Experience

West Virginia Division of Highways, Charleston, WV

- Scope of Work: Audits in accordance with *Government Auditing Standards*.
- Engagement Partner - Robert C. Fuller, CPA
- Client Contact: Aaron Allred
- Client Telephone: 304-347-4800

West Virginia Department of Transportation, Charleston, WV

- Scope of Work: Audits in accordance with *Government Auditing Standards* and OMB Circular A-133.
- Engagement Partner - Robert C. Fuller, CPA
- Client Contact: Fred Thomas
- Client Telephone: 304-558-2841

West Virginia State Rail Authority, Charleston, WV

- Scope of Work: Audits in accordance with *Government Auditing Standards*.
- Engagement Partner - Robert C. Fuller, CPA
- Client Contact: Fred Thomas
- Client Telephone: 304-558-2841

Glenville State College, Glenville, WV (state-supported college)

- Scope of Work: Audits of the College in accordance with *Government Auditing Standards*
- Engagement Partner - Robert C. Fuller, CPA
- Client Contact: Robert Hardman, Vice President for Business & Finance
- Client Telephone: 304-462-4107 ext. 7501

Marshall University, Huntington, WV

Marshall University Research Corporation, Huntington, WV

West Virginia State University, Institute, WV

West Virginia State University Research & Development Corporation, Institute, WV

- Scope of Work: Audits in accordance with *Government Auditing Standards* (under contract with Deloitte & Touche)
- Engagement Partner - Robert C. Fuller, CPA
- Client Contact: Dennis J. Juran, CPA, Partner, Deloitte & Touche
- Client Telephone: 412-338-7213

City of Parkersburg Housing Authority, Parkersburg, WV

- Scope of Work: Audits in accordance with *Government Auditing Standards* and OMB Circular A-133.
- Engagement Partner - Robert C. Fuller, CPA
- Client Contact: D.J. Morris
- Client Telephone: 304-428-6753

City of Point Pleasant Housing Authority, Point Pleasant, WV

- Scope of Work: Audits in accordance with *Government Auditing Standards* and OMB Circular A-133.
- Engagement Partner - Robert C. Fuller, CPA
- Client Contact: Vicki Krebs
- Client Telephone: 304-675-4414

Additional Resources

HAYFLICH & STEINBERG, CPA's, PLLC is an independent member of the BDO Seidman Alliance of Accounting Firms. The BDO Seidman Alliance is a nationwide association of independently owned local and regional accounting, consulting, and service firms with similar service goals. The Alliance presents an opportunity for member firms, by accessing the resources of BDO Seidman, LLP and other Alliance members, to expand services to their clients without jeopardizing their existing relationship or autonomy.

With over 2,000 clients in the non-profit sector within BDO Seidman, LLP and its Alliance firms, our team of professionals offers the hands-on experience and technical skill you can rely upon to serve the distinctive needs of your Organization. Whether from the 200+ other independent CPA firms and Alliance members or directly from BDO Seidman, LLP, we have capabilities equal to any CPA firm in the tri-state region.

We also regularly provide our clients with specific memoranda and other data to help inform clients of noteworthy issues. At our website, www.hayflich.net, there are many financial tools, as well as tax and audit information.

Why WorkForce West Virginia Should Choose Hayflich & Steinberg, CPA's, PLLC

Who We Are

HAYFLICH & STEINBERG, CPA's, PLLC has been in business for 50+ years providing quality services to entities located primarily in the tri-state area of West Virginia, Kentucky, and Ohio. With offices conveniently located in Huntington, West Virginia, HAYFLICH & STEINBERG is prepared to deliver professional services to both new and long time clients across the region.

The size of HAYFLICH & STEINBERG is important to our clients for two reasons, the firm is small enough so that our partners can maintain an intimate knowledge of our clients' businesses and needs; second the firm is large enough to have specialists available in the various disciplines of the profession; accounting, auditing, income tax, management consulting, retirement planning and administration, business valuation, and estate planning services.

As the needs arise, we can draw on the expertise available from BDO Seidman LLP and our Alliance members to assist with new or unusual issues. This strategic alliance increases the depth and breadth of services and expertise HAYFLICH & STEINBERG is able to offer your organization.

The BDO Seidman Alliance is a nationwide association of independently owned local and regional accounting, consulting, and service firms with similar client service goals. The Alliance provides an opportunity for Hayflich & Steinberg to expand its client service offerings, by accessing the resources of BDO Seidman, LLP (one of the largest accounting firm in the U.S.) and other Alliance members. Our team of professionals offers the hands-on experience and technical skills required to serve the distinctive needs of our clients. Supplementing our exceptional staff with talent from BDO Seidman, LLP and/or the 200+ other independent CPA firm Alliance members, we have capabilities equal to any CPA firm.

At the present time, HAYFLICH & STEINBERG is staffed as follows:

Partners	5
Managers	5
Professional staff	13
Para-professional	2
Office support	<u>5</u>
<u>Total</u>	<u>30</u>

License

We are registered and in good standing with the West Virginia Board of Accountancy.

Quality Control

Our firm is a member of the Private Companies Practice Section of the Division of CPA firms. We are proud of the membership requirements, including the review requirement. Each three years we undergo a peer review under guidelines issued by the American Institute of Certified Public Accountants Review Team, which studies and evaluates our firm's policies and procedures for maintaining quality in accounting and auditing work. We are proud to be one of the firms in this area to have undergone this review for several years and to have received an unqualified opinion for each review.

All professional personnel are periodically evaluated for technical competence and are tested as to their potential leadership qualities and aptitude. Training is accomplished through outside professional development programs and internal training programs. On the job training is enhanced by the active participation of our partners in the planning, review and problem solving phases of our work. Recruiting and retention of topflight staff personnel is made easier by knowledge that our staff will be working in a direct inter-relationship basis with our partners.

Independence

As noted in the firm's Quality Control Document, it is firm policy that all professional personnel be familiar with and adhere to the independence, integrity, and objectivity rules, regulations, interpretations, and rulings of the AICPA, state statutes, and the applicable state board of accountancy to which they are members. For engagements subject to Government Auditing Standards or the standards of other regulatory agencies, all professional personnel must be familiar with and adhere to the independence rules included in those standards and that personnel will always act in the public interest. In this regard, any transaction, event, circumstance, or action that would impair the firm's independence or violate its integrity and objectivity policy, on a compilation, review, audit, or attestation (including forecast or projection) engagement is prohibited.

We are independent of WorkForce West Virginia.

Continuing Education

It is the policy of our firm that all professional personnel (CPA's and those qualified to seek that status), comply with the continuing professional education requirements of the AICPA, their applicable state board of accountancy, and the U.S. General Accounting Office, and other regulatory agencies where applicable. Compliance is monitored by firm management. Staff which will be assigned to this engagement all meet the governmental CPE requirements.

Your Client Service Team

Choosing the right professionals to serve you is a critical element of success. In selecting your service team, we review carefully our understanding of your needs, as well as your plans, and identify the people whose credentials are ideal for you.

We strive to maintain continuity on all engagements so that we maximize our experience with your Organization. Our goal is to dedicate the same partners and engagement team to serve you each year. The individuals we select have a demonstrated track record with clients in your industry, strong technical backgrounds and outstanding leadership and communication skills.

Significant Partner and Manager Involvement

Our partners want to be a responsive sounding board to your organization. These professionals will consider themselves as advisors to your management team.

Your Client Service Team Will Include:

- Robert C. (Rob) Fuller, CPA
- Richard A. Eskins, CPA, CVA, FHFMA, CGFM
- Dennis F. Ashworth, Jr., CPA
- Cindy D. Bowen, CPA
- Sanghee Ku, CPA

Your Service Leadership Team Resumes

The following resumes introduce your service leadership team. Visit our web site at www.hayflich.net for an expanded introduction to the capabilities of the other professionals at Hayflich & Steinberg.

Robert C. (Rob) Fuller, CPA

Partner - Assurance, Accounting, and Business Taxation

Mr. Fuller has been associated with Hayflich & Steinberg, CPA's since 1996. A 1990 graduate of Marshall University, he has been engaged in public accounting since 1996. He also performed postgraduate accounting work at the University of Kentucky and is licensed to practice accounting in West Virginia.

Rob has extensive experience in the performance, management, and review of audited financial statements for wholesale, manufacturing, retail, governmental, not-for-profit, private foundations and college and university clients. He also has experience in audits of employee benefit plans and audits requiring compliance with OMB Circular No. A-133. Rob's experience also includes the performance of traditional accounting engagements, such as reviews and compilations, as well as the preparation and review of federal, state, and local income tax returns for business entities and individuals.

Rob will be the engagement partner on your audit.

**Richard A. Eskins, CPA, CVA, FHFMA, CGFM
Manager - Healthcare & Government**

**Certified Public Accountant
Certified Valuation Analyst
Fellow, Healthcare Financial Management Association
Certified Government Financial Manager**

Mr. Eskins is a cum laude graduate of Marshall University and has been associated with Hayflich & Steinberg since 1978. Rick practices extensively with clientele in the healthcare industry. His clients have included large teaching hospitals, governmental owned health facilities, rural and urban proprietary hospitals, proprietary hospital chains, hospital-based and freestanding long term care facilities, hospital-based and freestanding home health agencies, durable medical equipment suppliers, rural health clinics, and federally qualified health centers. The firm's healthcare reimbursement-related engagements are also Rick's responsibility. These services include the preparation of cost reports and other compliance filings as well as consultation on technical matters such as appeals and other regulatory issues. Rick has participated extensively in the cost report audit engagements subcontracted to the firm by several Medicare fiscal intermediaries and state Medicaid agencies. He also has varied experience in auditing, cost accounting, tax issues, related-party matters, financial projections and forecasts, and business valuations.

Rick will be the engagement manager on your audit.

**Dennis F. Ashworth, Jr., CPA
Partner - Assurance, Accounting, and Business Taxation**

Mr. Ashworth joined Hayflich & Steinberg in 1977 upon his graduation from Marshall University. His public accounting experience covers all facets of auditing, accounting, business consulting, business taxation, and information technology consulting. He has licenses to practice in West Virginia and Virginia.

Dennis has extensive experience in the performance, management, and review of audited, reviewed, and compiled financial statements. He has prepared, supervised or reviewed federal, state, and local corporate, partnership, pension and other income tax, property tax, and information returns. Dennis serves clients in wholesale, manufacturing, retail, healthcare, governmental, and other business organizations. He has a wide range of experience in the selection and installation of computer systems and has developed software for a variety of business and healthcare applications. As a member of the AICPA Information Technology Section, he has a keen awareness of advances in information technology and the impact information technology has on the business environment of firm clients.

Dennis will be the concurring engagement partner on your audit.

Cindy D. Bowen, MBA, CPA
Manager - Assurance, Government & Nonprofit

Ms. Bowen has been associated with Hayflich & Steinberg since February 2008. Cindy earned her Bachelor of Business Administration in 1989 from Marshall University, and earned a Master of Business Administration from Marshall University in 1993.

She has over 12 years experience in public accounting. Cindy has extensive experience in the performance, management, and review of audited financial statements for housing authorities, governmental agencies, other not-for-profit, and for-profit clients. She also has extensive experience in audits of employee benefit plans and audits requiring compliance with OMB Circular No. A-133. Cindy's experience also includes the performance of traditional accounting engagements, such as reviews and compilations, as well as the preparation and review of federal, state, and local income tax returns for business entities and individuals.

As an active member of various professional organizations, Cindy complies with the continuing professional education requirements of the AICPA and the West Virginia Board of Accountancy.

Cindy will be the engagement manager on your audit.

Sanghee Ku, CPA
Senior – Assurance and Accounting

Ms. Ku, a Senior in the Assurance and Accounting division in the firm, graduated from Kyung-Pook National University with a Bachelor's in Korean and Japanese Language and Literature and then a Master's in Business Administration with Accounting Emphasis from Marshall University, in 2008. She passed the CPA exam in 2009.

Most recently she was an assurance associate with a major regional accounting firm, where she gained experience in performing audit and review services for large for-profit and nonprofit entities. She also has experience in employee benefit plan audits and healthcare consulting services.

Sanghee will be the engagement senior on your audit.

Engagement Staff Continuity

We strive to maintain continuity on all engagements so that we maximize our experience with your organization. Our goal is to dedicate the same partners and engagement team to serve you each year. The individuals we select have a demonstrated track record with clients in your industry, strong technical backgrounds and outstanding leadership and communication skills.

All engagement personnel will have greater than one year of auditing experience.

Our Fee Proposal

We understand the nature of your Organization and the importance of trying to control costs. This would include minimizing the fees paid to outside professionals. However, low fees aren't necessarily a bargain if it requires a firm to provide inadequate attention to its clients and perform substandard engagements.

Our proposal for the audit services as outlined in RFQ No. WWV11869 for the year ended June 30, 2011 is \$50,000. Hourly rates for additional consulting services will be as follows:

Partners	\$200 - \$300
Managers	\$175
Seniors	\$150
Staff	\$100

Fee Inclusions and Assumptions

The total cost of your engagement is subject to the timely and accurate completion of the information we request be prepared by your personnel. If the information is not presented timely or accurately, we will advise you and not proceed on your engagement until the information has been submitted or corrected. If you decide that you wish us to assemble the requested information for you, the extra charges will be based on our hourly rates for these types of services. Untimely submitted or inaccurate information could delay the completion of your engagement.

Thank you for the opportunity to submit this proposal. Upon appointment we will provide you with an "Agreement to Provide Services" for the services you desire. We look forward to providing the high quality services you expect from your professional service providers. If you have questions or wish to discuss this proposal further, please contact Rick Eskins, CPA or Rob Fuller, CPA at 304-697-5700.

Very truly yours,



October 12, 2010

 **OLSEN THIELEN & Co., LTD.**
Certified Public Accountants & Consultants

To the Members
Hayflich & Steinberg, CPA's, PLLC

We have reviewed the system of quality control for the accounting and auditing practice of Hayflich & Steinberg, CPA's, PLLC (the firm) in effect for the year ended June 30, 2007. A system of quality control encompasses the firm's organizational structure, the policies adopted and procedures established to provide it with reasonable assurance of conforming with professional standards. The elements of quality control are described in the Statements on Quality Control Standards issued by the American Institute of CPAs (AICPA). The firm is responsible for designing a system of quality control and complying with it to provide the firm reasonable assurance of conforming with professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance with its system of quality control based on our review.

Our review was conducted in accordance with standards established by the Peer Review Board of the AICPA. During our review, we read required representations from the firm, interviewed firm personnel and obtained an understanding of the nature of the firm's accounting and auditing practice, and the design of the firm's system of quality control sufficient to assess the risks implicit in its practice. Based on our assessments, we selected engagements and administrative files to test for conformity with professional standards and compliance with the firm's system of quality control. The engagements selected represented a reasonable cross-section of the firm's accounting and auditing practice with emphasis on higher-risk engagements. (The engagements selected included among others, audits of Employee Benefit Plans, and engagements performed under *Government Auditing Standards*. Prior to concluding the review, we reassessed the adequacy of the scope of the peer review procedures and met with firm management to discuss the results of our review. We believe that the procedures we performed provide a reasonable basis for our opinion.

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Flagship Corporate Center, 775 Prairie Center Drive, Ste. 480, Minneapolis, Minnesota 55344 952 941 9242

In performing our review, we obtained an understanding of the system of quality control for the firm's accounting and auditing practice. In addition, we tested compliance with the firm's quality control policies and procedures to the extent we considered appropriate. These tests covered the application of the firm's policies and procedures on selected engagements. Our review was based on selected tests therefore it would not necessarily detect all weaknesses in the system of quality control or all instances of noncompliance with it. There are inherent limitations in the effectiveness of any system of quality control and therefore noncompliance with the system of quality control may occur and not be detected. Projection of any evaluation of a system of quality control to future periods is subject to the risk that the system of quality control may become inadequate because of changes in conditions, or because the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the system of quality control for the accounting and auditing practice of Hayflich & Steinberg, CPA's, PLLC in effect for the year ended June 30, 2007 has been designed to meet the requirements of the quality control standards for an accounting and auditing practice established by the AICPA and was complied with during the year then ended to provide the firm with reasonable assurance of conforming with professional standards.

Olsen Thicken & Co., Ltd.

St. Paul, Minnesota
October 24, 2007