

Proposal to Serve

West Virginia Lottery Commission

RFQ LOT 481

Buyer: Shelly Murray – File 31

RFQ No.: LOT 481

Bid Opening Date: January 19, 2012

Bid Opening Time: 1:30PM

Gibbons & Kawash phone number: 304-345-8400

Gibbons & Kawash fax number: 304-345-8451

Contact: Timothy J. Gibbons

January 16, 2012

West Virginia Lottery Commission
900 Pennsylvania Avenue
Charleston, WV 25302

We are pleased to present our credentials to provide professional services to the West Virginia Lottery Commission (the Lottery) as described in RFQ LOT 481 and commencing on the effective date of award, with options to renew for two annual periods thereafter. As a client of our firm, you can be sure of our total commitment to provide timely, responsive, and quality service. As described in Appendix A, we have committed an engagement team with extensive experience serving the West Virginia Lottery Commission and entities similar to those described in RFQ LOT 481.

We have structured this proposal to communicate Gibbons & Kawash's experience and qualifications to effectively and efficiently respond to the requirements and expectations of the Lottery, and have made every effort to completely respond to all matters identified in your request for quotation.

We would be pleased to meet with you and formally present our proposal upon your request. If you have any questions, please do not hesitate to contact me.

Very truly yours,



Timothy J. Gibbons
Director

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EXECUTIVE SUMMARY

- **Resources.** Gibbons & Kawash is one of the area's leading CPA firms, and our talented people and state-of-the-art technology provide a distinct client service advantage. Combine our local capabilities with the power of the BDO Seidman Alliance, a nationwide association of independent CPA firms with the strength of 10,000 professionals and \$1.5 billion in revenues, and our resources are unsurpassed.
- **Expertise.** The depth and breadth of our experience in serving the gaming industry in West Virginia, the public sector as a Public Companies Accounting Oversight Board member, providing expert valuation services, and consulting services to privately-owned businesses is extensive. Gibbons & Kawash annually serves more than 400 businesses. And we can draw upon the knowledge and experience gained by BDO in serving clients through 37 offices and more than 400 independent Alliance firm locations nationwide.
- **Quality.** To ensure the consistent delivery of superior quality service, we have developed a comprehensive system of quality control which covers every aspect of our practice.
- **Accessibility.** Clear, proactive communication is our most important tool for maximizing efficiency and effectiveness, and is a year-round process. We will keep you informed about new audit and accounting issues that could affect our services. And we encourage you to contact us anytime—your engagement director will always be accessible, and we won't bill you for phone consultations, unless extensive research is required.
- **Commitment.** You have our pledge that you will be a priority client of Gibbons & Kawash. We are committed to meeting the timelines you establish, to actively seeking to add value to the services we provide, and to ensuring that we exceed your expectations.
- **No surprises--ever.** Not in the delivery of service, not in our final reports, and not in our fees. You can rest assured that our firm will be there to offer dependable, superior quality service.

PROFILE OF GIBBONS & KAWASH

GIBBONS & KAWASH'S PRACTICE

Gibbons & Kawash, A.C. is a regional accounting corporation with a team of 40 professionals who provide accounting, assurance, business advisory, and tax services to a broad spectrum of clients throughout West Virginia and surrounding states. We direct significant resources to serving the needs of the gaming industry in West Virginia, the public sector as a Public Companies Accounting Oversight Board member, providing expert valuation services, and consulting services to privately-owned businesses, and recognize this focus as a major factor in our past success and a key element in our strategy for continued growth.

AN INDEPENDENT MEMBER OF THE



Gibbons & Kawash is an independent member of the BDO Seidman Alliance (the Alliance), a nationwide association of independently owned local and regional accounting and consulting firms sharing a dedication to exemplary client service. Membership in the Alliance presents an opportunity for Gibbons & Kawash to expand services to our clients without jeopardizing existing relationships or our autonomy. Our firm has access to the resources of BDO USA, LLP and BDO International, the fifth largest accounting and consulting practice in the world.

Our team of professionals offers the hands-on experience and technical skills you can rely upon to serve the distinctive needs of your organization. Supplementing our talented staff with talent from BDO USA, LLP, along with over 400 independent Alliance member firms, Gibbons & Kawash has the capabilities necessary to meet your needs and exceed your expectations. The BDO Seidman Alliance offers us tremendous flexibility in customizing our service delivery approach to meet the specific needs of each client.

COMMITMENT TO QUALITY

At Gibbons & Kawash, an uncompromising commitment to provide superior quality service is the overarching principle which governs the administration of every engagement.

To ensure the consistent delivery of quality services, we have developed a comprehensive system of quality control which covers virtually every aspect of our practice. This system is formalized in a written quality control document to which every staff member is expected to adhere. The elements of our quality control system are as follows:

- Leadership responsibilities for quality
- Relevant ethical requirements
- Acceptance and continuance of clients and engagements
- Human resources
- Engagement performance
- Monitoring

Gibbons & Kawash is a member of the American Institute of Certified Public Accountants' Peer Review Program. The Program has established a self-regulatory process which includes requirements for peer review of the member firms every three years. These reviews, which are performed by knowledgeable independent CPAs from other firms, periodically evaluate and test systems of quality control of member firms.

PROFILE OF GIBBONS & KAWASH

Our system of quality control provides assurance that we maintain, on a continuing basis, the highest professional standards to which we are committed. Our most recent external quality control review was performed by Rea & Associates, Inc. Their opinion, which was "pass" (the highest possible rating under the new peer review standards) is on file with the AICPA and is included as **Appendix B**.

CONTINUING PROFESSIONAL EDUCATION

One of the best measures of a firm's commitment to its practice is the depth of specialized training provided to its professionals. Gibbons & Kawash has developed a comprehensive professional development program to help our professionals enhance their proficiency in serving the unique needs of privately-owned businesses. Our program includes intensive internal training, using course materials developed by the AICPA and our own experienced managers, as well as attendance at national conferences addressing specialized industry topics.

EXPERTISE IN COMPUTERIZED SYSTEMS

Gibbons & Kawash is committed to providing our professionals access to the latest technology in order to ensure optimum levels of efficiency in our engagements. Computerizing the engagement process enables our professionals to spend more time on judgment matters and in-depth research and analysis, rather than on "number crunching" and other mechanical aspects of client service, and enhances efficiency by allowing for quick updating of software applications from year-to-year.



Prosystemfx Audit - Facilitates quantitative analysis and expedites preparation of the financial statements.



Checkpoint - Online access to an expansive library of tax, accounting, auditing, and corporate finance content, including primary source materials and expert analysis.



Creative Solutions UltraTax - Our tax software assists in the preparation of complex corporate, partnership, and individual tax returns and plans.



QuickBooks - Our staff includes certified QuickBooks pros who can assist you in installing and implementing this user-friendly accounting software, provide you with the training you need to confidently address your financial reporting objectives, and offer ongoing support when issues or questions arise.



ProfitCents - This e-Financial Analyst allows our staff to translate financial statement data into easy-to-understand narrative text reports. Designed for the small- to medium-sized business owner/managers, ProfitCents assists us in offering recommendations to help improve business performance and perform sophisticated financial analysis, including financial projections, analytical procedures, and in-depth private company financial data and trends.

QUALIFICATIONS AND EXPERIENCE

OUR EXPERIENCED PROFESSIONALS

The ultimate quality of our professional services depends on our ability to provide an experienced and capable client service team. The personnel assigned to you bring to the table a wealth of knowledge and experience in serving the business community and the gaming industry. In the unlikely event that a matter is encountered that cannot be resolved by the engagement team, our membership in the BDO Seidman Alliance provides us with access to extensive additional resources. The detailed resumes of our professionals assigned to your engagement are presented in **Appendix A**.

RELEVANT EXPERIENCE

Gibbons & Kawash is a leader among firms in West Virginia that provide services to the Lottery and the gaming industry in general. In addition to our more than a decade of providing financial auditing and drawing audit services to the Lottery, Gibbons & Kawash previously performed financial statement auditing services for a licensed racetrack in West Virginia. Our in-depth knowledge of the operations of the Lottery and the gaming industry is second to none. Our personnel are familiar with the requirements of the State Lottery Act, the Racetrack Video Lottery Act, Limited Video Lottery Act, Table Games Act, and Limited Gaming Facility Act, as well as the many other laws and regulations applicable to Lottery operations. Our staff has detailed knowledge regarding systems currently in use by the Lottery to operate its traditional games, limited video lottery, racetrack video lottery, and table games, as well as the intricacies of all related financial reporting systems.

Our gaming industry experience includes years of providing financial statement auditing services to a licensed racetrack in West Virginia. The scope of our work included Racetrack Video Lottery operations at the track, which operated "coin drop" machines and "TITO" (ticket in ticket out) machines, as well as pari-mutuel wagering operations. Our experience with pari-mutuel wagering operations included live racing as well as simulcast races in which video feeds of races at other tracks were imported for wagering by patrons of the West Virginia track, as well as video feeds exported from the local track for wagering at tracks across the U.S. We performed separate engagements for two licensed racetracks in West Virginia relating to evaluations of procedures and controls over their pari-mutuel wagering or totalisator (tote) systems. These services included procedures at the local tracks and at the off-site data center responsible for processing data from over 60 tracks in the eastern U.S. utilizing inter-tote protocol. These services were provided to one track for two years and another track for over 10 years.

Gibbons & Kawash has audited the financial statements of the West Virginia Racing Commission (the Commission) for 10 years and has an in-depth knowledge of the operations of the Commission, including all relevant code sections of the Commission's Act. As a result, Gibbons & Kawash maintains a broad depth of knowledge related to the thoroughbred and canine racing industry in West Virginia and the related business climate challenges involved in participating in the industry.

Gibbons and Kawash also maintains its membership in various membership divisions of the AICPA including its service to SEC restraints as a Registered Firm with the Public Company Accounting Oversight Board. Our Firm continues to expand its valuation and forensic practice through the addition of numerous professional certifications and credentials to better serve the needs of clients and the public in providing these highly technical services. Our Firm has also invested significant resources in the development and use of industry specific software designed to support valuation and forensic efforts which we plan to utilize in conducting the services required in this request for quotation.

QUALIFICATIONS AND EXPERIENCE

OUR CONSULTING AND BUSINESS PRACTICE

Gibbons & Kawash has a long tradition of providing the highest quality professional services to the business community.

Our experience spans many specialized industries including gaming, regulation, distribution, wholesale and retail operations, healthcare, construction, financial institutions, law firms, medical practices and other professional services. We use this experience and broad perspective to help our clients identify challenges and develop solutions.

SPECIALIZED SERVICES

Our full range of accounting, assurance, tax and consulting services is enhanced by the vision and expertise to deliver forward-looking, custom-tailored services which go beyond the traditional.

Accounting Services

- Bookkeeping services
- Payroll services
- Accounts payable processing
- Financial statement analysis and accounting advice
- New business start-up services

Assurance Services

- Financial statement audits, reviews, and compilations
- Internal audit services and internal control evaluations
- Financial forecasts and projections

Business Advisory Services

- Evaluating choice of business entity
- Internal control analysis
- Business valuations
- Evaluating and implementing employee benefit plans
- Developing business succession plans
- Evaluating merger, acquisition, and sale opportunities
- Negotiating business transactions
- Developing business strategies
- Financial executive recruiting
- Training accounting personnel
- Assistance with obtaining debt and equity financing
- Litigation support
- Fraud investigation and forensic accounting

Tax Services

- Corporate tax planning
- Personal tax planning for owners, executives, and their families
- Estate and gift tax planning
- Tax return preparation
- Succession planning
- Sale, merger, and acquisition planning
- Tax strategies for particular transactions
- Representation before the IRS and other agencies

QUALIFICATIONS AND EXPERIENCE

Technology Services

- Accounting software selection and implementation
- Software support services
- Networking
- Hardware procurement and installation
- Independent consulting services
- Telecommunications consulting
- Planning, development, and review of systems

SERVICE APPROACH

OUR UNDERSTANDING OF YOUR REQUIREMENTS

Gibbons & Kawash will assist the Director of the West Virginia Lottery and the seven-member Commission to review the financial condition of businesses licensed, permitted, or applying for licenses or permits as video lottery terminal manufacturers, licensed racetracks, limited video lottery licensed operators and table games supply manufacturers under the Racetrack Video Lottery Act [W.Va. Code §29-22B-1 et seq.], the Racetrack Table Games Act [W.Va. Code §29-22C-1 et seq.], the Limited Gaming Facility [Casino] Act [W.Va. Code §29-25-1] and /or by other Acts that may be enacted prior to or during the term of the contract issued pursuant to this RFQ. We will provide management consulting services and will perform special reviews and/or work of the administration of the Lottery's responsibilities under the WV Code §29-22-29 as directed by the Commission.

Services will include, but are not limited to, the review of year-end financial statements, (both audited and unaudited) of applicants. The review of applicants interim financial statements, business plan, financial projects, Federal and State tax returns as well as, when applicable, their filings with the SEC. Such services will also include the review of proposed and final loan documents. If required, we will review the personal financial statements of certain shareholders, officers and members of their board of directors, (or other group depending upon the business structure of the applicant) as well as a review of personal federal and state income tax returns. These reviews will be conducted by the firm while maintaining strict confidentiality to the applicants.

We understand that, from time to time, the Lottery will meet in other parts of West Virginia, usually at a racetrack location, and Gibbons & Kawash will be expected to attend certain of these public meetings to present our analysis. Travel and lodge expense outside of the headquarters area of the Lottery to attend these meetings are not considered commuting expense and shall be reimbursed using State travel policies. We also understand that the firm may be assigned special review or administrative work needed to advise the Lottery or accomplish administrative duties of the Lottery.

APPENDIX A

QUALIFICATIONS AND EXPERIENCE

APPENDIX A



Timothy J. Gibbons, CPA/ABV, CVA

DIRECTOR

304-345-8400 ph
304-345-8451 fax
tgibbons@gandkcpas.com

Experience

Tim has 30 years of professional experience. He co-founded Gibbons & Kawash in 1992 after spending 15 years with local and national firms. He

has been responsible for review of accounting systems, review and evaluation of internal controls and consulting with clients on various management issues. Tim consults frequently with owners and managers regarding business, accounting, and valuation issues; assists with mergers, acquisitions, and sales of privately-owned business, and has provided services to SEC regulated entities. He provides business

valuation, tax, and estate planning assistance to business owners and high income individuals.

Qualifications

Tim is the Director of Valuation and Forensic Services at Gibbons & Kawash, A.C. and specializes in the valuation of closely-held businesses and related litigation support services. Tim is a Certified Public Accountant, licensed to practice in West Virginia, and a Certified Valuation Analyst (CVA) with the National Association of Certified Valuation Analysts, holds the AICPA specialty designation of Accredited in Business Valuation (ABV) and is a member of the AICPA's Forensic and Valuation Services Center.

Professional Activities

Tim is a member of the American Institute of Certified Public Accountants, the West Virginia Society of Certified Public Accountants, the Charleston Chapter of the West Virginia Society of CPAs (Past President), and the National Association of Certified Valuation Analysts.

Tim is a member and past president of the Charleston Rotary Club and has served on the boards of the Charleston Regional Chamber of Commerce, West Virginia Symphony, Berry Hills Country Club, United Way of Kanawha Valley, and the Boy Scouts of America--Buckskin Council. He has served as chairman of the Boy Scout Leadership Gifts Dinner and is past chairman of the finance committee of Sacred Heart Co-Cathedral.

Education

Tim graduated from Xavier University with a Bachelor of Science degree in business administration in 1974 and received an MBA from West Virginia College of Graduate Studies in 1978.

APPENDIX A



Valerie R. Ellis, CPA

DIRECTOR

304-345-8400 ph
304-345-8451 fax
vellis@gandkcpas.com

Experience

Valerie is the firm's managing director and has more than 20 years of experience in providing audit, tax, and consulting services to privately-owned businesses, including wholesalers, retailers, contractors, and professional service firms. Her in-depth industry knowledge includes such areas as tax planning, operation and internal control matters, fraud investigations, and mergers and acquisitions, and provides services to SEC regulated entities. As the Firm's designated quality control director, Valerie devotes substantial time to staying abreast of the rapidly changing professional standards and our Firm's compliance with

those standards.

Professional Activities

Valerie is a member of the American Institute of Certified Public Accountants, West Virginia Society of CPAs, and the Charleston Chapter of the West Virginia Society of CPAs.

Valerie has been a contributing author and technical reviewer for nationally distributed publications.

Valerie is a member and past treasurer of the Charleston Rotary Club; a member of the West Virginia State University Department of Business Administration and Economics advisory board; the Marshall University Division of Accountancy and Legal Environment Advisory Board; and has been a volunteer consultant for Junior Achievement.

Education

Valerie graduated from Marshall University with a Bachelor of Science degree in business administration with a concentration in accounting.

APPENDIX A



Anthony D. Rager, CPA

DIRECTOR

304-345-8400 ph

304-345-8451 fax

trager@gandkcpas.com

Experience

Tony has 17 years of experience specializing in tax planning and compliance for privately-owned businesses and their owners. Tony serves clients in a number of specialized industries including oil and gas, construction, law firms, medical practices, and other professional services. His experience includes assisting clients with business acquisitions and disposals, evaluating choice of business entity, and developing tax strategies for addressing particular transactions.

Professional Activities

Tony is a member of the American Institute of Certified Public Accountants, the West Virginia Society of CPAs, and the Charleston Chapter of the West Virginia Society of CPAs. He is also an active member of the Federal Taxation project group of the West Virginia Society of CPAs and the Optimist Club.

Education

Tony graduated from West Virginia Wesleyan College with a Bachelor of Science degree in business administration with a concentration in accounting and a minor in economics.

APPENDIX A



Jennifer Grant, CPA

ASSOCIATE

304-345-8400 ph
304-345-8451 fax
jgrant@gandkcpas.com

Experience

Jenny has 2 years of professional experience performing business valuations for various purposes including gifts and estates, mergers and acquisitions, economic and tax issues, and strategic

planning.

Professional Activities

Jenny is a member of the American Institute of Certified Public Accountants, the West Virginia Society of Certified Public Accountants, the Charleston Chapter of the West Virginia Society of CPAs.

Education

Jenny graduated from Ohio University with a Bachelor of Science degree in business administration and received an MBA from the University of Charleston.

APPENDIX B

PEER REVIEW REPORT



Rea & Associates, Inc.

ACCOUNTANTS AND BUSINESS CONSULTANTS

Focused on Your Future.

System Review Report

May 12, 2009

To the Partners of Gibbons & Kawash CPAs
and the Peer Review Committee of the American Institute of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Gibbons and Kawash CPAs (the firm) applicable to non-SEC issuers in effect for the year ended February 28, 2009. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable 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 therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under the *Government Auditing Standards* and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of Gibbons & Kawash CPAs applicable to non-SEC issuers in effect for the year ended February 28, 2009, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Gibbons & Kawash CPAs has received a peer review rating of *pass*.

Rea & Associates, Inc.

APPENDIX C

BID SCHEDULE

APPENDIX C

Cost Bid: RFQ LOT481

Name: Timothy J. Gibbons

Signature:



Company Name: Gibbons & Kawash, A.C.

Company Address: 707 Virginia Street, East
Suite 300
Charleston, WV 25301

Federal ID Number: 55-0738985

Phone: 304-345-8400

Fax: 304-345-8451

Email Address: tgibbons@gandkcpas.com

All-Inclusive

Hourly Rate: \$ 118.00

(Consists of all charges and expenses, including, but not limited to commute, meals and lodging. The approximate number of hours worked yearly is 643.)

Quantities listed in the requisition are approximation only, based on estimates supplied by the state spending unit. It is understood and agreed that the contract shall cover the quantities actually ordered for delivery during the term of the contract, whether more or less than the quantities shows.

By my signature above, I certify that the bid submitted meets or exceeds all the mandatory specifications of this RFQ. Additionally, I agree to provide any additional documentation deemed necessary by the State of West Virginia to demonstrate compliance with said mandatory specifications.

APPENDIX D

REQUEST FOR QUOTATION



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
LOT481

PAGE
1

ADDRESS CORRESPONDENCE TO ATTENTION OF:
SHELLY MURRAY 304-558-8801

*909132501 304-345-8400

VENDOR

GIBBONS & KAWASH
 300 BANK ONE CENTER
 707 VIRGINIA ST EAST
 CHARLESTON WV 25301

SHIP TO

LOTTERY COMMISSION
 312 MACCORKLE AVENUE, SE
 CHARLESTON, WV
 25314-1143 558-0500

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
11/30/2011				

BID OPENING DATE: 01/19/2012 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
001		HR		946-10		
ACCOUNTING SERVICES						
REQUEST FOR QUOTATION (RFQ) OPEN END CONTRACT						
THE PURCHASING DIVISION IS SOLICITING BIDS FOR THE WEST VIRGINIA LOTTERY TO PROVIDE QUALIFIED LICENSED CERTIFIED PUBLIC ACCOUNTING CONSULTING FIRMS FOR FINANCIAL REVIEW ANALYSIS AND CONSULTING.						
TECHNICAL QUESTIONS CONCERNING THIS SOLICITATION MUST BE SUBMITTED IN WRITING TO SHELLY MURRAY AND ALAN CUMMINGS IN THE WEST VIRGINIA PURCHASING DIVISION VIA FAX AT 304-558-4115 OR VIA EMAIL AT SHELLY.L.MURRAY@WV.GOV AND ALAN.W.CUMMINGS@WV.GOV.						
DEADLINE FOR ALL TECHNICAL QUESTIONS IS JANUARY 3, 2012 AT THE CLOSE OF BUSINESS.						
ANY TECHNICAL QUESTIONS RECEIVED WILL BE ANSWERED BY FORMAL ADDENDUM TO BE ISSUED AFTER THE DEADLINE HAS LAPSED.						
EXHIBIT 3						
LIFE OF CONTRACT: THIS CONTRACT BECOMES EFFECTIVE ON AWARD 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						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE	TELEPHONE	DATE
TITLE	FEIN	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.html 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
 Purchasing Division
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*909132501 304-345-8400

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BID OPENING DATE: 01/19/2012 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
<p>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> <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 SERVICES SUPPLIED ARE OF AN INFERIOR QUALITY OR DO NOT CONFORM TO THE SPECIFICATIONS OF THE BID AND CONTRACT HEREIN.</p> <p>OPEN MARKET CLAUSE: THE DIRECTOR OF PURCHASING MAY AUTHORIZE A SPENDING UNIT TO PURCHASE ON THE OPEN MARKET, WITHOUT THE FILING OF A REQUISITION OR COST ESTIMATE, ITEMS SPECIFIED ON THIS CONTRACT FOR IMMEDIATE DELIVERY IN EMERGENCIES DUE TO UNFORESEEN CAUSES (INCLUDING BUT NOT LIMITED TO DELAYS IN TRANSPORTATION OR AN UNANTICIPATED INCREASE IN THE VOLUME OF WORK.)</p> <p>QUANTITIES: QUANTITIES LISTED IN THE REQUISITION ARE APPROXIMATIONS ONLY, BASED ON ESTIMATES SUPPLIED BY</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE 	TELEPHONE	DATE 1/17/12
TITLE	FEIN	ADDRESS CHANGES TO BE NOTED ABOVE

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



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
LOT481

PAGE
3

ADDRESS CORRESPONDENCE TO ATTENTION OF:
SHELLY MURRAY 304-558-8801

*909132501 304-345-8400

VENDOR

GIBBONS & KAWASH
 300 BANK ONE CENTER
 707 VIRGINIA ST EAST
 CHARLESTON WV 25301

SHIP TO

LOTTERY COMMISSION
 312 MACCORKLE AVENUE, SE
 CHARLESTON, WV
 25314-1143 558-0500

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
11/30/2011				

BID OPENING DATE: 01/19/2012 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
<p>THE STATE SPENDING UNIT. IT IS UNDERSTOOD AND AGREED THAT THE CONTRACT SHALL COVER THE QUANTITIES ACTUALLY ORDERED FOR DELIVERY DURING THE TERM OF THE CONTRACT, WHETHER MORE OR LESS THAN THE QUANTITIES SHOWN.</p> <p>ORDERING PROCEDURE: SPENDING UNIT(S) SHALL ISSUE A WRITTEN STATE CONTRACT ORDER (FORM NUMBER WV-39) TO THE VENDOR FOR COMMODITIES COVERED BY THIS CONTRACT. THE ORIGINAL COPY OF THE WV-39 SHALL BE MAILED TO THE VENDOR AS AUTHORIZATION FOR SHIPMENT, A SECOND COPY MAILED TO THE PURCHASING DIVISION, AND A THIRD COPY RETAINED BY THE SPENDING UNIT.</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>THE TERMS AND CONDITIONS CONTAINED IN THIS CONTRACT SHALL SUPERSEDE ANY AND ALL SUBSEQUENT TERMS AND CONDITIONS WHICH MAY APPEAR ON ANY ATTACHED PRINTED DOCUMENTS SUCH AS PRICE LISTS, ORDER FORMS, SALES AGREEMENTS OR MAINTENANCE AGREEMENTS, INCLUDING ANY ELECTRONIC MEDIUM SUCH AS CD-ROM.</p> <p>REV. 05/26/2009</p> <p>PURCHASING CARD ACCEPTANCE: THE STATE OF WEST VIRGINIA CURRENTLY UTILIZES A VISA PURCHASING CARD PROGRAM WHICH IS ISSUED THROUGH A BANK. THE SUCCESSFUL VENDOR MUST ACCEPT THE STATE OF WEST VIRGINIA VISA PURCHASING CARD FOR PAYMENT OF ALL ORDERS PLACED BY ANY STATE AGENCY AS A CONDITION OF AWARD.</p> <p style="text-align: center;">NOTICE</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE	TELEPHONE	DATE
TITLE	FEIN	ADDRESS CHANGES TO BE NOTED ABOVE

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

WEST VIRGINIA LOTTERY
An Agency of the
Department of Revenue

REQUEST FOR QUOTATIONS ["RFQ"] LOT481
FOR CONSULTING ACCOUNTING VENDOR

The West Virginia Lottery, an agency of the West Virginia Department of Revenue, is seeking quotations from qualified certified public accounting Vendors for financial review analysis and advice concerning video lottery terminal manufacturers, licensed racetracks and licensed operators, table games supplier manufacturers or persons applying for these licenses or permits under the Racetrack Video Lottery Act [W.Va. Code §29-22A-1 et seq.], the Limited Video Lottery Act [W.Va. Code §29-22B-1 et seq.], the Racetrack Table Games Act [W.Va. Code §29-22C-1 et seq.], the Limited Gaming Facility Act [W.Va. Code §29-25-1] and/or other Acts that may be enacted prior to or during the term of the contract issued pursuant to this RFQ. The State Lottery Commission requires a consultant accounting Vendor that is able to provide calculations and analysis, and to give the Commission candid and unbiased advice, concerning the initial licensing and continuing re-licensing of governed entities, as well as, specialized ad hoc intermediate and advanced financial work requiring the prior approval and direction of the Commission. The accounting Vendor will provide management consulting services and will perform special reviews and/or work involving the administration of the Lottery's responsibilities under WV Code §29-22-29.

"Qualified Certified Public Accounting Vendor" defined

Any CPA Vendor submitting a quotation under this procurement shall bear the burden of proving that it meets or exceeds the minimum qualifications set forth in this RFQ. The vendor **must** certify that they meet the following criteria. Those quotations not meeting the mandatory specifications will be eliminated from further consideration.

- Meets Specification (mark the following with an "X" to certify compliance)
- The Vendor will be able to respond to the Lottery within one hour.
- The Vendor has no conflict of interest with regard to any other work performed by the Vendor for the State of West Virginia.
- The Vendor has no accountant-client relationship with any of the four pari-mutuel racetracks that are located in West Virginia and regulated by the State Lottery Commission. See Attachment B for listing of the four licensed racetracks.

The Vendor has no accountant-client relationship with any of the manufacturers of the video lottery machines that are now licensed by the West Virginia Lottery and that may hereafter become licensed or permitted. See Attachment B for listing of the licensed/permitted manufacturers.

The Vendor has no accountant-client relationship with any of the limited video lottery operators or retailers that now hold West Virginia Lottery limited video lottery licenses or that may hereafter become licensed. See Appendix B for listing of limited video lottery licensees.

The Vendor has no accountant-client relationship with any of the supply manufacturers related to the operation of table games that are now licensed by the West Virginia Lottery and that may hereafter become licensed. See Appendix C for listing of table games supply manufacturers.

The Vendor has no accountant-client relationship with any limited gaming facility that is now licensed by the West Virginia Lottery and that may hereafter become licensed. See Appendix D for listing of limited gaming facilities.

The one or more partners or members to be assigned to this contract are properly licensed to practice accountancy in the State of West Virginia and is (are) a certified public accountant who has (have) met all continuing professional education requirements within the preceding two years.

The one or more partners or members to be assigned to this contract are experienced in the preparation and analysis of a variety of regulatory financial forms required by the United States Securities and Exchange Commission ("SEC").

None of the partners or members of the Vendor shall have been convicted of any violation of security laws or of gambling laws.

The Vendor agrees, by submission of its quotation, that the West Virginia Lottery reserves the right to engage other providers for this type service during the term of this contract at the direction of the Commission should specialized knowledge be required.

Vendor has no un-appealed delinquencies with the State Tax Department, or Unemployment Compensation and has adequate workers' compensation insurance.

Scope of Services

The Vendor awarded the contract as a result of this RFQ will assist the Director of the West Virginia Lottery and the seven-member Commission to review the financial condition of businesses licensed, permitted, or applying for licenses or permits as video lottery terminal manufacturers, licensed racetracks, limited video lottery licensed operators and table games supply manufacturers under the Racetrack Video Lottery Act [W.Va. Code §29-22A-1 et seq.], the Limited Video Lottery Act [W.Va. Code §29-22B-1 et seq.], the Racetrack Table Games Act [W.Va. Code §29-22C-1 et seq.], the Limited Gaming Facility [Casino] Act [W.Va. Code §29-25-1] and/or by other Acts that may be enacted prior to or during the term of the contract issued pursuant to this RFQ. The accounting Vendor will provide management consulting services and will perform special reviews and/or work of the administration of the Lottery's responsibilities under WV Code §29-22-29 as directed by the Commission.

Services will include, but are not limited to, the review of year-end financial statements, (both audited and unaudited) of applicants. The review of applicants interim financial statements, business plan, financial projections, Federal and State tax returns as well as, when applicable, their filings with the SEC. Such services will also include the review of proposed and final loan documents. In addition, a review may be required of the personal financial statements of certain shareholders, officers and members of their board of directors, (or other group depending upon the business structure of the applicant) as well as a review of personal federal and state income tax returns. These reviews will be conducted by the Vendor maintaining strict confidentiality to the applicants.

From time to time, the Commission will meet in other parts of West Virginia, usually at a racetrack location, and the Vendor will be expected to attend most of these meetings to present analysis at public meetings. Travel and lodging expense outside of the headquarters area of the Lottery to attend these meetings are not considered commuting expense and shall be reimbursed using State travel policies. The Vendor may be assigned special review or administrative work needed to advise the Commission or accomplish administrative duties of the Lottery.

Bid Amount

The bid submitted by each vendor shall be an all-inclusive fixed hourly rate for services rendered. This rate shall be the same regardless of which partner or member performs the services and shall be sufficient to cover any and all incidental expenses including, but not limited to, copy costs or computer research costs. Out of pocket travel expenses except for travel within Kanawha County shall be billed in accordance with the State of West Virginia's Travel Rules as prescribed by the Travel Management Unit, Purchasing Division, and precludes commuting expenses.

Issuing Office/Contact Point for this RFQ

This RFQ is being issued by the Purchasing Division of the Department of Administration, on behalf of the West Virginia State Lottery. Inquiries about this RFQ, or requests for additional information, must be directed to:

Shelly Murray, Senior Buyer
 Purchasing Division
 2019 Washington Street, East
 Charleston, West Virginia 25305-0130
 Telephone: (304) 558-8801
 Facsimile: (304) 558-4115

No contact with West Virginia Lottery staff specifically concerning this RFQ is permitted following issuance of this RFQ. Any contact related to this RFQ may disqualify the Vendor who violates this requirement.

Expenses Incurred

The State of West Virginia and the West Virginia Lottery will not be liable for any expenses incurred by any Vendor in the preparation and submission of quotations for this RFQ.

Termination/Cancellation of this RFQ

The Purchasing Division reserves the right to modify, withdraw, and/or cancel this RFQ at any time, even after the submission of responding quotations, if such withdrawal is to the benefit of the State of West Virginia or the West Virginia State Lottery. If this RFQ is withdrawn, no contract awards will be made pursuant to this RFQ.

Assignment

The relationship of the selected Vendor to the State of West Virginia, and to the West Virginia Lottery, will be that of an independent contractor, with no principal-agent or employer-employee relationships created by the parties to any resultant agreement. The Vendor shall not assign, convey, transfer, or delegate any of its responsibilities or obligations under the resultant agreement without prior written approval of the State Lottery Commission. Such approval may be granted by the sole discretion of the State Lottery Commission. No assignments, if any are granted, shall release the vendor from its liability for the prompt and effective performance of the obligations hereunder.

Governing Law

The contract resulting from this RFQ will be governed by the laws of the State of West Virginia. The State of West Virginia asserts its Eleventh Amendment right not to be sued in any federal court.

Taxes

The State of West Virginia, and the West Virginia Lottery, are exempt from Federal Excise taxes, and from State and local sales and use taxes, on the services to be supplied as a result of any contracts resulting from this RFQ. Consequently, the State of West Virginia and the West Virginia Lottery will have no responsibilities for the payment of any taxes that become payable by the successful Vendor.

Acceptance Period for Quotations

The quotations submitted in response to this RFQ shall remain fixed and valid for a period of six (6) months commencing on the date the quotations are due.

ATTACHMENT A

COST BID: RFQ LOT481

PRINT NAME	Timothy J. Gibbons
SIGNATURE	<i>Timothy J. Gibbons</i>
COMPANY NAME	Gibbons & Kawash, A.C.
COMPANY ADDRESS	707 Virginia Street, East, Suite 300 Charleston, WV 25301
FEDERAL ID NUMBER	55-0738985
PHONE	304-345-8400
FAX	304-345-8451
EMAIL ADDRESS	tgibbons@gandkcpas.com

ALL-INCLUSIVE HOURLY RATE (Consists of all charges and expenses, including, but not limited to commute, meals and lodging. The approximate number of hours worked yearly is 643.)	\$ <u>118.00</u> Per Hour
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Quantities listed in the requisition are approximations only, based on estimates supplied by the state spending unit. It is understood and agreed that the contract shall cover the quantities actually ordered for delivery during the term of the contract, whether more or less than the quantities shown.

By my signature above I certify that the bid submitted meets or exceeds all the mandatory specifications of this RFQ. Additionally, I agree to provide any additional documentation deemed necessary by the State of West Virginia to demonstrate compliance with said mandatory specifications.

West Virginia Lottery**REQUEST FOR QUOTATIONS ("RFQ") LOT481
FOR CONSULTING ACCOUNTING VENDOR****ATTACHMENT B****LICENSED RACETRACKS:**

PNGI Charles Town Gaming LLC
dba Hollywood Casino at Charles Town Races

Mountaineer Park, Inc.
dba Mountaineer Casino Racetrack & Resort

Wheeling Island Gaming, Inc.
dba Wheeling Island Hotel-Casino-Racetrack

Racing Corporation of West Virginia
dba Mardi Gras Casino & Resort

LICENSED VIDEO LOTTERY MANUFACTURERS:

Ainsworth Game Technology, Ltd.
Aristocrat Technologies, Inc.
Bally Technologies
GTECH Corporation
Game Tech International, Inc.
IGT
Konami Gaming, Inc.
Lottomatica Group S.p.A. Inc.
Scientific Games International
WMS Gaming, Inc.

West Virginia Lottery**REQUEST FOR QUOTATIONS ("RFQ") LOT481
FOR CONSULTING ACCOUNTING VENDOR****ATTACHMENT C****LICENSED LIMITED VIDEO LOTTERY OPERATORS:**

A-1 Amusement, Inc.
Action Amusements, LLC
Action Gaming, Inc.
Advanced Lottery Technologies, LLC
Ajax Amusement Machines, Inc.
Al's Novelty & Coin Machine Company
Bat's, Inc.
Blue Diamond, LLC
Buck's, Inc.
Clay Music Corporation
Coin Op Vending Corporation
Derrick Video, LLC
Dice, LLC
Dustyn Enterprises, Inc.
Ellifritz Amusement, LLC
Game Room Amusement, Vending and Sales, Inc.
Grand Slam Gaming
J & J Amusement
Jack's Enterprises, Inc.
K & K Music Company
LeeJay, Inc.
Mountaineer Music, LLC
Ohio River Amusement, LLC
Ohio Valley Amusement Company
Poke, Inc.
Progressive Video Lottery, Ltd
Random World, Ltd
S & B Gaming, LLC
Shaffer Amusements Company, LLC
Southern Amusement Company, Inc.
Trans-Allegheny Enterprises, LLC
Valley Coin Machine
Vast Vending, Inc.
Viking Vending Services, LLC
Viking Video & Music, Inc.
Warden Amusement, Inc.

Welch LVL Video Service, LLC
Wheeling Coin, LLC
Woodward Video, LLC
Worldwide Gaming, LLC

West Virginia Lottery

REQUEST FOR QUOTATIONS ("RFQ") **LOT481**
FOR CONSULTING ACCOUNTING VENDOR

ATTACHMENT D

LICENSED TABLE GAMES SUPPLY MANUFACTURERS:

Bally Gaming, Inc. dba Bally Technologies
Galaxy Gaming, Inc.
Gaming Partners International
Gemaco Inc.
Genesis Gaming Solutions, Inc.
Hopbet, Inc.
IGT
InBet, LLC
Jarden Corporation dba U.S. Playing Cards
JOM Inc. dba CHIPCO International
Konami Corporation of America dba Konami Gaming Inc.
Masque Publishing
Midwest Game Supply Company
PokerTek, Inc.
Shuffle Master, Inc.
Software Specialists, Inc. dba New Wave Automation
TCS America, Inc.
Tech Art Manufacturing, Inc.
Winning Ways, LLC
WMS Gaming Inc.

West Virginia Lottery

**REQUEST FOR QUOTATIONS ("RFQ") LOT481
FOR CONSULTING ACCOUNTING VENDOR**

ATTACHMENT E

LIMITED GAMING FACILITY:

The Greenbrier Hotel Corporation

LIMITED GAMING FACILITY LICENSEES:

Bally Gaming, Inc.

Gaming Partners International

IGT

Konami Corporation of America

Masque Publishing

Shuffle Master Inc.

Tech Art Manufacturing, Inc.

WMS Gaming, Inc.

Winning Ways, LLC

APPENDIX E

VENDOR PREFERENCE CERTIFICATE

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 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: Gibbons & Kawash, A.C.

Signed: Timothy A. Gibbons

Date: 1/17/12

Title: Director

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

APPENDIX F

PURCHASING AFFIDAVIT

RFQ No. LOT 481

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 exceed 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: Gibbons & Kawash, A.C.

Authorized Signature: *Timothy Gibbons* Date: 1/17/12

State of West Virginia

County of Kanawha, to-wit:

Taken, subscribed, and sworn to before me this 17 day of January, 2012.

My Commission expires July 6, 2014.

AFFIX SEAL HERE

NOTARY PUBLIC *Sandra K. Ball*

