

Proposal to Serve

**West Virginia Public Defender Corp.
Professional Auditing Services**

Years Ending June 30, 2016, 2017, 2018 and 2019

Buyer:	Linda Harper
Solicitation No:	CRFQ PSDS1700000001
Bid Opening Date:	September 13, 2016
Bid Opening Time:	1:30 pm
Firm Name:	Gibbons & Kawash, CPAs
Address:	300 Chase Tower 707 Virginia St., East Charleston, WV 25301
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By:  _____

Date: 9/8/16 _____

09/08/16 16:23:56
WV Purchasing Division

September 13, 2016

Director of Operations
West Virginia Public Defender Corp.
One Players Club Drive, Suite 301
Charleston, WV 25311

We are pleased to present our credentials to provide professional auditing services to the West Virginia Public Defender Services. Gibbons & Kawash is a leader in providing services to nonprofit and state and local governments in West Virginia. As a client of our firm, you can be sure of our total commitment to provide timely, responsive and quality service.

We will perform audits of the financial statements for each of the eighteen Public Defender Corporations (the PDCs) as of and for the year ended June 30, 2016 with the option of additional renewals for the years ended June 30, 2017, 2018, and 2019. Our audits will be performed in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Providing audit services to state government entities and nonprofit organizations is an important part of our practice and one in which we have extensive expertise. Our experience includes audits of 23 State of West Virginia component units over the last several years. These component units individually range in size up to \$4 billion in assets and \$1.8 billion in revenue. In addition, we also audit 20 nonprofit organizations each year. Should we be appointed to serve as auditors, the PDCs will receive high quality professional services from auditors that will plan, conduct, and report on the audits with competence, integrity, objectivity, and that are independent of the PDCs in all respects.

Gibbons & Kawash is independent of the State of West Virginia, and all of its component units, as defined by auditing standards generally accepted in the United States of America and *Government Auditing Standards*. Gibbons & Kawash and all key professional staff are licensed to practice in West Virginia. There are no obligations or interests of our firm that might conflict with the interests of the West Virginia Public Defender Services and the State of West Virginia.

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 West Virginia Public Defender Services, 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 at 304-345-8400.

Very truly yours,



Robert E. Adams
Director

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PROFILE OF GIBBONS & KAWASH

OVERVIEW

The audits of the 18 Public Defender Corporations (the PDCs) requires experience in serving government entities and nonprofit organizations to properly respond to your needs. Our experience auditing 23 State of West Virginia component units and over 20 nonprofit organizations will enable us to effectively and efficiently meet the PDCs' needs for quality and timely audit services.

GIBBONS & KAWASH'S PRACTICE

Gibbons & Kawash is a professional accounting firm which provides a full range of accounting and auditing, tax, and management consulting services to clients throughout West Virginia, and is a leading firm in providing services to governmental and nonprofit organizations. Our Firm has many years of experience in providing competent, high quality audit services to governmental entities and nonprofit organizations throughout West Virginia.

AN INDEPENDENT MEMBER OF THE BDO ALLIANCE USA

Gibbons & Kawash is an independent member of the BDO Alliance USA, a nationwide association of local and regional accounting and consulting firms. Membership enables us to access a level of expertise in specialties which are usually available only from large national and international CPA firms, without the high overhead costs.

As a member, we have access to vast resources and technical expertise, outstanding audit, tax and consulting professionals, and their specialty niche expertise with BDO USA, LLP serving clients through 40 offices and more than 400 alliance firm locations across the United States.

As an independent member of the BDO Alliance USA we offer the resources of a national firm, yet we remain autonomous so you are assured of a local presence of highly trained and knowledgeable experts with your needs in the forefront.

AUDIT QUALITY

Gibbons & Kawash's foremost goal is to provide *superior quality service*. Everything else is secondary to that goal. Our approach to client service incorporates the necessity to meet client needs as the primary focus of service. We strive to identify, understand and satisfy governments' needs and expectations. This approach has helped Gibbons & Kawash build its extensive governmental and nonprofit practices.

The *Government Auditing Standards*, issued by the Comptroller General of the United States, outline requirements that must be met by certified public accounting firms that perform audits of governmental units. Three of these requirements are:

- Individual CPAs and CPA firms must be independent in fact and appearance from personal, external, and organizational impairments to independence.
- CPAs performing audits of governmental units should have continuing professional education in programs directly related to government auditing and accounting.
- CPAs performing audits of governmental units must establish an internal quality control review program and participate in an external peer review program for audits of governmental units.

Gibbons & Kawash strongly supports the rendering of quality services to our governmental clients and meets or exceeds all requirements of *Government Auditing Standards*. The following few paragraphs demonstrate the Firm's dedication to each aspect of audit quality.

PROFILE OF GIBBONS & KAWASH

Independence

The credibility of the audit results is critical for oversight by the PDCs and in meeting public expectations. Gibbons & Kawash carefully evaluates all services provided to audit clients to ensure that the very detailed requirements for independence of *Government Auditing Standards* applicable to individual auditors and audit firms are satisfied. We are independent with respect to the PDCs, the State of West Virginia and its component units, and will carefully guard and maintain our independence during the course of any audit services provided to the PDCs and State of West Virginia.

Governmental Audit Quality Center

Gibbons & Kawash is a member of the Governmental Audit Quality Center, established by the American Institute of Certified Public Accountants. This Center has established increased continuing education and quality control requirements for its voluntary membership to enhance the quality of governmental audits and audits of nonprofit organizations performed under *Government Auditing Standards* and *Uniform Administrative Requirements, Cost Principles of Audit Requirements for Federal Awards* (Uniform Guidance).



Employee Benefit Plan Audit Quality Center

As a member of the Employee Benefit Plan Audit Quality Center, we receive comprehensive resources and up-to-date information on a variety of technical, legislative, and regulatory subjects to assist us in performing employee benefit plan audits and ensure clients are in compliance with the appropriate standards and changes in regulations. These resources help us respond quickly to new standards and requirements to ensure the efficiency of your audit engagement.



System of Quality Control

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

External Quality Control Review

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. 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 recently released external quality control review, which was completed on June 11, 2015, was performed by Hill, Barth and King, LLC. Their opinion, which was "pass" (the highest possible rating under the peer review standards), is on file with the AICPA and is included as **Exhibit E**. This quality control review included governmental audit engagements.

PROFILE OF GIBBONS & KAWASH

Continuing Professional Education

One of the best measures of a firm's commitment to its audit practice is the depth of specialized training provided to its professionals. Gibbons & Kawash provides internal and external training on governmental accounting, auditing, reporting, and operations in excess of the GAO requirements. We continually monitor the issuance of technical auditing and accounting pronouncements and provide our personnel with specialized training in these areas. Professionals at the in charge level and above receive specialized training in seminars and courses presented by nationally recognized experts in governmental and nonprofit accounting, auditing and financial reporting. Gibbons & Kawash's professional staff has met all continuing professional education requirements within the proceeding two years.

EXPERTISE IN COMPUTERIZED SYSTEMS

Computerizing the Audit

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

With an internet connection, our personnel can work from anywhere and have complete access to the Firm's local area network as well as access to multiple high quality research sites for research of accounting and auditing issues. Our electronic audit workpaper software allows efficient integration of client prepared word and excel files into our workpaper files.

We combine the use of spreadsheet, word processing, and trial balance software to perform the most efficient audits possible. Some of the benefits of full automation include the ability to:

- Import data directly from your accounting system, thereby eliminating manual keypunching
- Spend more time on judgment matters and in-depth research and analysis rather than on "number crunching" and other mechanical aspects of client service
- Prepare graphs for management presentations; and use pre-formatted spreadsheets from year to year, allowing us to perform ratio and trend analysis on key accounts

We use the following software packages to perform the aforementioned tasks:



ProSystem Fx Engagement - A workpaper preparation program that produces financial statements, trial balances, journal entries, fluctuation and ratio analysis.



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



IDEA - A powerful data extraction and analysis program that provides us with access to large amounts of data from which can we quickly import, join, analyze, sample and extract data from almost any source. Through data extraction and analysis programs, a significant amount of information can be evaluated for unusual relationships, which may be the result of erroneous data.



Prosystemfx Portal - Our client portal offers convenient online storage space in which your confidential information can be uploaded, downloaded, stored and shared in a safe and secure environment.

PROFILE OF GIBBONS & KAWASH

Encryption

All data on Gibbons & Kawash computers, including our workpapers in our computerized audit documentation management system, is encrypted using a 256-bit algorithm. The data encryption ensures that in the unlikely event that one of our computers were to be lost or stolen, your data and our workpapers would be unreadable to anyone other than Gibbons & Kawash personnel.

QUALIFICATIONS AND EXPERIENCE

ENGAGEMENT TEAM

The ultimate success and quality of our professional services to the PDC's depends on our ability to provide an experienced and capable client service team. We have selected a group of individuals experienced in serving governmental entities.

Your client service team will include:

Engagement Director - Robert E. Adams, a director with Gibbons & Kawash who has extensive experience in serving governmental clients, will serve as the engagement director responsible for the end product. In this role, Rob will assume primary responsibility for the successful completion of the engagement and will maintain contact with the PDCs throughout the engagement to ensure that services and resources are provided to the PDCs in a timely professional manner. Rob will also provide technical expertise to the team on any matters and perform certain review and supervision procedures.

Engagement Quality Control Review Director - Robert R. Denyer, a director with Gibbons & Kawash who has extensive governmental experience, will serve as engagement quality control review director (EQCRD). The role of the EQCRD is an essential element of Gibbons & Kawash's quality control program over the delivery of services to a client. Bob will be available to consult with the engagement team and provide technical expertise.

Senior Manager - Anthony Carpenter will serve as the engagement senior manager. Anthony will be responsible for developing the engagement plan, supervising and coordinating the efforts of the engagement team, identifying and researching technical issues, and administrative matters. Anthony will be in contact with you on a regular basis to ensure your needs and deadlines are met.

Senior - Staunton Gorrell, CPA is a senior. Senior will be present in the field on a daily basis to ensure the efficient and effective execution of the engagement plan. They will conduct the more complex areas of the audit while supervising the work of the staff accountants. The Senior will be a vital link in the chain of communication between your staff and ours.

We will also utilize in-house experts in the nonprofit services area of our Firm including Director - Valerie Ellis, Senior Manager - Faye McQuinn, and Senior Manager - Emily Signorelli to provide supervision, review and expertise in the area of nonprofit accounting and reporting.

See **Appendix C** for resumes of your client service team.

GOVERNMENTAL AND NONPROFIT PRACTICE

Gibbons & Kawash has a long tradition of providing the highest quality professional services to nonprofit and governmental clients. Our governmental and nonprofit practice is managed by a core team of professionals, including 4 directors. The core engagement team for the PDCs has been selected from this pool of highly qualified professionals. The team's public sector experience includes nonprofit organizations, cities, counties, authorities, and State of West Virginia agencies.

Our governmental and nonprofit experience includes the following:

- Center for Neighborhood Enterprise
- Center for Rural Health Development, Inc.

QUALIFICATIONS AND EXPERIENCE

- City of Charleston, West Virginia
- Central West Virginia Regional Airport Authority
- EastRidge Health Systems
- Kanawha County Commission
- Kanawha Valley Regional Transportation Authority
- Logan-Mingo Area Mental Health, Inc.
- Seneca Health Services, Inc.
- School Building Authority of West Virginia
- Tobacco Settlement Finance Authority of West Virginia
- West Virginia Alcohol Beverage Control Administration
- West Virginia Board of Treasury Investments
- West Virginia College Prepaid Tuition and Savings Plan
- West Virginia Consolidated Public Retirement Board
- West Virginia Department of Transportation, Division of Highways
- West Virginia Drinking Water Treatment Revolving Loan Fund
- West Virginia Housing Development Fund
- West Virginia Independent Colleges and Universities
- West Virginia Infrastructure and Jobs Development Council
- West Virginia Jobs Investment Trust
- West Virginia Lottery Commission
- West Virginia Parkways Authority
- West Virginia Solid Waste Management Board
- West Virginia State Rail Authority
- West Virginia Water Development Authority
- West Virginia Water Pollution Control Revolving Loan Fund

AFFIRMATIVE STATEMENTS

Independence - Gibbons & Kawash is independent of the PDCs, the State of West Virginia, and any component units of the State of West Virginia, as defined by the AICPA and by *Government Auditing Standards*.

License to Practice - Gibbons & Kawash, CPAs, are properly licensed to practice in West Virginia.

Disciplinary Action - No disciplinary action has been taken or is pending against Gibbons & Kawash, CPAs.

Conflict of Interest - Gibbons & Kawash, its officers or members or employees, do not presently have or do not plan to acquire any interest, direct or indirect, which would conflict with or compromise the performance of its obligations hereunder. Gibbons & Kawash will periodically inquire of its officers, members and employees to ensure that a conflict of interest does not arise. Any conflict of interest discovered shall be promptly presented in detail to the PDCs. Gibbons & Kawash is not providing, and will not provide, non-auditing services to Public Defender Corp. or to any one of the public defender corporations during the term of the Contract that would lead reasonable third parties with knowledge of the relevant facts and circumstances to conclude that the entity would be auditing its own work or the work of related parties.

Insurance - Gibbons & Kawash carries general liability and workers compensation insurance sufficient to comply with the requirements included in the request for quotation.

QUALIFICATIONS AND EXPERIENCE

HIPAA - Gibbons & Kawash will provide all HIPAA compliance forms requested upon notification of successful award by the Agency and the purchaser.

CPAs - Gibbons & Kawash will staff the engagements of the PDC's so that 50% of its participants are CPAs.

Record Retention - Gibbons & Kawash complies with all applicable Federal and State of West Virginia rules and regulations, and requirements governing the maintenance of documentation and cost of services under this contract. Gibbons & Kawash shall maintain such records for a minimum of five (5) years and shall make available all records to personnel of Public Defender Corp. at our office during normal business hours upon written request by Public Defender Corp.

General - Gibbons & Kawash will comply with all sections for the RFQ for Professional Auditing Services.

GFOA'S CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING



Obtaining a Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) is a goal for many governmental entities. Gibbons & Kawash is well qualified to assist governments in obtaining and maintaining these certificates.

Gibbons & Kawash has provided technical assistance to the following state agencies in connection with obtaining the GFOA Certificate of Achievement for Excellence in Financial Reporting:

- City of Charleston, West Virginia
- West Virginia Board of Treasury Investments
- West Virginia Department of Transportation, Division of Highways
- West Virginia Parkways Authority
- West Virginia Lottery Commission
- West Virginia College Prepaid Tuition and Savings Plan
- West Virginia Housing Development Fund
- West Virginia Consolidated Public Retirement Board

OTHER SPECIALIZED SERVICES

In addition to providing traditional audits in accordance with U.S. generally accepted auditing standards, some of the additional services we offer include the following:

- Compliance audits in accordance with *Uniform Guidance*
- Preparation and examination of indirect cost rate proposals
- Financial forecasts and projections
- Capital financing/financial feasibility studies
- Exempt entity tax planning and compliance, including evaluation of UBTI issues
- Employee benefit plan auditing and IRS/DOL compliance
- Recruitment of financial personnel
- Design and evaluation of internal controls
- Software evaluations and consultations
- Benchmarking and ratio analysis

SERVICE APPROACH

Gibbons & Kawash understands that time and money are important concerns for our clients. We take these concerns seriously, and have designed our approach to yield a rate of return that is reflected in timeliness, effectiveness, and cost efficiency.

The following paragraphs describe some of the most significant elements of the Gibbons & Kawash service approach.

A SERVICE PHILOSOPHY BASED ON VALUE

We reject the notion that an audit is a commodity. First and foremost, we are in business to serve our clients, to help them solve their problems, achieve their objectives, and to make a solid contribution to their success. From the staff accountant to the engagement director, our people work to identify and respond to our clients' needs. We believe that in the course of conducting an audit, your accounting firm should generate information and develop insights that-in the hands of professionals who combine competence with judgment, maturity, and creativity-will result in improved controls, greater efficiencies, and clear, concise, and understandable financial reporting. It is this "value-added" philosophy to client service that has molded our approach to engagement management and distinguishes us from other firms.

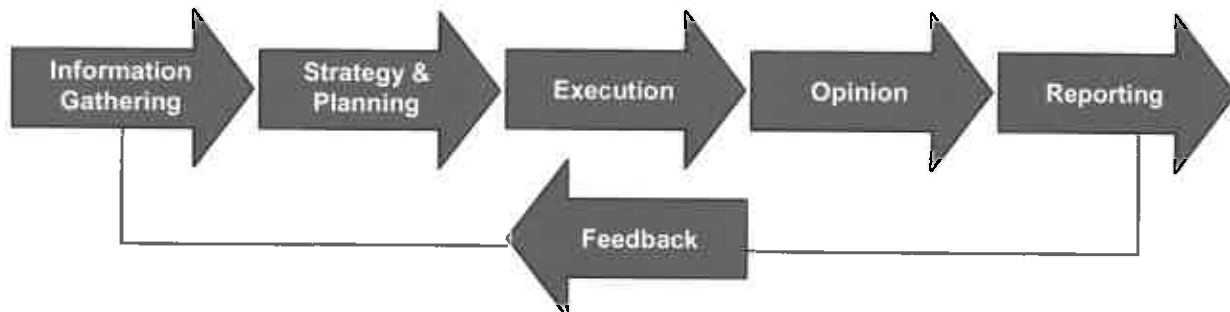
CLEAR COMMUNICATION

We value the candid exchange of ideas and opinions with our clients, and we maintain an open and robust dialogue with management and the board of directors. We believe that communication is the most important tool for maximizing audit efficiency and effectiveness.

- Prior to the audit, we will meet with management and those charged with governance to assist us in planning the audit. Taking the time to listen to you during the planning process is crucial to ensuring that we understand your organization and its risks.
- Our key team members will also meet with management frequently during the engagement to keep you apprised of our progress, to discuss any issues that may arise, and to solicit feedback regarding our performance.
- At the conclusion of our audit, we will communicate in writing regarding the results of the audit and any internal control matters that are required by professional standards to be communicated and we will meet with the board of directors to discuss these matters.
- We also encourage contact throughout the year, and your client service team will be ready to consult with you any time you have a question. Of course, if a question requires extensive research, we will let you know and arrive at a fee estimate in advance of these additional services.

OUR METHODOLOGY

Our methodology is broken down into six phases:



SERVICE APPROACH

- We will gather sufficient information on the key business/audit risks to enable us to design appropriate audit procedures, and conduct the audit in the most efficient manner and within the pre-agreed time frame and budget.
- Information gathering will also include a “prepared by client” list with agreed timetable for provision of information and pre year-end planning meetings.
- We will calculate an appropriate materiality level which reflects the perceived audit risk and is based on our in-depth understanding of your business.
- We will use suitably qualified staff to ensure an efficient audit, while maximizing the opportunity for value added service from their experience.
- We will ensure clear and timely communication of issues to avoid any surprises and to enable smooth reporting.

EMPHASIS ON PLANNING AND RISK ASSESSMENT

We recognize that every organization we serve is unique. Effective and thorough planning is the key to ensuring that our approach is tailored to meet your specific needs and is the cornerstone of successful engagement management. From this understanding emerges a written plan and work programs - road maps which will be used by the engagement team to execute field work.

The most critical part of planning an audit is risk assessment. Risk assessment refers to the auditor's identification and assessment of risks of material misstatement at both the financial statement and relevant assertion levels. Obtaining an understanding of the organization, including its internal control, is an essential aspect of the consideration of risk. Our goal here is to get beyond the numbers, to develop a clear understanding of your organization, your goals and objectives, and the environment in which you operate.

Some risk assessment procedures which we will perform are as follows:

- Inquiries of management and others within the organization and those charged with governance, including specific inquiries related to fraud risks
- Analytical procedures
- Obtaining an understanding of internal controls (both entity- level and activity-level controls)
- Performing “walkthroughs” of key internal controls
- Review of internal documents such as by-laws, minutes, and written policies and procedures
- Review of important contracts and agreements
- Engagement team “brainstorming” session to identify ways in which the financial statements could be misstated, especially as related to misappropriation or intentional misstatement

Once risk has been assessed, we are able to determine the quality and quantity of audit evidence required to limit that risk to an acceptable level. We will synthesize the information gathered during the planning and risk assessment procedures to develop a risk-based approach that concentrates audit effort on those areas where the dollar volume of transactions is significant and the risk of material misstatement is greatest.

SERVICE APPROACH

STAFFING CONTINUITY

Our staffing and scheduling policies have historically been very successful in maximizing audit team continuity from year to year. Effective staff recruiting and retention is a top priority for our firm, because we realize that our most valuable investment is our people. We recruit only those who have achieved a high academic standing and have demonstrated commitment, ambition, and leadership skills, and offer them a proactive approach to staff development that includes a mentoring program, comprehensive training at every level, and performance evaluations after every significant engagement.

We view continuity of engagement teams to be in the best interest of the Firm and our clients. Staff repetition enhances audit effectiveness and efficiency, and is our guiding principle in scheduling. When personnel changes are unavoidable, the depth of our pool of experienced nonprofit professionals gives us the ability to select a replacement with relevant experience at comparable institutions.

SERVICES TO BE PROVIDED

We will audit the financial statements of the West Virginia Public Defender Services for the year ended June 30, 2016, with options to renew for the years ended June 30, 2017, 2018 and 2019 in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

From your request for quotation, we have obtained an understanding of your expectations for the public accounting firm with whom you will work in the future. Key among these are that your accounting firm should:

- Present a diversity of audit experience which demonstrates that the firm can meet your service needs.
- Have an experienced team of professionals with a proven record of providing high quality audit services and who will work closely with management. We would expect this experienced team of professionals to be utilized on a consistent basis from year-to-year.
- Have an audit approach that addresses areas of highest risk, concentrates its efforts in areas of most concern, and results in a smooth and efficient audit.
- Provide ongoing communications with management regarding any accounting or financial reporting developments which may affect the PDCs.

Draft financial statements for the year ending June 30, 2016, will be delivered to the Financial Accounting and Reporting Section of the Department of Administration (FARS).

AUDIT OBJECTIVES AND REPORTING

The objective of our audit is the expression of an opinion about whether your financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles. The objective also includes reporting on:

- Internal control related to the financial statements and compliance with laws, regulations, and the provisions of contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements in accordance with *Government Auditing Standards*.

SERVICE APPROACH

AUDIT PROCEDURES - GENERAL

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud. Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected funding sources, creditors, and financial institutions. We may also request written representations from your attorneys as part of the engagement. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

AUDIT PROCEDURES - INTERNAL CONTROL

In planning and performing our audit, we will consider the internal control sufficient to plan the audit and assess risk to determine the nature, timing, and extent of our auditing procedures for the purpose of expressing our opinion on the West Virginia Public Defender Corp's financial statements and issuing a report on internal control over financial reporting and on compliance and other matters based on an audit performed in accordance with *Government Auditing Standards*.

Gibbons & Kawash will not express an opinion on the effectiveness of the PDC's internal control over financial reporting. Our consideration of internal control over financial reporting is for the limited purpose described in the preceding paragraph and is not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses will be identified.

AUDIT PROCEDURES - COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the PDC's financial statements are free of material misstatement, we will perform tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions is not an objective of our audit, and accordingly, we will not express such an opinion. However, we will report on the results of our tests if we discover any instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

COORDINATION OF EFFORT

We continue to anticipate cooperation from your staff, and assistance in our engagement where feasible. We will coordinate our efforts with you and your staff to avoid duplication of work and increase efficiency. Assistance typically requested of client personnel includes locating documentation and preparing schedules to support certain management assertions.

SCHEDULE

Our primary goal in scheduling is to ensure that the engagement is thoroughly planned, that field work is scheduled at times which are compatible with the schedules of the PDC's accounting staff, and that the audits are completed well in advance of the deadline to allow management adequate time to review our draft reports. *We will establish the audit schedule, coordinating with the management and staff of the PDCs, to ensure that all deadlines established by FARS and the RFQ are met.*

AVAILABILITY THROUGHOUT THE YEAR

At Gibbons & Kawash, we believe that ongoing communication with management is the key to being effective professional advisors. Our goal is to be proactive in helping management identify and address challenges and opportunities in a timely manner, when successful resolution is most likely, rather than merely providing an after-the-fact reporting of the issues in connection with our engagement.

EXHIBIT A

PRICING PAGE - CRFQ PSDS170000001

Exhibit A - Pricing Page

		Optional Renewal	Optional Renewal	Optional Renewal
	Cost per Year	Cost per Year	Cost per Year	Cost per Year
Breakdown by Circuit:	FY16	FY17	FY18	FY19
1st Judicial Circuit - Brook, Hancock & Ohio	\$ 19,000.00	\$ 19,000.00	\$ 19,380.00	\$ 19,380.00
2nd Judicial Circuit - Marshall, Tyler & Wetzel	\$ 8,000.00	\$ 8,000.00	\$ 8,160.00	\$ 8,160.00
4th Judicial Circuit - Wood & Wirt	\$ 20,000.00	\$ 20,000.00	\$ 20,400.00	\$ 20,400.00
5th Judicial Circuit - Calhoun - Jackson - Mason & Roane	\$ 15,000.00	\$ 15,000.00	\$ 15,300.00	\$ 15,300.00
6th & 24th Judicial Circuit - Cabell & Wayne	\$ 19,000.00	\$ 19,000.00	\$ 19,380.00	\$ 19,380.00
7th Judicial Circuit - Logan	\$ 11,000.00	\$ 11,000.00	\$ 11,220.00	\$ 11,220.00
8th Judicial Circuit - McDowell	\$ 7,000.00	\$ 7,000.00	\$ 7,140.00	\$ 7,140.00
9th Judicial Circuit - Mercer	\$ 15,000.00	\$ 15,000.00	\$ 15,300.00	\$ 15,300.00
10th Judicial Circuit - Raleigh	\$ 18,000.00	\$ 18,000.00	\$ 18,360.00	\$ 18,360.00
11th Judicial Circuit - Greenbrier & Pocahontas	\$ 10,000.00	\$ 10,000.00	\$ 10,200.00	\$ 10,200.00
12th Judicial Circuit - Fayette	\$ 9,000.00	\$ 9,000.00	\$ 9,180.00	\$ 9,180.00
13th Judicial Circuit - Kanawha	\$ 23,000.00	\$ 23,000.00	\$ 23,460.00	\$ 23,460.00
15th Judicial Circuit - Harrison	\$ 17,000.00	\$ 17,000.00	\$ 17,340.00	\$ 17,340.00
18th Judicial Circuit - Preston	\$ 7,000.00	\$ 7,000.00	\$ 7,140.00	\$ 7,140.00
23rd Judicial Circuit - Berkeley - Jefferson & Morgan	\$ 27,000.00	\$ 27,000.00	\$ 27,540.00	\$ 27,540.00
25th Judicial Circuit - Boone & Lincoln	\$ 14,000.00	\$ 14,000.00	\$ 14,280.00	\$ 14,280.00
28th Judicial Circuit - Nicholas	\$ 6,000.00	\$ 6,000.00	\$ 6,120.00	\$ 6,120.00
30th Judicial Circuit - Mingo	\$ 9,000.00	\$ 9,000.00	\$ 9,180.00	\$ 9,180.00
Yearly Totals	\$ 254,000.00	\$ 254,000.00	\$ 259,080.00	\$ 259,080.00
Overall Total Cost of all 4 years (for evaluation purposes)	\$ 1,026,160.00			

EXHIBIT B

QUALIFICATIONS AND EXPERIENCE OF THE ENGAGEMENT TEAM/CERTIFIED PUBLIC ACCOUNTANT DESIGNATION

EXHIBIT B



Robert E. Adams, CPA, CGMA

DIRECTOR

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

Experience

Rob's professional experience during the past 20 years has included significant responsibilities providing audit, tax, and consulting services to numerous public sector entities. Rob's experience auditing several large state governmental entities, local governments, and nonprofit organizations is extensive. His service to governmental and nonprofit organizations includes the following:

- Central West Virginia Regional Airport Authority
- Charleston Area Alliance
- Charleston Urban Renewal Authority
- City of Charleston, West Virginia
- Kanawha County, West Virginia
- Kanawha County Parks and Recreation Commission
- Kanawha Valley Regional Transportation Authority
- Metro Emergency Operations Center of Kanawha County
- School Building Authority of West Virginia
- Tobacco Settlement Finance Authority
- West Virginia Alcohol Beverage Control Administration
- West Virginia Board of Treasury Investments
- West Virginia Consolidated Public Retirement Board
- West Virginia Department of Transportation - Division of Highways
- West Virginia Department of Transportation
- West Virginia Drinking Water Treatment Revolving Loan Fund
- West Virginia Economic Development Authority
- West Virginia Educational Broadcasting Authority
- West Virginia Housing Development Fund
- West Virginia Independent Colleges and Universities
- West Virginia Infrastructure and Jobs Development Council
- West Virginia Jobs Investment Trust
- West Virginia Lottery Commission
- West Virginia Municipal Pensions Oversight Board
- West Virginia Regional Jail and Correctional Facility Authority
- West Virginia Solid Waste Management Board
- West Virginia State Rail Authority
- West Virginia Water Development Authority
- West Virginia Water Pollution Control Revolving Fund

Professional Activities

Rob is a member of the American Institute of Certified Public Accountants, the West Virginia Society of Certified Public Accountants, and the Charleston Chapter of the West Virginia Society of CPAs. He is the Firm's Director assigned to the Government Audit Quality Center. Rob is a board member of West Virginia Kids Count.

Education

Rob graduated from the West Virginia Wesleyan College with a Bachelor of Science degree in business administration.

Continuing Professional Education

Rob is in compliance with all applicable CPE requirements.

EXHIBIT B



Robert R. Denyer, CPA

DIRECTOR

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

Experience

Bob has more than 35 years of experience in providing audit, tax, and consulting services to public sector entities, state agencies, nonprofit organizations, and local governments. His in-depth industry knowledge includes such areas as federal grant compliance, indirect cost reimbursement, employee benefit plan issues, and internal control, operational matters, and financial reporting. His service to governmental entities includes the following:

- Central West Virginia Regional Airport Authority
- Charleston Urban Renewal Authority
- City of Charleston, West Virginia
- Kanawha County Parks and Recreation Commission
- Kanawha County, West Virginia
- Kanawha Valley Regional Transportation Authority
- Public Service Commission of West Virginia
- School Building Authority of West Virginia
- Tobacco Settlement Finance Authority
- West Virginia Alcohol Beverage Control Administration
- West Virginia Board of Treasury Investments
- West Virginia Consolidated Public Retirement Board
- West Virginia Department of Transportation
- West Virginia Department of Transportation, Division of Highways
- West Virginia Drinking Water Treatment Revolving Loan Fund
- West Virginia Economic Development Authority
- West Virginia Educational Broadcasting Authority
- West Virginia Housing Development Fund
- West Virginia Infrastructure and Jobs Development Council
- West Virginia Jobs Investment Trust
- West Virginia Lottery Commission
- West Virginia Municipal Pensions Oversight Board
- West Virginia Parkways Authority
- West Virginia Regional Jail and Correctional Facility Authority
- West Virginia Solid Waste Management Board
- West Virginia State Rail Authority
- West Virginia Water Development Authority
- West Virginia Water Pollution Control Revolving Fund

Professional Activities

Bob is a member of the American Institute of Certified Public Accountants, West Virginia Society of Certified Public Accountants, and the Charleston Chapter of the West Virginia Society of CPAs. He is as a board member and past president of the South Charleston Rotary Club and a member of the South Charleston Chamber of Commerce.

Education

Bob graduated from West Virginia University with a Bachelor of Science degree in business administration.

Continuing Professional Education

Bob is in compliance with all applicable CPE requirements.

EXHIBIT B



Anthony Carpenter, CPA

SENIOR MANAGER

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

Experience

Anthony has 9 years of professional experience providing audit, tax, and consulting services to several non-profit organizations, local and state governmental agencies, retirement plans, and privately held businesses. His service to public sector entities, as well as some for-profit/nonpublic companies includes the following:

- Central West Virginia Regional Airport Authority
- Charleston Area Alliance
- City of Charleston
- EastRidge Health Systems
- Hatfield-McCoy Regional Recreational Authority
- Kanawha County, West Virginia
- Kanawha Valley Regional Transportation Authority
- Public Service Commission of West Virginia
- Region VI Planning and Development Council
- Region VII Planning and Development Council
- School Building Authority of West Virginia
- Seneca Health Services
- United Methodist Foundation of West Virginia, Inc.
- Valley Healthcare System
- West Virginia Consolidated Public Retirement Board
- West Virginia Department of Transportation - Division of Highways
- West Virginia Housing Development Fund
- West Virginia Independent Colleges and Universities
- West Virginia Lottery Commission
- West Virginia Municipal Pensions Oversight Board
- West Virginia Parkways Authority
- West Virginia Regional Jail and Correctional Facility Authority
- West Virginia Solid Waste Management Board
- West Virginia Board of Treasury Investments
- Young Men's Christian Association of Kanawha Valley, Inc.

Professional Activities

Anthony 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.

Education

Anthony graduated from West Virginia State University with a Bachelor of Science degree in business administration.

Continuing Professional Education

Anthony is in compliance with all applicable CPE requirements.

EXHIBIT B



Staunton Gorrell, CPA

SENIOR

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

Experience

Staunton has three years of professional experience providing audit and consulting services to West Virginia state governmental agencies, local governments, and non-profit organizations. His service to public sector entities includes the following:

- Central West Virginia Regional Airport Authority
- City of Charleston, West Virginia
- Kanawha County, West Virginia
- School Building Authority of West Virginia
- West Virginia Consolidated Public Retirement Board
- West Virginia Housing Development Fund
- West Virginia Independent Colleges and Universities
- University of Charleston
- West Virginia Lottery Commission
- West Virginia Solid Waste Management Board
- Young Women's Christian Association of Charleston WV, Inc.

Professional Activities

Staunton is a member of the American Institute of Certified Public Accountants and the West Virginia Society of CPAs.

Education

Staunton graduated from James Madison University with a Bachelor of Business Administration degree in Finance.

Continuing Professional Education

Staunton is in compliance with all applicable CPE requirements.

EXHIBIT B

In addition to our high level of governmental accounting and auditing experience, the following members of our team will serve as nonprofit experts and reviewers of the deliverables to be issued to the PDCs:

- Valerie R. Ellis, Director
- Faye McQuinn, Senior Manager
- Emily Signorelli, Senior Manager

EXHIBIT B



Valerie R. Ellis, CPA, CGMA

DIRECTOR

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

Nonprofit Experience

Valerie has more than 25 years of experience in providing audit, tax, and consulting services to nonprofit organizations, including colleges and universities, foundations, church-

related organizations, and health and welfare organizations. She is the Firm's Managing Director. Her in-depth industry knowledge includes such areas as federal grant compliance, indirect cost reimbursement, considerations of issues affecting tax exempt status, unrelated business taxable income, employee benefit plan issues, and internal control and operational matters. Her service to nonprofit organizations

includes the following:

- Alderson-Broaddus College
- Appalachian Bible College
- Bible Center Church
- Capitol Market, Inc.
- Concord University Foundation, Inc.
- Kanawha Hospice Care, Inc.
- The First Presbyterian Church
- The Presbytery of West Virginia
- United Methodist Foundation of West Virginia, Inc.
- University of Charleston, Inc.
- West Virginia Independent Colleges and Universities, Inc.
- West Virginia Wesleyan College
- YMCA of Kanawha Valley, Inc.
- YMCA of Kanawha Valley Endowment Fund, Inc.
- More than 75 parishes and schools under the auspices of the Diocese of Wheeling - Charleston

Professional Activities

Valerie is a member of the American Institute of Certified Public Accountants, West Virginia Society of CPAs (WVSCPA), and the Charleston Chapter of the West Virginia Society of CPAs. She was honored by the WVSCPA as the recipient of the 2012 Women to Watch - Experienced Leader Award.

Valerie has been a contributing author and technical reviewer for nationally distributed publications, and currently serves on the editorial board for a quarterly tax and management publication.

Valerie is a member and past treasurer of the Charleston Rotary Club and the Marshall University Division of Accountancy and Legal Environment Advisory Board. She has been a volunteer consultant for Junior Achievement, and currently serves as a mentor to high school students through The Education Alliance's e-mentoring program. She is also a member of the Children's Home Society of West Virginia advisory council.

Education

Valerie graduated from Marshall University with a Bachelor of Business Administration degree with a concentration in accounting.

Continuing Professional Education

Valerie is in compliance with all applicable CPE requirements.

EXHIBIT B



Faye McQuinn, CPA

SENIOR MANAGER

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

Nonprofit Experience

Faye has 10 years of experience providing audit, tax, and consulting services to governmental and numerous not-for-profit organizations, including colleges and universities, foundations, churches, and various health and welfare organizations. In addition, Faye has participated in more than 15 employee benefit plan audits during her career. Her professional and supervisory service to governmental and not-for-profit organizations includes the following:

- Alderson Broaddus Endowment Corporation
- Alderson Broaddus University
- Appalachian Childrens Chorus
- Basilica of the Co-Cathedral of the Sacred Heart
- Bible Center Church
- Center for Neighborhood Enterprise
- Charleston Catholic High School
- Concord University Foundation, Inc.
- The First Presbyterian Church
- The Charleston Gazette Charities
- Immaculate Conception Parish
- Kanawha County Dental Health Council
- Parkersburg Catholic Schools Foundation
- Parkersburg Catholic High School
- Risen Lord Parish
- Sacred Heart Co-Cathedral
- Sacred Heart Parish
- St. Agnes Parish
- St. John Parish
- St. Peter Claver Parish
- TMH Services, Inc.
- University of Charleston
- West Virginia Board of Treasury Investments
- West Virginia Wesleyan College
- YMCA of Kanawha Valley, Inc.
- More than 75 parishes and schools under the auspices of the Diocese of Wheeling - Charleston

Professional Activities

Faye is a member of the American Institute of Certified Public Accountants, West Virginia Society of CPAs (WVSCPA), and the Charleston Chapter of the West Virginia Society of CPAs.

Education

Faye graduated from Marshall University with a Bachelor of Business Administration in accounting and a Master of Business Administration.

Continuing Professional Education

Faye is in compliance with all applicable CPE requirements.

EXHIBIT B



Emily Signorelli, CPA, CFE

SENIOR MANAGER

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

Nonprofit Experience

Emily has eight years of experience providing audit, tax, and consulting services to numerous nonprofit organizations, including colleges and universities, foundations, healthcare and various religious organizations. Emily is a

certified fraud examiner and is also the Firm's designated champion for the use of IDEA, a powerful data extraction and analysis software, in our audit practice. Her professional and supervisory service to nonprofit organizations includes the following:

- Appalachian Bible College
- Bible Center Church
- Capitol Market, Inc.
- Central West Virginia Regional Airport Authority
- Eastridge Health Systems, Inc.
- Education Alliance
- Kanawha Hospice Care, Inc.
- Logan-Mingo Area Mental Health, Inc.
- Nicholas Community Action Partnership
- Seneca Health Services, Inc.
- Valley HealthCare System
- Various Catholic Schools and Parishes within the Diocese of Wheeling-Charleston
- West Virginia Health Care Association, Inc.
- West Virginia Independent Colleges & Universities
- West Virginia University Alumni Association
- West Virginia Wesleyan College

Professional Activities

Emily is a member of the American Institute of Certified Public Accountants, the Association of Certified Fraud Examiners, the West Virginia Society of CPAs, and the Charleston Chapter of the West Virginia Society of CPAs. She is co-chair of the Young CPAs committee of the West Virginia Society of CPAs.

Emily serves as a volunteer with the American Cancer Society and as an E-Mentor through the West Virginia Education Alliance.

Education

Emily graduated from West Virginia Wesleyan College with a Bachelor's degree in business administration and received a Master of Professional Accountancy and Forensic Accounting and Fraud Examination Certificate from West Virginia University.

Continuing Professional Education

Emily is in compliance with all applicable CPE requirements.

EXHIBIT B

Certified Public Accountant Designation








Name	WV CPA	License Number
Robert E. Adams	<input checked="" type="checkbox"/>	
Robert R. Denyer	<input checked="" type="checkbox"/>	
Anthony Carpenter	<input checked="" type="checkbox"/>	
Staunton Gorrell	<input checked="" type="checkbox"/>	
Valerie Ellis	<input checked="" type="checkbox"/>	
Faye McQuinn	<input checked="" type="checkbox"/>	
Emily Signorelli	<input checked="" type="checkbox"/>	

EXHIBIT C

PRIOR EXPERIENCE

EXHIBIT C

CRFQ PSDS1700000001 Professional Auditing Services

Engagements performed in the last six years that are similar to the PDC's are as follows:

	<u>Years Served</u>	<u>Engagement Directors Through Period Served</u>	<u>Principal Client Contact</u>	<u>Phone Number</u>
West Virginia Board of Treasury Investments	2015, 2014, 2013, 2012, 2011, 2010	Robert E. Adams/ Robert R. Denyer	Kara Hughes	304-340-1564
West Virginia Housing Development Fund	2015, 2014, 2013, 2012, 2011, 2010	Robert R. Denyer	Erica Boggess	304-926-1900
West Virginia Lottery Commission	2015, 2014, 2013, 2012, 2011, 2010	Robert E. Adams/ Robert R. Denyer	Dean Patrick	304-558-0500
West Virginia Alcohol Beverage Control Administration	2015, 2014, 2013, 2012, 2011, 2010	Robert E. Adams	Julia Jones	304-356-5500
Tobacco Settlement Finance Authority of WV	2015, 2014, 2013, 2012, 2011, 2010	Robert E. Adams	Jane Shinn	304-558-4083
West Virginia Jobs Investment Trust	2015, 2014, 2013, 2012, 2011, 2010	Robert E. Adams/ Robert R. Denyer	Andy Zulauf	304-345-6200
West Virginia Water Development Authority	2015, 2014, 2013, 2012, 2011, 2010	Robert R. Denyer/ Robert E. Adams	Chris Jarrett	304-414-6500
West Virginia Infrastructure and Jobs Development Council	2015, 2014, 2013, 2012, 2011, 2010	Robert R. Denyer/ Robert E. Adams	Chris Jarrett	304-414-6500
West Virginia Drinking Water Treatment Revolving Loan Fund	2015, 2014, 2013, 2012, 2011, 2010	Robert R. Denyer/ Robert E. Adams	Chris Jarrett	304-414-6500
West Virginia Consolidated Public Retirement Board	2015, 2014, 2013, 2012, 2011, 2010	Robert R. Denyer	J. Darden Greene	304-558-3570
West Virginia Economic Development Authority	2015	Robert E. Adams	David Warner	304-558-3650
West Virginia Municipal Pensions Oversight Board	2015, 2014, 2013,	Robert R. Denyer	Blair Taylor	304-356-2422
West Virginia Department of Transportation, Division of Highways	2015, 2010, 2009	Robert E. Adams	Susan Creager	304-558-9420
West Virginia Solid Waste Management Board	2014, 2013, 2012, 2011, 2010, 2009	Robert E. Adams/ Robert R. Denyer	Scott Norman	304-926-0448

EXHIBIT D

AFFILIATIONS AND MEMBERSHIPS

Exhibit D - Affiliations and Memberships

Identify and affiliations and/or memberships with professional organizations that insure that the entity is subject to peer review or certification with respect to the quality of its work and the proficiency of its staff:

<u>Affiliations</u>	<u>Memberships</u>
BDO Alliance USA	AICPA - Firm Memberships:
	Private Company Practice Section
	Governmental Audit Quality Center
	Employee Benefit Plan Audit Quality Center

EXHIBIT E

PEER REVIEW REPORT



SYSTEM REVIEW REPORT

June 11, 2015

To the Partners of
Gibbons & Kawash, A.C.
and the AICPA National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Gibbons & Kawash, A.C. (the firm) in effect for the year ended February 28, 2015. 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. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. 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 *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, A.C. in effect for the year ended February 28, 2015, 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, A.C. has received a peer review rating of *pass*.

Hill, Barth & King LLC

Certified Public Accountants

EXHIBIT F

**PURCHASING AFFIDAVIT/VENDOR PREFERENCE CERTIFICATE/
ADDENDUM ACKNOWLEDGMENT FORM/CERTIFICATIONS**

STATE OF WEST VIRGINIA
Purchasing Division
PURCHASING AFFIDAVIT

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

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

DEFINITIONS:

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

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

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

AFFIRMATION: By signing this form, the vendor's authorized signer affirms and acknowledges under penalty of law for false swearing (W. Va. Code §61-5-3) that neither vendor nor any related party owe a debt as defined above and that neither vendor nor any related party are in employer default as defined above, unless the debt or employer default is permitted under the exception above.

WITNESS THE FOLLOWING SIGNATURE:

Vendor's Name: Gibbons & Kawash, A.C.

Authorized Signature: [Signature] Date: 9/8/16

State of WEST VIRGINIA

County of KANAWHA, to-wit:

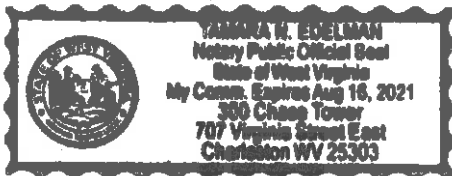
Taken, subscribed, and sworn to before me this 8 day of SEPTEMBER, 2016.

My Commission expires AUGUST 16, 2021.

AFFIX SEAL HERE

NOTARY PUBLIC [Signature]

Purchasing Affidavit (Revised 08/01/2015)



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 Vendor Preference, if applicable.

1. **Application is made for 2.5% 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% 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% 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% 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% 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% 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.
7. **Application is made for preference as a non-resident small, women- and minority-owned business, in accordance with *West Virginia Code* §5A-3-59 and *West Virginia Code of State Rules*.**
 Bidder has been or expects to be approved prior to contract award by the Purchasing Division as a certified small, women- and minority-owned business.

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 & Kinosh
Date: 9/8/16

Signed: [Signature]
Title: Director

DESIGNATED CONTACT: Vendor appoints the individual identified in this Section as the Contract Administrator and the initial point of contact for matters relating to this Contract.

Robert E. Adams, Director
(Name, Title)
Robert E. Adams, Director
300 Chase Tower, 707 Virginia Street, East, Charleston, WV 25301
(Printed Name and Title)
304-345-8400 / 304-345-8451
(Address)
304-345-8400 / 304-345-8451
(Phone Number) / (Fax Number)
radams@gandkcpas.com
(email address)

CERTIFICATION AND SIGNATURE: By signing below, or submitting documentation through wvOASIS, I certify that I have reviewed this Solicitation in its entirety; that I understand the requirements, terms and conditions, and other information contained herein; that this bid, offer or proposal constitutes an offer to the State that cannot be unilaterally withdrawn; that the product or service proposed meets the mandatory requirements contained in the Solicitation for that product or service, unless otherwise stated herein; that the Vendor accepts the terms and conditions contained in the Solicitation, unless otherwise stated herein; that I am submitting this bid, offer or proposal for review and consideration; that I am authorized by the vendor to execute and submit this bid, offer, or proposal, or any documents related thereto on vendor's behalf; that I am authorized to bind the vendor in a contractual relationship; and that to the best of my knowledge, the vendor has properly registered with any State agency that may require registration.

Gibbons & Kawash, A.C.
(Company)


(Authorized Signature) (Representative Name, Title)

Robert E. Adams
(Printed Name and Title of Authorized Representative)

9/8/16
(Date)

304-345-8400/304-345-8451
(Phone Number) (Fax Number)

**REQUEST FOR QUOTATION
Professional Auditing Services**

10.1.4. Failure to remedy deficient performance upon request.

10.2. The following remedies shall be available to Agency upon default.

10.2.1. Immediate cancellation of the Contract.

10.2.2. Immediate cancellation of one or more release orders issued under this Contract.

10.2.3. Any other remedies available in law or equity.

11. MISCELLANEOUS:

11.1. **Contract Manager:** During its performance of this Contract, Vendor must designate and maintain a primary contract manager responsible for overseeing Vendor's responsibilities under this Contract. The Contract manager must be available during normal business hours to address any customer service or other issues related to this Contract. Vendor should list its Contract manager and his or her contact information below.

Contract Manager: Robert E. Adams

Telephone Number: 304-345-8400

Fax Number: 304-345-8451

Email Address: radams@gandkcpas.com

ADDENDUM ACKNOWLEDGEMENT FORM
SOLICITATION NO.:

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

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

Addendum Numbers Received:

(Check the box next to each addendum received)

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

I understand that failure to confirm the receipt of addenda may be cause for rejection of this bid. I further understand that any verbal representation made or assumed to be made during any oral discussion held between Vendor's representatives and any state personnel is not binding. Only the information issued in writing and added to the specifications by an official addendum is binding.

Gibbons & Kawash, A.C.

Company



Authorized Signature

9/8/16

Date

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