

Your Success is Our Focus



Proposal to Provide Statement on
Standards for Attestation Engagements
No. 18 – Reporting on Controls at a
Service Organization (SOC1) Type 1

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WV PURCHASING
DIVISION

Solicitation Number: CRFQ ISC2000000006
Bid Opening Date: November 1, 2019
Bid Opening Time: 1:30pm

Firm's Contact Person:

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Letter of Transmittal

November 1, 2019

Department of Administration
West Virginia Office of Technology
2019 Washington St E
Charleston, West Virginia 25305

We are very pleased to present our qualifications to provide Statement on Standards for Attestation Engagements No.18 (“SSAE 18”) services to the West Virginia Office of Technology, hereafter referred to as “WVOT”. Our examination will be performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. Brown, Edwards & Company, L.L.P. (“Brown Edwards”) provides IT audit, attestation, and consulting services throughout our regional footprint in West Virginia, Virginia, and Tennessee. ***We can assure you the SSAE18 engagement would be an important addition to our IT practice and our firm.*** As described in Appendix A, we have committed an engagement team with extensive experience providing SAS70/SSAE16/SSAE18 services.

Through our merger with Gibbons & Kawash, A.C. on January 1, 2018, we have fortified and strengthened our overall experience with state agencies to levels that are unmatched by other local or regional firms. Our track record of providing quality and timely service, reliable advice, and clear communication is well known. In addition to quality service, you need a firm that can be responsive to your needs, serve you as a priority client, and provide a high degree of personalized service. We believe our experience with the State of West Virginia allows us to present the highest qualifications and value for the services requested.

Should we be appointed to serve as the WVOT’s service auditors, WVOT will receive the highest quality professional attestation services from staff that will plan, conduct, and report on the results of the examination with competence, integrity, and objectivity, and that are independent of WVOT and the State of West Virginia in all respects. In addition, we have access to the resources of one of the nation’s largest accounting and advisory firms, BDO USA, and hundreds of other CPA and specialty consulting firms, through our membership in the BDO Alliance USA.

Your team includes IT resources that are 100% dedicated to the Brown Edwards IT services practice. Combined, they have **over 29 years of IT experience** in application programming; systems design; project and program management; information systems security practices; and IT audit, attestation, and consulting services. Throughout the year, our IT specialists are invited to speak at various conferences on current IT issues, such as cybersecurity.

To serve WVOT, we offer IT specialists who are highly experienced and sensitive to your needs and concerns. Our team members are noted by our clients for their accessibility and hands-on style, as well as the depth of their knowledge and capabilities. They are dedicated to providing specialized expertise and an integrated approach focusing on risk management.

This proposal is structured to communicate our experience and qualifications to effectively and efficiently respond to the requirements and expectations of WVOT. We have made every effort to completely respond to all matters identified in your request for proposal. **At Brown Edwards, we believe one key fact differentiates us from other organizations that you may consider – our enthusiasm to serve you.** 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) 343-4188.

Respectfully submitted,

BROWN, EDWARDS & COMPANY, L.L.P.



Robert E. Adams, CPA
Partner

ABOUT THE FIRM

Brown Edwards is a regional accounting firm formed in 1967 through the merger of Fred P. Edwards Company and C. A. Brown & Company, whose histories date back to the 1920s. The Firm has enjoyed significant growth since its formation, thanks to an unwavering commitment to our clients to provide the highest quality professional services in the industry and the attention and responsiveness they deserve and have come to expect.

With an average of 25 years of experience for partners and directors and 10 years for senior managers and managers, team members at Brown Edwards bring significant experience and knowledge to every client engagement. Each service area offers specialists in accounting, assurance, tax, and management advisory services to our clients. In addition, we have developed industry teams, such as our not-for-profit, higher education, health care, financial institutions, and governmental practice units, which are comprised of team members with in-depth experience and specialized training who spend substantially all of their professional life providing services exclusively to clients in those specific industries.

QUICK FACTS ABOUT BROWN EDWARDS

Inside Public Accounting's Top 100 Public Accounting Firms by gross revenue (8/19)

45 Partners and more than 350 professionals serving the southeastern United States

Listed as one of the four most successful firms in the United States in *Accounting Today* (4/19)

Ranked #4 in *Accounting Today's* 2019 Regional Leaders: Capitol Region (DE, MD, VA, DC, and WV)

Offices in Blacksburg, Bristol, Lynchburg, Harrisonburg, Newport News, Roanoke and Wytheville, VA; Kingsport, TN; and Bluefield and Charleston, WV

Pass opinion on our peer review for over 25 years and our PCAOB inspections have been 100% successful with no findings

OUR COMMITMENT TO EXCELLENCE



All aspects of our service quality are monitored against our **5 Star Service Quality Standards**. The 5 Star include standards for responsiveness, product quality and delivery, ease of access to decision makers and professional attitudes of all members of our team. While these standards are part of our culture, we also monitor how well we are doing by annual face-to-face client surveys in which members of the firm, not associated with an engagement, conduct interviews of selected clients to obtain feedback related to service quality. The results of these surveys assist us in realignment of priorities and, on an ongoing basis, support our goal of continuous improvement of service quality.

MEMBERSHIP ORGANIZATIONS



Brown Edwards is also registered with the Public Company Accounting Oversight Board (PCAOB). This Board monitors quality in firms that audit public companies, which subjects our Firm to stringent inspection and requires that we meet the highest level of technical quality in the profession today. The benefit to you is that our quality control systems and educational requirements are subject to the same standards and inspections as are those of the largest firms. ***We are very proud of the results of our PCAOB inspections, the most recent being in 2016. In each of our five inspections, we received an unqualified report with no findings, a distinction that few firms have achieved.*** PCAOB inspection reports are public documents and receipt of a report with no findings places us in an enviable position when compared with peer firms, including those that are significantly larger than our firm.

As an independent member of the BDO Alliance USA, Brown Edwards can expand the services offered to clients by drawing on the resources of BDO USA, LLP, the fifth largest accounting services firm in the nation, and other Alliance members. The Firm serves clients through 63 offices and more than 450 independent Alliance firm locations nationwide. As an independent Member Firm of BDO International Limited, BDO serves multi-national clients through a global network of more than 1,300 offices in over 150 countries.



Key members of our engagement team are members of the Government Finance Officers Association. All of our local government team partners, directors, and senior associates have extensive experience with the GFOA certificate program. In addition, certain members of our staff have served as qualified reviewers for the GFOA certificate program.

The engagement team consists of personnel who are members of ISACA and are Certified Information Systems Auditors. ISACA is an independent, nonprofit, global association that engages in the development, adoption, and use of globally accepted, industry-leading knowledge and practices for information systems. ISACA provides practical guidance, benchmarks, and other effective tools for all enterprises that use information systems. The CISA designation is a globally recognized certification for IS audit control, assurance, and security professionals.



The Engagement Lead is a Certified Ethical Hacker through the International Council of E-Commerce Consultants, also known as EC-Council. EC-Council is the world's largest cyber security technical certification body. EC-Council certification programs are recognized worldwide and have received endorsements from various government agencies including the US Federal Government, the US Government National Security Agency, and the Committee on National Security Systems. The CEH credential certifies individuals in the specific network security discipline of Ethical Hacking from a vendor-neutral perspective.

Brown Edwards performs peer reviews for six to eight firms each year, and our peer review clients include seven top 100 firms in the country in terms of annual revenue. Our System and Organization Controls ("SOC") specialists participate significantly in this practice area. Participation as peer reviewers gives Brown Edwards exposure to the work of other quality firms and is an excellent exercise to ensure we are up-to-date on the most recent professional standards, audit approaches, and technology.

THE BENEFITS OF A REGIONAL FIRM

As a regional firm, we offer the best of both worlds. With a total staff of over 350 and growing, we are large enough to provide services to a broad range of clients in the functional areas of accounting, auditing, tax, and management advisory services while providing you with **direct access to our partners and directors**.

Although we are considered a large firm on a national basis, Brown Edwards is **owned, operated, and managed locally** and as a result we can **respond to your needs quickly and effectively**. Our offices are located in West Virginia, Virginia, and Tennessee, and we have quick and easy access to all of the southeastern United States. **Because we live and work very close to all the markets we serve, our partners and directors are always accessible to you.** Having **unparalleled access to our firm's decision makers** helps to create the meaningful relationship between our Firm and our clients that you should expect from your auditors. Our goal with WVOT is not merely to provide the desired services but to proactively work with you to identify opportunities and use our resources to support your strategic mission – **Your Success is Our Focus**.

“In a constantly changing governmental environment full of industry standard updates and changes, Brown Edwards is always there to help guide the implementation to make the transition smooth. They are a top notch quality firm that gets the job done right.”

-Matthew R. Hornby, Assistant
Director of Finance
Town of Blacksburg, Virginia

OUR TECHNOLOGY

Brown Edwards is committed to providing our professionals access to sound and advance technology in order to ensure optimum levels of efficiency in our engagements. We use “paperless” audit techniques which enable our professionals to spend more time on judgment matters rather than on the mechanical aspects of client service.

With an internet connection, our personnel can work from anywhere and have complete access to the firm’s network. Our electronic software allows efficient integration of client prepared Word, PDF, and Excel files into our workpaper files.

All data on Brown Edwards computers, including our workpapers in our computerized documentation management system, is encrypted using advanced algorithm technology. 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 Brown Edwards personnel.

OUR TECHNOLOGY (CONTINUED)

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



ProSystem Fx Engagement – A workpaper preparation program and document repository.



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 we can 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.



ShareFile - A secure cloud-based collaboration, file-sharing and workflow solution that supports all the document-centric needs of businesses. Auditors and clients can safely share large files, e-sign and get secure remote access to servers and PCs from any device, any time.

QUALIFICATIONS AND EXPERIENCE

We have assembled a dedicated team of professionals to serve the needs of WVOT. These individuals bring a wide range of experience, professionalism, and insight to your engagement. Our service team is exceptionally well suited to meet your needs because:

- Our firm's experience and commitment to continuing to build our SOC practice ensures that your questions and concerns are addressed promptly.
- Our local presence provides immediate availability of resources, expertise, and decision-making on WVOT's engagement.
- Our people have experience and knowledge that is relevant to the financial, information technology, and other business considerations facing WVOT.
- All service team members meet or exceed minimum continuing professional education requirements.

People make the difference in professional relationships. We believe communication and personal chemistry are particularly important elements of client relationships. Our professionals are skilled SOC services, and we expect you will feel comfortable with their expertise and commitment. A short introduction to your service team is listed below with full resumes listed in **Appendix A**.

QUALIFICATIONS AND EXPERIENCE (CONTINUED)

Engagement Partner – Norman Yoder, CPA, is the primary partner or concurring reviewer of some of Brown Edwards’ largest audit and attest engagements. He will serve as the lead partner for WVOT’s SOC engagement. In this role, Norman will assume primary responsibility for the successful completion of the engagement and will maintain contact with you and with WVOT senior management throughout the engagement to ensure that services and resources are provided to WVOT in a timely manner. Norman will also provide technical expertise to the team and perform review and supervision procedures.

Concurring Partner – Robert E. Adams, CPA, CGMA, is a partner with Brown Edwards who has extensive experience in serving governmental and not-for-profit clients and will serve as the concurring partner for this engagement. The role of the concurring partner is an essential element of Brown Edwards’ quality procedures. Rob will be available to consult with the team on reporting matters and provide technical expertise.

Engagement Lead – Cindy Gross, CPA, CISA, C|EH, is a director at Brown Edwards with many years of specialized experience providing SAS70/SSAE16/SSAE18 services. Cindy will be responsible for developing our approach, supervising and coordinating the efforts of the engagement team, identifying and researching technical issues, and administrative matters. Cindy will be in contact with you to ensure your needs and deadlines are met and will be onsite to manage the engagement process on a daily basis. Cindy has over 13 years of experience providing IT attest and consulting services.

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. Brown Edwards provides internal and external training on accounting, auditing, reporting, and operations for all niches, including governmental. We continually monitor the issuance of technical auditing, accounting, and attestation pronouncements and provide our personnel with specialized training in these areas. Professionals at all levels receive specialized training in seminars and courses presented by nationally recognized experts in accounting, auditing and financial reporting. Brown Edwards’ professional staff has met all continuing professional education requirements.

COMMITMENT TO PROVIDE CONTINUITY OF STAFF

Our staffing and scheduling policies have historically been very successful in maximizing staff 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. We understand that WOT reserves the right to request staff changes throughout the term of the contract.

OVERALL CHARLESTON OFFICE EXPERIENCE

The Charleston office of Brown Edwards, including the former firm of Gibbons & Kawash, has a long tradition of providing the highest quality professional services to governmental clients. The Brown Edwards' Charleston office includes recent public sector experience with the following entities:

- City of Charleston, West Virginia
- Central West Virginia Regional Airport Authority
- Charleston Area Alliance
- Kanawha County Commission
- Kanawha County Sheriff's Department
- Kanawha Valley Regional Transportation Authority
- Kanawha County Regional Development Authority
- Region III Planning and Development Council
- Region VII Planning and Development Council
- School Building Authority of West Virginia
- Tobacco Settlement Finance Authority of West Virginia
- West Virginia Affordable Housing Trust Fund
- West Virginia Alcohol Beverage Control Administration
- West Virginia Bar Foundation
- West Virginia Board of Treasury Investments
- West Virginia Consolidated Public Retirement Board
- West Virginia Department of Transportation
 - Division of Motor Vehicles
 - Division of Public Transit
 - Aeronautics Commission
 - Public Port Authority
- West Virginia Division of Highways
- West Virginia Drinking Water Treatment Revolving Loan Fund
- West Virginia Economic Development 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 Pension Oversight Board
- West Virginia Parkways Authority
- West Virginia Prepaid College Tuition and Savings Plan
- West Virginia Public Service Commission
- West Virginia Regional Jail and Correctional Facility Authority
- West Virginia Solid Waste Management Board
- West Virginia State Bar
- West Virginia State Rail Authority
- West Virginia Water Development Authority
- West Virginia Water Pollution Control Revolving Loan Fund

RECENT ENGAGEMENTS WITH THE STATE OF WEST VIRGINIA

The following is a list of engagements with the State of West Virginia from the Charleston office of Gibbons & Kawash, now Brown Edwards, for the past five years.

<u>West Virginia Engagements</u>	<u>Principal Contact</u>	<u>Scope of Work</u>	<u>Years Served</u>
West Virginia Lottery Commission	Dean Patrick 304-558-0500	GAS	2013-2018
West Virginia Division of Highways	Susan Creager 304-558-9420	GAS	2015-2016
Tobacco Settlement Finance Authority of WV	Jane Shinn 304-558-4083	GAS	2013-2018
West Virginia Infrastructure and Jobs Development Council	Sheila Miller 304-414-6500	GAS	2013-2018
West Virginia Water Development Authority	Sheila Miller 304-414-6500	GAS	2013-2018
West Virginia Drinking Water Treatment Revolving Loan Fund	Sheila Miller 304-414-6500	GAS / UG	2013-2018
West Virginia Jobs Investment Trust	Andy Zulauf 304-345-6200	GAS	2013-2018
West Virginia Economic Development Authority and affiliated entities	Jackie Browning 304-558-3650	GAS	2015-2018
West Virginia Water Pollution Control Fund	Katheryn Emery-Fultineer 304-926-0499	GAS / UG	2016-2018
West Virginia Alcohol Beverage Control Administration	Julia Jones	GAS	2013-2018
West Virginia Solid Waste Management Board	Scott Norman 304-926-0448	GAS / AUP	2013 and 2015-2018
West Virginia Prepaid College Tuition and Savings Plan	Greg Curry 304-340-2702	GAS	2016-2018
West Virginia Board of Treasury Investments	Kara Hughes 304-340-1564	GAS / AUP	2013-2018
West Virginia Housing Development Fund	Chad Leport 304-391-8644	GAS / UG	2013-2018
West Virginia Consolidated Public Retirement Board	John Galloway 304-558-3570	GAS	2013-2015

RECENT SSAE18 ENGAGEMENTS

The following is a list of SSAE18-related engagements performed by Brown Edwards' IT practice in the last year.

<u>Client</u>	<u>Principal Contact</u>	<u>Engagement Type</u>
Independent College Enterprise	Shelley Nason, CEO 304-340-3722	SOC 2 Type 1
Blue Ridge ESOP Associates	Duane Gran 434-220-7932	SOC 2 Readiness
Robertson Marketing Group	David Wheeler 540-389-0014	SOC 2 Type 1

RELEVANT EXPERIENCE

WVOT is a complex governmental entity. Our personnel selected for the WVOT engagement team have in-depth knowledge of the attestation standards applicable to SOC engagements. Engagements identified in the section titled RECENT SSAE18 ENGAGEMENTS are engagements performed during the last year that are most similar to the engagement described in your request for quotation.

In addition to the engagements listed above, the Engagement Lead, prior to joining Brown Edwards, served for a combined 11 years as the SOC Practice Leader at BDO USA, LLP, and as a SOC Director at Grant Thornton, LLP. During that time, she issued more than 150 SAS70, SSAE16 (SOC 1), and SOC 2 reports.



SERVICE APPROACH

SERVICE PHILOSOPHY

We reject the notion that a SOC examination 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. Our people work to identify and respond to our clients' needs. We believe that in the course of conducting a SOC examination, your 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 SOC reporting. It is this "value-added" philosophy to client service that has molded our approach to engagement management and distinguishes us from other firms.

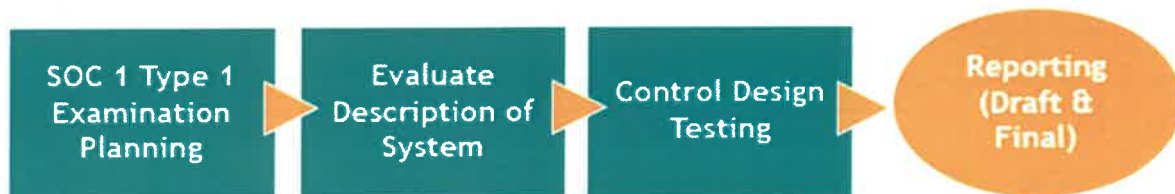
CLEAR COMMUNICATION

We value the candid exchange of ideas and opinions with our clients, and we maintain an open and robust dialogue with management and those charged with governance. We believe that communication is the most important tool for maximizing efficiency and effectiveness. Our approach emphasizes the importance of communication during all phases of the examination process. Good communication is the key to **no surprises!**

- Prior to the examination, we will meet with management to assist us in planning the examination. 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 examination, we will communicate in writing regarding the results of the examination and we will meet with management to discuss these results.
- We also encourage contact throughout the year, and your client service team has been and will be ready to consult with you any time you have a question. To demonstrate this commitment to meaningful dialogue, we do not bill for brief phone calls throughout the year. Of course, if a question requires extensive research, we will let you know and arrive at a fee estimate in advance.

OUR METHODOLOGY

Our methodology is broken down into four phases:



SOC 1 TYPE 1 PLANNING

We will hold an initial kick off meeting with management to commence the SOC 1 Type 1 examination. As part of this process, we will:

- Introduce team members from our staff and review our general approach for conducting the examination;
- Determine if there have been any changes to the scope of the examination including the control activities, policies, and procedures;
- Establish a plan for updating the description of the system; and
- Establish a plan and mechanism for reporting the status of the examination.

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. Our approach is designed to assess risk in relation to specified control objectives.

EVALUATE MANAGEMENT'S DESCRIPTION OF THE SYSTEM

Section 3 of the SOC 1 report provides a detailed description of processes and controls. Section 3 is provided by management and is therefore written by management. However, we typically provide assistance to management in updating this particular section of the report as we generally have more experience writing detailed descriptions of controls and underlying processes and thus alleviating some of the burden from management. This approach aids in the efficiency of the engagement.

CONTROL DESIGN TESTING

We commence the engagement by performing walkthroughs of the relevant controls at your locations. Our walkthrough procedures are designed to enable us to attest to the design of the controls and determine whether the controls are in place to achieve the control objectives.

REPORTING

Upon completion of our fieldwork, we commence efforts to draft the report, including our opinion in Section 1 of the report. Once drafted, we submit the draft report for your review and comment.

Upon receipt of your comments on the draft report, we revise the report as appropriate, submit the report and related work papers for engagement quality control review, and then, after consideration of the quality review comments, issue the final report.

SCOPE OF WORK

Brown Edwards will conduct a SSAE18 examination with the objective of expressing an opinion on the fair presentation of the system description and the suitability of design of the controls to achieve the specified control objectives as of the date for the SOC 1 Type 1 examination. Our examination will be conducted in accordance with attestation standards established by the AICPA.

In conjunction with key WVOT staff; Brown Edwards will perform a risk assessment of operations to prioritize areas of improvement.

Brown Edwards will provide recommendations to strengthen internal controls in order to lower risk in a prioritized list based on criticality of implementation.

Brown Edwards will provide recommendations for implementing “best practices” in instances where policies, procedures and processes do not exist or should be improved upon.

Brown Edwards will issue a separate management letter that includes recommendations for improvements in internal control, accounting procedures and other significant observations that are non-reportable conditions for each entity as appropriate.

Requirement 4.1.1.8 states the time period covered would begin at the cutoff date for the last audit and continue through the last day of the period being audited. However, a SOC 1 Type 1 examination is as of a specified date. Therefore, operating effectiveness testing that covers a period of time, is not required.

One (1) copy of the SSAE18 report, supporting documentation, and requested management documents will be made available in electronic form.

Five (5) copies of the SSAE18 report, supporting documentation, and requested management documents will be made available in paper form.

Brown Edwards will perform the audit within ninety (90) days of the acceptance of the contract, or earlier.

The requested reports and documentation will be provided in a finalized format sixty (60) days after the audit is performed, unless otherwise agreed to by WVOT.

CONFIDENTIALITY

Brown Edwards shall have access to private and confidential data maintained by WVOT to the extent required for Brown Edwards to carry out the duties and responsibilities defined in this contract. Brown Edwards agrees to maintain confidentiality and security of the data made available.

WORKPAPER RETENTION AND ACCESS TO WORKPAPERS

All workpapers will be provided, upon request, as they pertain to the SSAE18 examination. The workpapers will be available for examination by authorized representatives of the WVOT or appropriate regulatory bodies. The workpapers and reports will be retained, at our expense, for a minimum of five years, unless we are notified in writing by WVOT of the need to extend the retention period. In addition, we will respond to the reasonable inquiries of any successor auditor and allow the successor auditor to review workpapers relating to matters of continuing significance.

AFFIRMATIVE STATEMENTS

General and Specific Terms and Conditions – By signing and submitting this proposal, Brown Edwards agrees to be bound by all terms contained in this CRFQ ISC2000000006. This includes by reference all Terms and Conditions described in all parts of the CRFQ.

Independence – Brown Edwards is independent of WVOT, the State of West Virginia, and any component units of the State of West Virginia, as defined by the AICPA independence rules and *Government Auditing Standards*.

License to Practice – Brown Edwards and all assigned key professional staff are licensed to practice public accounting and perform attestation services in West Virginia.

Registration – Brown Edwards is properly registered with the State of West Virginia Purchasing Division and has paid all required fees.

Disciplinary Action - No disciplinary action has been taken or is pending against Brown Edwards.

Insurance - The Firm is in good standing and maintains sufficient professional liability and workers compensation insurance through policies with reputable insurance carriers.

CPAs – Brown Edwards employs 167 certified public accountants who are members of the AICPA across our 10 Firm offices.

Experience —All Brown Edwards partners, directors, and senior associates assigned to WVOT are certified public accountants and/or certified information systems auditors. Additionally, the Engagement Lead has over 13 years of SAS70/SSAE16/SSAE18 experience.

Availability — Brown Edwards will be available to WVOT on short notice to give advice to WVOT on changes in attestation standards which may present themselves and which may affect our examination of the description of IGT systems.

Compliance —Brown Edwards certifies compliance with all other required certifications or requirements listed as in the body of the RFQ.

Travel Costs —Brown Edwards certifies that any mileage and travel costs, including travel time, will be included in the flat fee or hourly rate listed in our bid. Brown Edwards will be responsible for any mileage or travel costs not listed in the flat fee or hourly rate.

APPENDIX A – RESUMES



Norman Yoder, CPA
Engagement Partner
434-948-9000
nyoder@BEcpas.com

PROFILE

- Partner in our Lynchburg office
- Primary partner or concurring reviewer of some of the firm's largest audit and attest engagements
- Active member of the firm's peer review services team
- Serves on the firm's accounting and auditing committee
- Serves as the lead partner of the firm's PCAOB/SEC practice group
- Experience with internal control consulting and other non-traditional attest engagements including examinations and agreed-upon procedures
- Recognized as a "Super CPA" by Virginia Business Magazine

RELEVANT EXPERIENCE

- Engagement partner for all of the firm's SSAE18 engagements

EDUCATION

- Bachelor of Business Administration in Accounting from James Madison University

MEMBERSHIPS

- Certified Public Accountant in Virginia
- American Institute of Certified Public Accountants (AICPA)
- Virginia Society of Certified Public Accountants (VSCPA)

CONTINUING PROFESSIONAL EDUCATION

- Norman is in compliance with all applicable CPE requirements



Rob Adams, CPA, CGMA

Concurring Partner

304-343-4188

readams@BEcpas.com

PROFILE

- Partner in our Charleston office with over 25 years of experience in public accounting
- Director of Assurance Services for the Charleston office
- Extensive experience in financial reporting, accounting, internal control, auditing, review, compilation, agreed upon procedures and other professional services for the following entity types:
 - Nonprofit organizations
 - Various state and local governments
 - Closely-held businesses and public sector entities including real estate, hospitality, manufacturing, retail, wholesale, mining, and media
- Active in the AICPA's Governmental Audit Quality Center and the Charleston Partner assigned to the Center

RELATED EXPERIENCE

- West Virginia Lottery Commission
- 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 Affordable Housing Trust Fund
- 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

CONTINUING PROFESSIONAL EDUCATION

- Rob is in compliance with all applicable CPE requirements

EDUCATION

- Bachelor of Business Administration with a concentration in accounting, West Virginia Wesleyan College
- Graduated Magna Cum Laude

MEMBERSHIPS

- Certified Public Accountant in West Virginia
- American Institute of Certified Public Accountants (AICPA)
- West Virginia Society of Certified Public Accountants, Charleston Chapter
- Governmental Finance Officers' Association
- Chartered Global Management Accountant
- West Virginia Kids Count, Board Member
- Multiple local church leadership committees

RELATED EXPERIENCE (CONTINUED)

- West Virginia Economic Development Authority
- West Virginia Educational Broadcasting Authority
- West Virginia Independent Colleges and Universities
- West Virginia Infrastructure and Jobs Development Council
- West Virginia Jobs Investment Trust
- West Virginia Division of Highways
- 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
- West Virginia Drinking Water Treatment Revolving Loan Fund



Cindy Gross, CPA, CISA, C|EH

Engagement Lead, IT Director

540-434-6736

cgross@BEcpas.com

PROFILE

- Information technology specialist in the Harrisonburg office with over 13 years of public accounting experience providing IT audits and consulting services to a wide range of entities including financial services, technology, municipal, and healthcare entities
- Services include SOX compliance, SAS70 and SSAE16/18 audits, IT risk assessments, and IT internal audit
- Has over fifteen years of experience in systems development and design
- Experience performing information technology assessments for local government, private industry, financial institutions, and colleges and universities

RELEVANT EXPERIENCE

- Independent College Enterprise SOC 2
- Robertson Marketing Group SOC 2
- Blue Ridge ESOP Associates SOC 2

EDUCATION

- Master of Professional Accountancy from the University of Texas at Arlington
- Bachelor in Computer Programming and Information Systems from Shepherd University

MEMBERSHIPS

- American Institute of Certified Public Accountants (AICPA)
- ISACA
- Certified Information Systems Auditor
- Certified Ethical Hacker through EC-Council
- Certified public accountant in Texas, West Virginia, and Virginia

CONTINUING PROFESSIONAL EDUCATION

- Cindy is in compliance with all applicable CPE requirements

APPENDIX B – PEER REVIEW REPORT



Report on the Firm's System of Quality Control

To the Partners of
Brown Edwards & Company L.L.P.
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Brown Edwards & Company L.L.P. (the firm) applicable to engagements not subject to PCAOB inspection in effect for the year ended May 31, 2018. 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 (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

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. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

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.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act, and audits of employee benefit plans.

As part of our peer review, we considered reviews by regulatory entities as communicated to the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Brown Edwards & Company L.L.P. applicable to engagements not subject to PCAOB inspection in effect for the year ended May 31, 2018, 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*. Brown Edwards & Company L.L.P. has received a peer review rating of *pass*.

Postlethwaite & Netterville

Baton Rouge, Louisiana
October 17, 2018

APPENDIX C – LICENSING

NORMAN YODER



Home > Consumer Information > Online Services

Licensee Details

Demographic Information

Name: Norman D Yoder

Address Information

Line 4: LYNCHBURG VA 24501
County: Lynchburg City
Country: United States

License Information

Lic #: [REDACTED] Profession: Accountancy Type: Certified Public Accountant
Status: Active Issued: 6/22/2000 Expiration: 6/30/2019

ROB ADAMS

CPA License Information

Name ROBERT E ADAMS
Company Name BROWN EDWARDS & CO LLP
Address 707 VIRGINIA ST E STE 300
City CHARLESTON
State WV
Zip 25301-2710
County KANAWHA
License Number [REDACTED]
License Type CPA
Status Active
Effective Date 07/01/2018
Expiration Date 6/30/2019
Discipline
Public Discipline Documents

CINDY GROSS

CPA License Information

Name Cynthia M Gross
Company Name
Address 500 Dry Meadow Rd
City McGaheysville
State VA
Zip 22840
County OUT-OF-STATE
License Number [REDACTED]
License Type CPA
Status Active
Effective Date 04/23/2019
Expiration Date 6/30/2019
Discipline

Public Discipline Documents



FIRM LICENSE

Firm License Information

Firm Name BROWN EDWARDS & CO LLP

Address 707 VIRGINIA ST E STE 300

City CHARLESTON

State WV

Zip 25301

County KANAWHA

Permit Number

Effective Date

Current Status

Expiration Date

Authorization to Perform Attest/Compilation Services

APPENDIX D – REQUIRED FORMS



Purchasing Division
 2019 Washington Street East
 Post Office Box 60130
 Charleston, WV 25306-0130

State of West Virginia
 Request for Quotation
 34 – Service - Prof

Proc Folder: 634623

Doc Description: Addendum 4-Auditing and Assessment Services (OT20038)

Proc Type: Central Purchase Order

Date Issued	Solicitation Closes	Solicitation No	Version
2019-10-30	2019-11-01 13:30:00	CRFQ 0210 ISC2000000006	6

BID RECEIVING LOCATION

BID CLERK
 DEPARTMENT OF ADMINISTRATION
 PURCHASING DIVISION
 2019 WASHINGTON ST E
 CHARLESTON WV 25305
 US

VENDOR

Vendor Name, Address and Telephone Number:

Brown, Edwards & Company, L.L.P.
 300 Chase Tower
 707 Virginia Street, East
 Charleston, WV 25301
 304-343-4188

FOR INFORMATION CONTACT THE BUYER

Jessica S Chambers
 (304) 558-0246
 jessica.s.chambers@wv.gov

Signature X

FEIN # 54-0504608

DATE 11/01/2019

All offers subject to all terms and conditions contained in this solicitation

ADDITIONAL INFORMATION:

Addendum

Addendum No.04 is being issued to extend bid opening date to 11/01/2019.

No other changes.

The West Virginia Purchasing Division is soliciting bids on behalf of the West Virginia Office of Technology to establish a contract for Audit and Assessment Services per the terms and conditions and specifications as attached.

INVOICE TO		SHIP TO	
DEPARTMENT OF ADMINISTRATION OFFICE OF TECHNOLOGY 1900 KANAWHA BLVD E, BLDG 5 10TH FLOOR CHARLESTON WV25305 US		IS&C - CHIEF FINANCIAL OFFICER DEPARTMENT OF ADMINISTRATION BLDG 5, 10TH FLOOR 1900 KANAWHA BLVD E CHARLESTON WV 25305 US	

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
1	Statement of Standards for Attestation Engagements No. 18	1.00000	LS		

Comm Code	Manufacturer	Specification	Model #
84111600			

Extended Description :

4.1.1 Statement of Standards for Attestation Engagements No. 18 - Reporting on Controls at a Service Organization (SOC1) Type 1

4.1.1.1 The vendor will review the WVOT's service organization.

For further details see attached specifications.

ISC200000006	Document Phase Final	Document Description Addendum 4-Auditing and Assessment Services (OT20038)	Page 3 of 3
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ADDITIONAL TERMS AND CONDITIONS

See attached document(s) for additional Terms and Conditions

ADDENDUM ACKNOWLEDGEMENT FORM
SOLICITATION NO.: CRFQ ISC2000000005

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 checked="" type="checkbox"/> Addendum No. 2 | <input type="checkbox"/> Addendum No. 7 |
| <input checked="" type="checkbox"/> Addendum No. 3 | <input type="checkbox"/> Addendum No. 8 |
| <input checked="" 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.

Brown, Edwards & Company, L.L.P.

Company



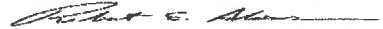
Authorized Signature

11/01/2019

Date

NOTE: This addendum acknowledgement should be submitted with the bid to expedite document processing.
Revised 6/8/2012

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.



(Name, Title)

Robert E. Adams, Partner

(Printed Name and Title)

300 Chase Tower, 707 Virginia Street, East Charleston, WV 25301

(Address)

Phone: (304) 343-4188 Fax: (304) 344-5035

(Phone Number) / (Fax Number)

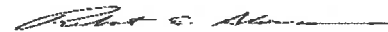
readams@BEcpas.com

(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.

Brown, Edwards & Company, L.L.P.

(Company)



(Authorized Signature) (Representative Name, Title)

Robert E. Adams, Partner

(Printed Name and Title of Authorized Representative)

11/01/2019

(Date)

Phone: (304) 343-4188 Fax: (304) 344-5035

(Phone Number) (Fax Number)

Revised 10/01/2019

**REQUEST FOR QUOTATION
Audit and Assessment 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) 343-4188
Fax Number:	(304) 344-5035
Email Address:	readams@BEcpas.com

STATE OF WEST VIRGINIA
 Purchasing Division

PURCHASING AFFIDAVIT

CONSTRUCTION CONTRACTS: Under W. Va. Code § 5-22-1(f), the contracting public entity shall not award a construction contract to any bidder that is known to be in default on any monetary obligation owed to the state or a political subdivision of the state, including, but not limited to, obligations related to payroll taxes, property taxes, sales and use taxes, fire service fees, or other fines or fees.

ALL CONTRACTS: 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 § 23-20-2, 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: (1) for construction contracts, the vendor is not in default on any monetary obligation owed to the state or a political subdivision of the state, and (2) for all other contracts, 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: Brown Edwards + Company LLP

Authorized Signature: [Signature] Date: 10/31/19

State of WV

County of Kanawha, to-wit:

Taken, subscribed, and sworn to before me this 31 day of October, 2019

My Commission expires July 6, 2020

AFFIX SEAL HERE

NOTARY PUBLIC [Signature]
 Purchasing Affidavit (Revised 01/19/2018)

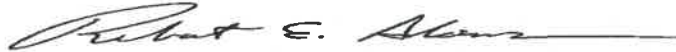


APPENDIX E – QUOTATION AND PRICING PAGE

**QUOTATION AND PRICING PAGE
 AUDITING AND ASSESSMENT SERVICES (OT20038)**

Item #	Item Description	Unit of Measure	Estimated Quantity	Unit Cost	Extended Cost
4.1.1	Statement of Standards for Attestation Engagements No. 18	LS	1		\$ 19,600
Overall Total Bid Amount				\$	19,600

Please note: This information is being captured for auditing purposes



Vendor Signature