



The following documentation is an electronically-submitted vendor response to an advertised solicitation from the *West Virginia Purchasing Bulletin* within the Vendor Self-Service portal at *wvOASIS.gov*. As part of the State of West Virginia's procurement process, and to maintain the transparency of the bid-opening process, this documentation submitted online is publicly posted by the West Virginia Purchasing Division at *WVPurchasing.gov* with any other vendor responses to this solicitation submitted to the Purchasing Division in hard copy format.

Header 1

General Information

Contact

Default Values

Discount

Document Information

Procurement Folder: 702505

Procurement Type: Central Master Agreement

Vendor ID: 000000197366

Legal Name: BROWN EDWARDS & COMPANY LLF

Alias/DBA:

Total Bid: \$0.00

Response Date: 04/24/2020

Response Time: 13:32

SO Doc Code: CRFQ

SO Dept: 0323

SO Doc ID: WWW200000016

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Status: Closed

Solicitation Description: ADDENDUM 2 Auditing Services

Total of Header Attachments: 1

Total of All Attachments: 1



Purchasing Division
 2019 Washington Street East
 Post Office Box 50130
 Charleston, WV 25305-0130

State of West Virginia
 Solicitation Response

Proc Folder : 702505
 Solicitation Description : ADDENDUM 2 Auditing Services
 Proc Type : Central Master Agreement

Date issued	Solicitation Closes	Solicitation Response	Version
	2020-05-07 13:30:00	SR 0323 ESR04242000000006241	1

VENDOR
000000197366 BROWN EDWARDS & COMPANY LLP

Solicitation Number: CRFQ 0323 WWV2000000016

Total Bid : \$0.00 Response Date: 2020-04-24 Response Time: 13:32:26

Comments:

FOR INFORMATION CONTACT THE BUYER
 Dusty J Smith
 (304) 558-2063
 dusty.j.smith@wv.gov

Signature on File FEIN # DATE

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

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
1	Auditing Services	0.00000	EA	\$294,900.000000	\$0.00

Comm Code	Manufacturer	Specification	Model #
93151608			

Extended Description : Vendors submitting bids online through wvOASIS should enter the total bid amount from the Exhibit A Pricing Page into the commodity line of wvOASIS and attached (or upload) a copy with their bid submittal.

Comments: See the uploaded proposal; this is the fee for all 4 years in total.

SOLICITATION NO:
CRFQ 0323 WWW200000016

APRIL 30, 2020

PROPOSAL TO PROVIDE PROFESSIONAL
FINANCIAL AUDITING SERVICES



Robert E. Adams, CPA, CGMA
Partner
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Brown, Edwards & Company, L.L.P.
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FIN # 54-0504608





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April 30, 2020

WORKFORCE West Virginia
Charleston, West Virginia 25305

We are very pleased to present our qualifications to provide professional financial auditing services to WORKFORCE West Virginia, hereafter referred to as “the Agency” for the fiscal year ending June 30, 2020, with the options to renew for three successive one (1) year periods. Our audit 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. Brown, Edwards & Company, L.L.P. (“Brown Edwards”) has a large state and municipal governmental practice and is a leader in providing services to those clients in West Virginia and throughout the region.

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. Providing audit services to state government entities is an important part of our practice and one in which we have extensive expertise. We have a wealth of historical experience auditing 28 State of West Virginia component units and funds over the last two decades, which individually range in size up to \$4 billion in assets and \$2 billion in revenues. Our experience with similar entities and preparing information required by the West Virginia Financial Accounting and Reporting Section is further described throughout this proposal.

Should we be appointed to serve as your independent auditors, the Agency will receive the highest quality professional audit services from auditors that will plan, conduct, and report on the audit with competence, integrity, objectivity, and that are independent of the Agency 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. Other firms would be hard pressed to demonstrate our depth and breadth of experience.

We have structured this proposal to communicate our experience and qualifications to effectively and efficiently respond to the requirements and expectations of the Agency, and have made every effort to completely respond to all matters identified in your request for proposal. 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)

Recognized as one of America's Best Tax Firms for 2020 by *Forbes Magazine (12/19)*

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

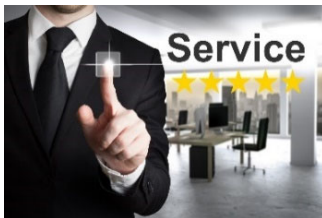
Listed as #5 in the Capitol Region by *Accounting Today (3/20)*

Offices in Blacksburg, Bristol, Lynchburg, Harrisonburg, Newport News, Richmond, 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

More than 350 professionals serving southeastern United States

OUR COMMITMENT TO EXCELLENCE



All aspects of our service quality are monitored against our **5 Star Service Quality Standards**. The 5 Star Quality Standards 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 a member of the American Institute of Certified Public Accountants' Center for Audit Quality. This membership requires a peer review every three years. **Our most recent peer review was performed in September 2018. We received a "Pass" rating, the highest rating achievable, for our 2018 review.** A copy of our most recent peer review is attached as **Appendix B** for your convenience.



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 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.



Brown Edwards is also a member of the American Institute of Certified Public Accountants' Governmental Audit Quality Center (GAQC). The GAQC is designed to help CPAs meet the challenges of performing quality governmental audits. The GAQC's primary purpose is to promote the importance of **quality governmental audits and the value of such audits to purchasers of governmental audit services.** As a member of the GAQC, we adhere to specific membership requirements covering the governmental audits we perform, comply with the specific continuing education requirements for all of our personnel working on these audits, and have access to tools that focus around quality improvement. We believe our participation in the GAQC enhances our audit services to all clients.

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.



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.

MEMBERSHIP ORGANIZATIONS (CONTINUED)



Brown Edwards also employs several Certified Fraud Examiners (“CFE”). CFE’s are experts in the field of internal control, fraud detection and prevention, litigation support, and expert witness assistance. This designation, and the skills associated with this certification, provide an added benefit to complex municipal engagements.

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 governmental team participates 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 the Agency 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***.

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 and in-depth research and analysis, rather than on “number crunching” and other mechanical aspects of client service, which enhances efficiency by allowing for the quick update of key documentation from year-to-year.

With an internet connection, our personnel can work from anywhere and have complete access to the firm’s network as well as access to multiple high quality research sites for research of accounting, auditing, and reporting issues. Our electronic software allows efficient integration of client prepared Word, PDF, and Excel files into our workpaper files.

OUR TECHNOLOGY (CONTINUED)

All data on Brown Edwards computers, including our workpapers in our computerized audit 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.

We use the following software solutions 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 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. **In most cases, use of IDEA reduces the audit preparation time for the client and reduces the duration of fieldwork testing.**



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.

Information and Cybersecurity Consulting



With our internal resources and a partnership with Auditwerx, Brown Edwards offers specialized information and cybersecurity consulting ranging from security assessments and consulting to penetration and vulnerability testing to help identify threats to system security. Recent studies indicate less than 50% of companies, organizations are prepared for a cyber-threat, and 46% do not have any type of formal program. And the State and Local Government sector is one of the most attractive targets for hackers. Additionally we offer SOC 1, SOC 2, and SOC 3 attestation services as well as SOC for Cybersecurity.

With Auditwerx, we have the expertise and extensive resources to help our clients design and implement solid, secure programs for both IT compliance and security. Fees associated with these services would be based on the degree of responsibility involved and the skill required.

OTHER PROFESSIONAL SERVICE OFFERINGS

We know our clients operate in a complex financial and compliance focused environment. At times, clients face challenges that only our expertise can assist with. These circumstances have strengthened our relationship with clients through services that are beyond the basic engagement. Brown, Edwards can provide a number of professional services, visit us at becpas.com to learn more.

QUALIFICATIONS AND EXPERIENCE

We have assembled a dedicated team of professionals to serve the needs of the Agency. These individuals bring a wide range of experience, professionalism, and insight to your engagement. They each have proven records with other governmental entities and nonprofit organizations. Our service team is exceptionally well suited to meet your needs because:

- Our firm's experience and commitment to continuing to build our governmental practice ensures that your questions and concerns are addressed promptly.
- Our local presence provides immediate availability of resources, expertise, and decision-making on the Agency's engagement.
- Our people have experience and knowledge that is relevant to the financial, accounting, information technology, and other business considerations facing the Agency.
- Our people are active members in various governmental organizations and associations, and maintain a strong professional relationship with FARS, the GFOA, and GASB.
- All service team members meet or exceed minimum continuing professional education requirements, including the stringent requirements under the GAO Yellow Book.

People make the difference in professional relationships. We believe communication and personal chemistry are particularly important elements of client relationships, especially in the dynamic governmental arena. Our professionals are skilled in this field, 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**.

Engagement 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 lead partner for the Agency. In this role, Rob will assume primary responsibility for the successful completion of the engagement and will maintain contact with you and senior management of the Agency throughout the engagement to ensure that services and resources are provided to the Agency in a timely manner. Rob will also provide technical expertise to the team and perform review and supervision procedures.

Concurring Partner – Chris Banta, CPA, CFE, is a partner with Brown Edwards with 20 years of governmental and nonprofit entity experience and will serve as concurring partner for the engagement. The role of the concurring partner is an essential element of Brown Edwards' quality processed services. Chris will be available to consult with the team on accounting and reporting matters and provide technical expertise.

Audit Director – Anthony Carpenter, CPA, is a director at Brown Edwards with many years of specialized experience with governmental entities and nonprofit organizations. Anthony will be responsible for developing our approach, supervising and coordinating the efforts of the engagement team, identifying and researching technical issues, and administrative matters. Anthony will be in contact with you to ensure your needs and deadlines are met and will be onsite to manage the audit process on a daily basis.

Audit Manager – Staunton Gorrell, CPA, is a manager at Brown Edwards with multiple years of specialized experience with governmental entities and nonprofit organizations. Staunton will be focused on supervising our engagement and assisting all personnel assigned on a daily basis.

Information Technology Director – Clarence Rhudy, CPA, CISA, CITP, is an information technology director with extensive experience with governmental entities and nonprofit organizations. Clarence will serve as a consultant to the engagement. In this role, he will be available to provide technical expertise throughout the engagement.

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 governmental accounting, auditing, reporting, and operations in excess of the GAO requirements. In addition, our membership in the AICPA's Governmental Audit Quality Center requires additional levels of continuing professional education to maintain our membership. We continually monitor the issuance of technical auditing and accounting 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 governmental and nonprofit 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 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 professionals gives us the ability to select a replacement with similar qualifications and levels of experience for your audit team. We understand that the Agency reserves the right to request staff changes throughout the term of the contract.

"The expertise and guidance from the staff of Brown Edwards has been invaluable to us over the years. They maintain contact with management throughout the auditing process, are flexible with scheduling and the audits are always conducted professionally, efficiently, and timely. Their staff is well versed on current mandates and they keep us informed of the constantly changing GASB's. They are always available to respond to any questions we may have throughout the year and offer viable solutions for our governmental agency."

-Sheila Miller, CFO
West Virginia Water Development Authority

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 Pensions 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 Solid Waste Management Board	Scott Norman 304-926-0448	GAS / AUP	2015-2019
West Virginia Lottery Commission	Dean Patrick 304-558-0500	GAS	2015-2019
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	2015-2019
West Virginia Infrastructure and Jobs Development Council	Sheila Miller 304-414-6500	GAS	2015-2019
West Virginia Water Development Authority	Sheila Miller 304-414-6500	GAS	2015-2019
West Virginia Drinking Water Treatment Revolving Loan Fund	Sheila Miller 304-414-6500	GAS / UG	2015-2019
West Virginia Jobs Investment Trust	Andy Zulauf 304-345-6200	GAS	2015-2019
West Virginia Economic Development Authority and affiliated entities	Jackie Browning 304-558-3650	GAS	2015-2019
West Virginia Water Pollution Control Fund	Katheryn Emery-Fultineer 304-926-0499	GAS / UG	2016-2019
West Virginia Alcohol Beverage Control Administration	Julia Jones 304-356-5510	GAS	2015-2019
West Virginia Prepaid College Tuition and Savings Plan	Greg Curry 304-340-2702	GAS	2016-2019
West Virginia Board of Treasury Investments	Kara Hughes 304-340-1564	GAS / AUP	2015-2019
West Virginia Housing Development Fund	Chad Leport 304-391-8644	GAS / UG	2015-2019
West Virginia Consolidated Public Retirement Board	John Galloway 304-558-3570	GAS	2015
West Virginia Municipal Pensions Oversight Board	Michelle Painter 304-356-2422	GAS	2015 and 2019

SERVICE APPROACH

SERVICE PHILOSOPHY

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. Our people work to identify and respond to our clients' needs. We believe that in the course of conducting an audit, 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 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.

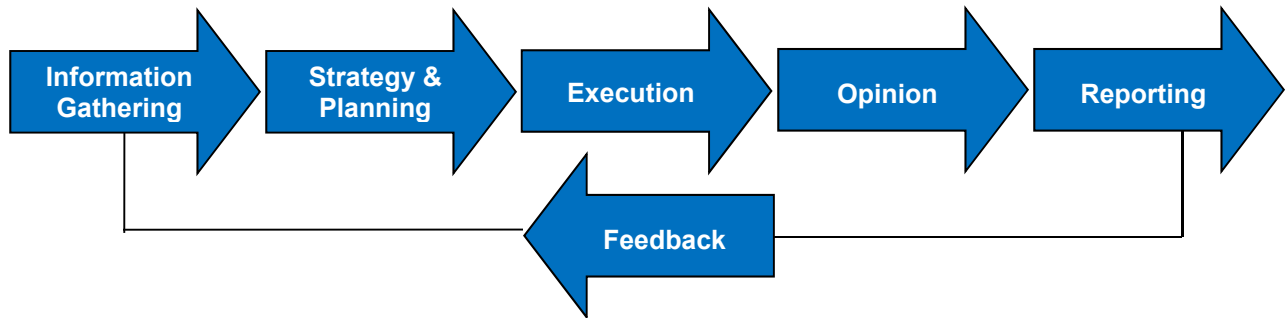
CLEAR COMMUNICATION

We value the candid exchange of ideas and opinions with our clients, and we maintain an open and robust dialogue with management and those charged with governance. We believe that communication is the most important tool for maximizing audit efficiency and effectiveness. There is no value to be derived from audit information unless it is communicated to the client in an effective and timely manner. Our approach emphasizes the importance of communication during all phases of the audit process. Good communication is the key to **no surprises!**

- Prior to the audit, we will meet with management and the Audit Committee 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 management 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. 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 six phases:



- We will gather sufficient information on the key audit risks including the development of our understanding of key internal controls, to enable us to design appropriate audit procedures, and conduct the audit in the most efficient manner, appropriately report on our procedures, and within the pre-agreed time frame and budget.

AUDIT APPROACH OVERVIEW

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 audit approach is designed to assess risk in relation to specified audit objectives to ensure an effective and timely audit. We evaluate the internal controls that you have established to safeguard assets and to provide for the preparation of accurate financial information. After documenting our understanding of the controls in the accounting system, we perform walkthroughs and design tests of internal controls over financial reporting, as necessary. We then design substantive testing procedures and plan our response to other favorable and unfavorable factors we identify during our risk assessment.

The risk and control assessments and substantive procedures provide evidence to support our audit opinion and provide us with a basis for making internal control and operational recommendations. Materiality is evaluated based on factors deemed important to the users of the Agency's financial statements, including assessments of selected qualitative measures. 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.

AUDIT APPROACH OVERVIEW (CONTINUED)

Our approach emphasizes up-front planning. During the planning phase, we will gain an understanding of the Agency and its internal controls, to the extent necessary to plan our audit. This will involve one-on-one interviews with various personnel. We then perform “walkthroughs” of key internal controls and conduct interviews with personnel to corroborate our understanding. Our approach places significant emphasis on identifying and determining that key controls of each entity have been implemented. This allows us to appropriately design our substantive audit procedures in well-controlled environments.

In addition, we will seek to identify areas that might be of higher risk. We perform analytical procedures of trends and relationships reported in the balances of financial statements at the account and grouping levels. During this time, we will also inquire of Agency personnel as to whether there are changes to their operations requiring us to address compliance with new laws and regulations as we plan our audit. We also review internal documents, such as by-laws, minutes, written policies and procedures, contracts, and agreements.

Utilizing this information, we assess the risks associated with your audit, including fraud, and adapt our audit strategy accordingly. A thoughtful, rigorous risk assessment process forces us to focus our efforts and to be as efficient and effective as possible. We also perform an engagement team “brainstorming” session to identify ways in which the financial statements could be misstated, especially as related to misappropriation or intentional misstatement. Our partners and directors are highly involved in this exercise.

Once we have made these critical decisions, we tailor our specific audit procedures and approach accordingly. We also factor the potential impact of newly issued technical pronouncements into the overall plan. To assist with controlling audit costs, we work with our clients to fully utilize their internal resources by developing comprehensive client assistance packages.

The comprehensive planning process is the cornerstone of adapting our audit approach to the needs identified by risk assessment for the Agency. The audit approach we take is both innovative and prudent in responding to the risk assessment; and its impact on the opinion provided on the financial statements of the Agency. These items help to determine the quality and quantity of audit evidence required to limit that risk to an acceptable level.

SCHEDULE

Our primary goals 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 Agency’s accounting staff, and that the audit is completed well in advance of the deadline described in your request for proposal to allow management adequate time to review our draft reports. We will establish the audit schedule, coordinating with the management and staff of the Agency, to ensure that all deadlines established by FARS and the RFQ are met.

AVAILABILITY THROUGHOUT THE YEAR

At Brown Edwards, 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.

INTERNAL CONTROL

As mentioned previously, obtaining an understanding of internal controls is an important part of the risk assessment process. We will obtain an understanding of the interrelated components of internal control including:

- a. Control environment
- b. Risk assessment
- c. Information and communication
- d. Monitoring
- e. Control activities

Our understanding of internal control will be sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Our understanding of internal controls incorporates two primary elements - the evaluation of the design of the control and a determination of whether it has been implemented. We will identify key controls and perform walkthroughs, observations, and inquiries to determine that they have been implemented.

Generally accepted auditing standards require that we gain an understanding of the information technology internal control system sufficient to plan our audit. As part of that process, we utilize experienced technology personnel. We have obtained this experience performing IT assessment procedures for various size companies, from public companies for Sarbanes-Oxley Information Technology requirements, governments, colleges, and financial institutions. Our professionals will interview your IT personnel for the purpose of evaluation of IT risks and controls relevant to the audit. In most cases, this review results in the identification of previously unknown areas of risk and areas where controls and/or processes could be improved.

Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed.

CONSIDERATION OF LAWS, REGULATIONS, CONTRACTS AND GRANTS

Identifying and ensuring that the Agency complies with laws and regulations is the responsibility of management. We will include appropriate inquiries of management and staff of the Agency to identify laws and regulations with which noncompliance could have a direct and material effect on the financial statements. We will also review relevant portions of the West Virginia Code, code of State Rules, and relevant regulations. We will test the provisions of those laws, regulations, grants and contracts for noncompliance which could have a direct and material effect on the financial statements. 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. 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*.

AUDIT PLAN AND EXECUTION

The risk assessment, planning, and information gathering result in the development of the audit plan which is a detailed audit approach that is supplemented by written, detailed audit programs. The plan will be scrutinized by the engagement partner to determine that the specific procedures developed are appropriate, efficient and reasonable in the circumstances.

We will issue our report and express an opinion on the fair presentation of the Agency's financial statements in conformity with accounting principles generally accepted in the United States of America. We will perform certain limited procedures on the required supplementary information required by the Government Accounting Standards Board. We will also perform audit procedures on the additional schedules required by FARS to be included as additional financial information. We will report on internal control over financial reporting and compliance as required by *Government Auditing Standards*.

Our audit will be performed in accordance with generally accepted auditing standards established by the American Institute of Certified Public Accountants and *Government Auditing Standards* issued by the Comptroller General of the United States.

At the conclusion of our audit, five signed copies of the bound final report will be delivered to WORKFORCE West Virginia, Director of Financial Administrative & Management (FAM). An electronic copy (PDF) will also be provided.

In addition, we will make an immediate written report of all fraud and illegal acts of which we become aware, to the Director of the Financial Accounting and Reporting Section of the Department of Administration under the authority of Section 5A-2-33 of the State Code.

Finally, we will inform the Agency's Executive Director and the Director of the FAM of each of the following:

- The auditor's responsibility under generally accepted auditing standards and *Government Auditing Standards*
- Significant accounting policies
- Management judgments and accounting estimates
- Significant audit adjustments, if any
- Other information in documents containing audited financial statements
- Disagreements with management, if any
- Management consultation with other accountants
- Major issues discussed with management prior to retention
- Difficulties encountered in performing the audit
- Significant abuse, if detected

In addition, if we discover matters that are considered control deficiencies or other opportunities to strengthen existing controls or provide operational efficiency we will provide those in written form to management in a communication separate from the deliverables described above, commonly referred to as a management letter.

SCOPE OF WORK

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 is 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.
- Produce timely management letters which make specific, creative and practical suggestions, not only to strengthen internal controls, but also to improve operating performance and effectiveness.
- Provide ongoing communications with management regarding any accounting or financial reporting developments which may affect the Agency.

TIME REQUIREMENTS

We will design, plan, and perform our audit in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States, and auditing standards generally accepted in the United States of America to meet the following time requirements:

We will design and plan our audit to meet the following time requirements:

- Entrance Conference – Brown Edwards will schedule an entrance conference upon award and prior to May 30, 2020.
- Interim Work – Brown Edwards will have all interim work completed and will prepare a detailed audit plan no later than June 30, 2020.
Draft Audit Reports and Financial Statements - Draft audit reports and financial statements prepared by August 21, 2020.
- Revised Draft Audit Reports and Financial Statements - Revised drafts of the audit report and recommendations will be submitted to management for their review by August 28, 2020. Draft and final draft audit reports will be submitted to FARS with copies to the Executive Director or WORKFORCE West Virginia and the Director of FAM by September 5, 2020. The unsigned final draft with all modifications will be submitted to the agency's management for final review by October 13, 2020.
- The final signed report shall be delivered to the Agency and FARS by October 15, 2020.

CONFIDENTIALITY

Brown Edwards shall have access to private and confidential data maintained by the Agency 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 any questioned costs determined in the audit. The workpapers will be concise and provide the basis for the questioned costs as well as any analysis of the problem. The workpapers will be available for examination by authorized representatives of any cognizant federal or state audit agency, the Government Accountability Office, or the Agency. The workpapers and reports will be retained, at our expense, for a minimum of five years, unless we are notified in writing by the Agency 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 accounting significance.

AFFIRMATIVE STATEMENTS

Brown Edwards affirms to be independent of the Agency and licensed to practice in West Virginia.

All Brown Edwards partners and directors on the engagement are licensed CPA's with at least 5 years of audit experience with governmental entities. All manager level employees on this engagement are CPA's with 3 years of experience on governmental engagements. We understand that the state agency retains the right to approve or reject replacements based upon their qualifications, experience or performance.

Brown Edwards has experience auditing/consulting with at least 3 different state government entities (agencies) over the past 5 years. A list of qualifying engagements is provided in this proposal.

Brown Edwards has passed our 2 most recent AICPA Peer Reviews. See **Appendix B** for our most recent Peer Review report.

Brown Edwards has at least 7 CPA's on staff within the firm that are strictly audit and not tax professionals. We affirm that at least 5 of these audit professionals are in the same location (Charleston office).

Brown Edwards has not had a final audit issued that had to be reissued due to material errors or omissions discovered by West Virginia Financial Accounting and Reporting Section or other West Virginia state agency two times or more.

Brown Edwards is a member in good standing of the AICPA's Governmental Audit Quality Center.

Brown Edwards carries the professional liability insurance necessary to meet the minimum requirements of this RFQ. We can provide proof of insurance upon notification of intent to award the project to us.

APPENDIX A – RESUMES



Rob Adams, CPA, CGMA
Engagement Partner
304-343-4188
readams@BEcpas.com

PROFILE

- Partner is 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

CONTINUING PROFESSIONAL EDUCATION

- Rob is in compliance with all applicable CPE requirements.

RELEVANT EXPERIENCE

- 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

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

- West Virginia Division of Highways
- 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 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
- West Virginia Drinking Water Treatment Revolving Loan Fund



Chris Banta, CPA, CFE
Concurring Partner
540-345-0936
cbanta@BEcpas.com

PROFILE

- Partner and Firm Coordinator of Brown Edwards state and local government practice with over 20 years of experience
- Specializes in municipalities, electric cooperatives, not-for-profit organizations, and HUD properties
- Coordinates the compliance auditing aspect of the annual audits of municipal and nonprofit clients, including APA compliance and transmittal form preparation, single audit compliance, FAA compliance, RUS compliance, and NTD reporting compliance
- Member of Brown Edwards' peer review services team
- Certified Fraud Examiner, providing internal control reviews, fraud examinations, forensic accounting services, and litigation support services

CONTINUING PROFESSIONAL EDUCATION

- Chris is in compliance with all applicable CPE requirements.

RELEVANT EXPERIENCE

- West Virginia Board of Treasury Investments
- County of Frederick, Virginia
- County of Bedford, Virginia
- Montgomery County, Virginia
- Riverside Regional Jail Authority
- City of Falls Church, Virginia
- City of Colonial Heights, Virginia
- City of Winchester, Virginia
- City of Lynchburg, Virginia
- City of Harrisonburg, Virginia
- City of Staunton, Virginia
- Roanoke City Public Schools
- Virginia Tech/Montgomery Airport Authority
- Town of Blacksburg, Virginia

EDUCATION

- Bachelor of Science in Accounting from Virginia Tech

MEMBERSHIPS

- American Institute of Certified Public Accountants (AICPA), the Virginia Society of Certified Public Accountants (VSCPA), the Virginia Government Finance Officers' Association (VGFOA), the National Society of Accountants for Cooperatives (NSAC), and the Association of Certified Fraud Examiners (ACFE)
- Past Treasurer (also former President) of the Grandin Theatre Foundation
- Current Board Member of the Virginia Museum of Transportation and Boys and Girls Club of Southwest Virginia
- Member of the Kiwanis Club of Roanoke, serving as chair of the Career Technical Education Scholarship Committee
- Virginia Resources Authority
- Virginia Tobacco Settlement Financing Corporation
- Greater Lynchburg Transit Company
- Bedford Regional Water Authority
- Town of Bedford, Virginia
- Town of Culpeper, Virginia
- Town of Vinton, Virginia
- Town of Tazewell, Virginia
- City of Charlottesville, Virginia
- County of King William, Virginia
- County of New Kent, Virginia
- Coordinated Services Management



Anthony Carpenter, CPA
Director
304-343-4188
acarpenter@BEcpas.com

PROFILE

- Director in the Charleston office with over 12 years of experience in public accounting with a concentration in Accounting and Assurance Services
- Primarily works for non-profit organizations, local and state governmental agencies, closely held businesses, and retirement plans

CONTINUING PROFESSIONAL EDUCATION

- Anthony is in compliance with all applicable CPE requirements.

RELEVANT EXPERIENCE

- Central West Virginia Regional Airport Authority
- Charleston Area Alliance
- City of Charleston, West Virginia
- EastRidge Health Systems
- Hatfield-McCoy Regional Recreational Authority
- Kanawha County, West Virginia
- Kanawha Valley Regional Transportation Authority
- Public Service Commission of West Virginia
- School Building Authority of West Virginia
- Seneca Health Services
- United Methodist Foundation of West Virginia, Inc.
- Valley Healthcare System
- West Virginia Affordable Housing Trust Fund
- West Virginia Board of Treasury Investments
- West Virginia Consolidated Public Retirement Board
- Tobacco Settlement Finance Authority
- West Virginia Alcohol Beverage Control Administration
- West Virginia Jobs Investment Trust

EDUCATION

- Bachelor of Business Administration with a concentration in accounting, West Virginia State University

MEMBERSHIPS

- Certified Public Accountant In West Virginia
- American Institute of Certified Public Accountants (AICPA)
- West Virginia Society of Certified Public Accountants (WVSCPA)
- Leadership Kanawha Valley
- Emerging Leaders Academy

- West Virginia Drinking Water Treatment Revolving Loan Fund
- West Virginia Division of Highways
- West Virginia Housing Development Fund
- West Virginia Independent Colleges and Universities
- West Virginia Infrastructure and Jobs Development Council
- 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 Water Development Authority
- West Virginia Water Pollution Control Revolving Fund
- Young Men’s Christian Association of Kanawha Valley, Inc.



Staunton Gorrell, CPA

Manager

304-343-4188

sgorrell@BEcpas.com

PROFILE

- Manager in the Charleston office with over 6 years of experience in public accounting with a concentration in Accounting and Assurance Services
- Primarily works in the Nonprofit and Governmental Niche

RELEVANT EXPERIENCE

- Central West Virginia Regional Airport Authority
- West Virginia Alcohol Beverage Control Administration
- West Virginia Water Pollution Control Revolving Fund
- Region III Planning and Development Council
- West Virginia Housing Development Fund
- West Virginia Lottery Commission
- West Virginia Solid Waste Management Board
- City of Charleston, West Virginia
- Kanawha County, West Virginia
- School Building Authority of West Virginia
- United Methodist Foundation of West Virginia, Inc.
- West Virginia Consolidated Public Retirement Board
- YMCA of Charleston, WV, Inc.
- Heart and Hand Outreach Ministries
- Woodson Center
- Jackson County Development Center
- University of Charleston
- West Virginia Municipal Pensions Oversight Board

EDUCATION

- Bachelor of Business Administration in Finance, James Madison University

MEMBERSHIPS

- Certified Public Accountant in West Virginia
- American Institute of Certified Public Accountants (AICPA)
- West Virginia Society of Certified Public Accountants (WVSCPA)
- Treasurer, Charleston FestiVALL

CONTINUING PROFESSIONAL EDUCATION

- Staunton is in compliance with all applicable CPE requirements.



Clarence A. Rhudy, Jr., CPA, CISA, CITP
Information Technology Director
540-345-0936
crhudy@BEcpas.com

PROFILE

- Information Technology Director with over 16 years of experience in public accounting experience in programming, classroom training, automation, and the utilization of information technology controls in the work place with our firm and other organizations
- Worked closely with various organizations prior to and since joining Brown Edwards to achieve more effective and efficient use of technology, including IT assessments for various organizations including local governments and Sarbanes-Oxley (SOX) compliance both as a consultant and an auditor
- Experience performing information technology assessments for local and state governments, private industry, financial institutions, and colleges and universities

CONTINUING PROFESSIONAL EDUCATION

- Clarence is in compliance with all applicable CPE requirements.

EDUCATION

- Bachelor of Science in Accounting and Finance, Concord University
- Master of Accountancy, Lynchburg College
- Previously taught accounting, investing, finance, and computers at National Business College and Central Virginia Community College

MEMBERSHIPS

- Certified Public Accountant
- American Institute of Certified Public Accountants (AICPA)
- Virginia Society of Certified Public Accountants (VSCPA)
- Information Systems Audit and Control Association (ISACA)
- Certified Information Technology Professional (CITP)
- Certified Information Systems Auditor (CISA)
- A+ and Network+ certifications, Member of Comptia

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 –
FIRM LICENSE TO PERFORM ATTESTATION
SERVICES AND TEAM MEMBER CPA
LICENSES

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	07/01/2019
Expiration Date	6/30/2020
Discipline	
Public Discipline Documents	



[Home](#) > [Consumer Information](#) > [Online Services](#)

Licensee Details

Demographic Information

Name: Christopher Alan Banta

Address Information

Line 4: ROANOKE VA 24019

County: Roanoke

Country: United States

License Information

Lic #: 33328

Profession: Accountancy

Type: Certified Public Accountant

Status: Active

Issued: 5/18/2007

Expiration: 6/30/2021

CPA License Information

Name	ANTHONY LEE CARPENTER
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	07/01/2019
Expiration Date	6/30/2020
Discipline	
Public Discipline Documents	

CPA License Information

Name	STAUNTON THOMAS GORRELL
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	07/01/2019
Expiration Date	6/30/2020
Discipline	
Public Discipline Documents	

Licensee Details

Demographic Information

Name: Clarence Alexander Rhudy Jr

Address Information

Line 4: Salem VA 24153

County: Salem

Country: United States

License Information

Lic #: [REDACTED] **Profession:** Accountancy **Type:** Certified Public Accountant

Status: Active **Issued:** 2/9/2001 **Expiration:** 6/30/2021

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 – REFERENCES

The following is a list of engagements with the State of West Virginia from the Charleston office of Brown Edwards, for the past six years. Listed audits are performed under *Government Auditing Standards*. In addition, numerous financial statements audited by Brown Edwards have been incorporated in Official Statements of bond offerings, demonstrating the acceptance of our firm in the credit markets.

	Scope of Work	Years Served	Principal Client Contact	Phone Number
West Virginia Infrastructure and Jobs Development Council	GAS	2014-2019	Sheila Miller	304-414-6500
West Virginia Water Development Authority	GAS	2014-2019	Sheila Miller	304-414-6500
West Virginia Drinking Water Treatment Revolving Loan Fund	GAS / UG	2014-2019	Sheila Miller	304-414-6500
West Virginia Housing Development Fund	GAS / UG	2014-2019	Chad Leport	304-391-8644
West Virginia Jobs Investment Trust	GAS	2014-2019	Andy Zulauf	304-345-6200
West Virginia Economic Development Authority	GAS	2015-2019	Caren Wilcher	681-313-2007
West Virginia Water Pollution Control Fund	GAS / UG	2016-2019	Katheryn Emery-Fultineer	304-926-0499
West Virginia Lottery Commission	GAS	2014-2019	Dean Patrick	304-558-0500
Tobacco Settlement Finance Authority of WV	GAS	2014-2018	Jane Shinn	304-558-4083
West Virginia Alcohol Beverage Control Administration	GAS	2014-2019	Julia Jones	304-356-5500
West Virginia Solid Waste Management Board	GAS / AUP	2015-2019	Scott Norman	304-926-0448
West Virginia Prepaid College Tuition and Savings Plan	GAS	2016-2019	Greg Curry	304-340-5043
West Virginia Board of Treasury Investments	GAS / AUP	2014-2019	Kara Hughes	304-340-1564
West Virginia Consolidated Public Retirement Board	GAS	2014-2015	John Galloway	304-558-3570
West Virginia Department of Transportation, Division of Highways	GAS	2015 - 2016	Susan Creager	304-558-9420


APPENDIX E – PRICING PAGE

WORKFORCE WEST VIRGINIA

Exhibit A - Pricing Page

DELIVERABLES	Estimated Hours	Hourly Rates Year One	Extended cost	Hourly Rates Year Two	Extended Cost Year Two	Hourly Rates Year Three	Extended Cost Year Three	Hourly Rates Year Four	Extended Cost Year Four	
PHASE I										
Entrance Conference	20	\$ 175.00	\$ 3,500.00	\$ 180.00	\$ 3,600.00	\$ 185.00	\$ 3,700.00	\$ 190.00	\$ 3,800.00	
Detailed Audit Plan	50	\$ 175.00	\$ 8,750.00	\$ 180.00	\$ 9,000.00	\$ 185.00	\$ 9,250.00	\$ 190.00	\$ 9,500.00	
Draft of WORKFORCE West Virginia Reports and Financial Statements for Review	225	\$ 135.00	\$ 30,375.00	\$ 140.00	\$ 31,500.00	\$ 140.00	\$ 31,500.00	\$ 145.00	\$ 32,625.00	
TOTAL PHASE I			\$ 42,625.00	TOTAL PHASE I YEAR TWO	\$ 44,100.00	TOTAL PHASE I YEAR THREE	\$ 44,450.00	TOTAL PHASE I YEAR FOUR	\$ 45,925.00	
PHASE II										
Revised draft with all requests changed and modification of WORKFORCE West Virginia reports and financial statements for review	50	\$ 135.00	\$ 6,750.00	\$ 140.00	\$ 7,000.00	\$ 140.00	\$ 7,000.00	\$ 145.00	\$ 7,250.00	
Draft submitted to the Financial Accounting and Reporting Section (FARS) of the WV Department of Administration with copies to Executive Director of WORKFORCE West Virginia and Director of FAM	30	\$ 135.00	\$ 4,050.00	\$ 140.00	\$ 4,200.00	\$ 140.00	\$ 4,200.00	\$ 145.00	\$ 4,350.00	
TOTAL PHASE II			\$ 10,800.00	TOTAL PHASE II YEAR TWO	\$ 11,200.00	TOTAL PHASE II YEAR THREE	\$ 11,200.00		\$ 11,600.00	
PHASE III										
Unsigned Final Draft with all modifications to WORKFORCE West Virginia management for final review	40	\$ 175.00	\$ 7,000.00	\$ 180.00	\$ 7,200.00	\$ 185.00	\$ 7,400.00	\$ 190.00	\$ 7,600.00	
Final signed report submitted to WORKFORCE West Virginia and FARS	40	\$ 175.00	\$ 7,000.00	\$ 180.00	\$ 7,200.00	\$ 185.00	\$ 7,400.00	\$ 190.00	\$ 7,600.00	
TOTAL PHASE III			\$ 14,000.00	TOTAL PHASE III YEAR TWO	\$ 14,400.00	TOTAL PHASE III YEAR THREE	\$ 14,800.00	TOTAL PHASE III YEAR FOUR	\$ 15,200.00	
Phase Total = PHASE 1 + PHASE II + PHASE III										
Hourly Services	**Rate per Hour for Accounting, Auditing, and Consulting Services	20	\$ 175.00	\$ 3,500.00	\$ 180.00	\$ 3,600.00	\$ 185.00	\$ 3,700.00	\$ 190.00	\$ 3,800.00
Grand Total YEAR ONE (Total Hourly Services + Total Phases)			\$ 70,925.00	GRAND TOTAL (HRLY SERVICE & PHASES) YR 2	\$ 73,300.00	GRAND TOTAL (HRLY SERVICE & PHASES) YR 3	\$ 74,150.00	GRAND TOTAL (HRLY SERVICE & PHASES) YR 4	\$ 76,525.00	
HOURS SHOWN ARE AN ESTIMATION AND IS FOR AWARD PURPOSES ONLY										
AWARD WILL BE BASED ON GRAND TOTAL , HOWEVER THE COST OF THE HOURS WILL BE ACTUAL PAYMENT AND THOSE HOURS ARE NOT GUARANTEED.										
Vendor may request payment pursuant to the following schedule :										
* First Payment and can be submitted upon completion of Phase I , identified in the above table										
* Second Payment can submitted upon completion of Phase II , identified in the above table										
* Third payment can be submitted upon completion of Phase III , identified in the table										
**WORKFORCE West Virginia requires that the accounting first be available to assist with accounting Issues and now reporting requirements as they arise on an as-needed basis. The bid must include firm fixed fee for the services shown as well as an hourly rate for accounting and auditing consulting services. The total cost submitted for bid must include all travel and out-of -the -pocket expenses.										

APPENDIX F – REQUIRED FORMS

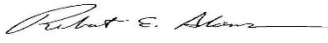
	Purchasing Division 2019 Washington Street East Post Office Box 50130 Charleston, WV 25305-0130	State of West Virginia Request for Quotation 14 — Financial

Proc Folder: 702505			
Doc Description: Auditing Services			
Proc Type: Central Master Agreement			
Date Issued	Solicitation Closes	Solicitation No	Version
2020-04-15	2020-04-30 13:30:00	CRFQ 0323 WWW2000000016	1

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, West Virginia 25301 304-343-4188

FOR INFORMATION CONTACT THE BUYER
Dusty J Smith (304) 558-2063 dusty.j.smith@wv.gov

Signature X 	FEIN # 54-0504608	DATE 04/30/2020
---	-------------------	-----------------

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

ADDITIONAL INFORMATION:

OPEN END
 THE STATE OF WEST VIRGINIA PURCHASING DIVISION FOR THE AGENCY, WORKFORCE West Virginia, IS SOLICITING BIDS FOR THE OPEN-END CONTRACT OF AUDITING SERVICES) PER THE ATTACHED DOCUMENTS.

QUESTIONS REGARDING THE SOLICITATION MUST BE SUBMITTED IN WRITING TO DUSTY.J.SMITH@WV.GOV PRIOR TO THE QUESTION PERIOD DEADLINE CONTAINED IN THE INSTRUCTIONS TO VENDORS SUBMITTING BIDS.

****PLEASE NOTE THAT PAGES THAT NEED SIGNED AND RETURNED SUCH AS 22, 23, 30, 33, 34 OF THE SOLICITATION SHOULD BE SIGNED AND SUBMITTED WITH THE BID.****

** Vendors submitting bids online through wvOASIS should enter the total bid amount from the Exhibit A Pricing Page into the commodity line of wvOASIS and attached (or upload) a copy with their bid submittal.**

INVOICE TO		SHIP TO	
FISCAL AND ADMINISTRATIVE MANAGEMENT - 5301		OFFICE OF ADMIN SUPPORT - 5302	
WORKFORCE WEST VIRGINIA		WORKFORCE WEST VIRGINIA	
1900 KANAWHA BLVD, EAST		1900 KANAWHA BLVD, EAST	
BLDG 3, 3RD FLOOR, SUITE 300		BLDG 3, 3RD FLOOR, SUITE 300	
CHARLESTON	WV25305	CHARLESTON	WV 25305
US		US	

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
1	Auditing Services	0.00000	EA		

Comm Code	Manufacturer	Specification	Model #
93151608			

Extended Description :

Vendors submitting bids online through wvOASIS should enter the total bid amount from the Exhibit A Pricing Page into the commodity line of wvOASIS and attached (or upload) a copy with their bid submittal.

SCHEDULE OF EVENTS

Line	Event	Event Date
1	TECHNICAL QUESTIONS DUE AT 10AM	2020-04-23

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.

 *Partner*

(Name, Title)

Robert E. Adams, Partner

(Printed Name and Title)

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

(Address)

304-343-4188 / 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)

 *Partner*

(Authorized Signature) (Representative Name, Title)

Robert E. Adams, Partner

(Printed Name and Title of Authorized Representative)

04/30/2020

(Date)

304-343-4188 / 304-344-5035

(Phone Number) (Fax Number)

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.

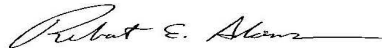
Acknowledgment: I hereby acknowledge receipt of the following addenda and have made the necessary revisions to my proposal, plans and/or specification, etc.

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.

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



Authorized Signature

04/30/2020

Date

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

STATE OF WEST VIRGINIA
Purchasing Division

PURCHASING AFFIDAVIT

CONSTRUCTION CONTRACTS: Under W. Va. Code § 5-22-1(i), 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 § 23-2c-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: (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, and Company, LLP

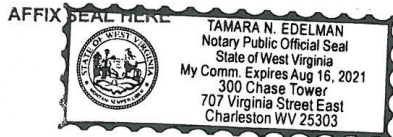
Authorized Signature: [Signature] Date: 7/21/20

State of West Virginia

County of Kanawha, to-wit:

Taken, subscribed, and sworn to before me this 21 day of April, 2020.

My Commission expires Aug. 16, 2021.



NOTARY PUBLIC

[Signature]

Purchasing Affidavit (Revised 01/19/2018)

**West Virginia Ethics Commission
Disclosure of Interested Parties to Contracts**

(Required by W. Va. Code § 6D-1-2)

Name of Contracting Business Entity: Brown, Edwards & Company, L.L.P. **Address:** 300 Chase Tower, 707 Virginia Street, East
Charleston, West Virginia 25301

Name of Authorized Agent: Robert E. Adams **Address:** 300 Chase Tower, 707 Virginia Street, East, Charleston, WV 25301

Contract Number: CRFQ 0323 WWW2000000016 **Contract Description:** Auditing Services

Governmental agency awarding contract: The State of West Virginia Purchasing Agency for the Agency, WORKFORCE West Virginia

Check here if this is a Supplemental Disclosure

List the Names of Interested Parties to the contract which are known or reasonably anticipated by the contracting business entity for each category below (attach additional pages if necessary):

1. Subcontractors or other entities performing work or service under the Contract

Check here if none, otherwise list entity/individual names below.

2. Any person or entity who owns 25% or more of contracting entity (not applicable to publicly traded entities)

Check here if none, otherwise list entity/individual names below.

3. Any person or entity that facilitated, or negotiated the terms of, the applicable contract (excluding legal services related to the negotiation or drafting of the applicable contract)

Check here if none, otherwise list entity/individual names below.

Signature: *Robert E. Adams* of Brown Edwards & Company, L.L.P. Date Signed: 4/23/20

Notary Verification

State of West Virginia, County of Kanawha:

I, TAMARA N EDELMAN, the authorized agent of the contracting business entity listed above, being duly sworn, acknowledge that the Disclosure herein is being made under oath and under the penalty of perjury.

Taken, sworn to and subscribed before me this 23 day of April, 2020

Tamara N Edelman
Notary Public's Signature

To be completed by State Agency:
Date Received by State Agency: _____
Date submitted to Ethics Commission: _____
Governmental agency submitting Disclosure: _____

