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Header @ 1

List View

General Information | Contact | Default Values | Discount | Document Information | Clarification Request

Procurement Folder: 1077957

Procurement Type: Central Master Agreement

Vendor ID: VS0000005676

Legal Name: Discovery Audit Services LLC

Alias/DBA:

Total Bid: \$2.00

Response Date: 09/06/2022

Response Time: 14:42

Responded By User ID: swoolf

First Name: Shelby

Last Name: Woolf

Email: swoolf@discoveryauditse

Phone: 2259289175

SO Doc Code: CRFQ

SO Dept: 1300

SO Doc ID: STO2300000001

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Status: Closed

Solicitation Description: Addendum No.4 Audit Services for Unclaimed Property

Total of Header Attachments: 1

Total of All Attachments: 1



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

**State of West Virginia
Solicitation Response**

Proc Folder: 1077957
Solicitation Description: Addendum No.4 Audit Services for Unclaimed Property
Proc Type: Central Master Agreement

Solicitation Closes	Solicitation Response	Version
2022-09-07 13:30	SR 1300 ESR09022200000001124	1

VENDOR
VS0000005676
Discovery Audit Services LLC

Solicitation Number: CRFQ 1300 STO2300000001
Total Bid: 2
Response Date: 2022-09-06
Response Time: 14:42:07
Comments:

FOR INFORMATION CONTACT THE BUYER
Toby L Welch
(304) 558-8802
toby.l.welch@wv.gov

Vendor Signature X **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	Audit services				1.00

Comm Code	Manufacturer	Specification	Model #
84111600			

Commodity Line Comments:

Extended Description:

Audit/Collection of Property per section 4.1.21 of Specifications. Rate shall not exceed 10.5% Vendor must enter their percentage and affirmation on Exhibit A Pricing Page and return with their bids.

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
2	Audit services				1.00

Comm Code	Manufacturer	Specification	Model #
84111600			

Commodity Line Comments:

Extended Description:

Audit / Voluntary Compliance Program per section 4.2.10 of Specifications. Rate shall be flat rate of 9% Vendor must enter their percentage and affirmation on Exhibit A Pricing Page and return with their bids.

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
3	Audit services	0.00000	HOUR	100.000000	0.00

Comm Code	Manufacturer	Specification	Model #
84111600			

Commodity Line Comments:

Extended Description:

Audit /Other Services per section 4.3.1 of Specifications. Rate shall not exceed \$100 per hour. Vendor must enter their hourly rate and affirmation on Exhibit A Pricing Page and return with their bids.

REQUEST FOR QUOTATION FOR
**AUDIT SERVICES FOR
UNCLAIMED PROPERTY**
SOLICITATION #: CRFQ ST02300000001

WEST VIRGINIA STATE
TREASURER'S OFFICE,
UNCLAIMED PROPERTY DIVISION



DISCOVERY AUDIT SERVICES, LLC

7515 JEFFERSON HWY #244 BATON ROUGE, LA 70806
PHONE: (225) 928-9175 | TOLL FREE: (800) 927-9175
EMAIL: KWOOLF@DISCOVERYAUDITSERVICESLLC.COM



8/2/2022

Department of Administration, Purchasing Division
Attn: Toby L Welch
2019 Washington Street East
Charleston, WV 25305-0130

Re: Request for Quotation for Audit Services for Unclaimed Property (CRFQ STO2300000001)

Dear Mr. Toby L Welch:

Thank you for the opportunity to submit this proposal to serve as a vendor for Audit Services for Unclaimed Property (CRFQ STO2300000001) for the West Virginia State Treasurer's Office, Unclaimed Property Division ("STO" or "State") This proposal is presented by Discovery Audit Services, LLC ("DAS") a limited liability corporation and sole proprietorship, and sister company to Revenue Recovery Group, Inc. ("RRG"), both owned by King and Christine Woolf.

DAS evolved out of RRG, which has been engaged in sales and use tax auditing since 1989. Over the decades, RRG earned a reputation among states and localities for high quality audit results, performing multi-agency audits efficiently, working effectively with the business community, and innovation. Thus, RRG was solicited repeatedly by states to perform unclaimed property examinations and DAS was formed in 2006. Although separate legal entities, the two companies share resources and personnel as appropriate. However, the core technical audit management and staffs are completely separate and only work in their designated sections. RRG and DAS teams combined have:

- Over 340 combined years of audit experience
- Completed over 63,000 examinations
- Discovered and detailed over \$385 million to their government clients.
- Of the 63,000 examinations completed, 6 have been litigated. Courts agreed with us in 5 of the 6 cases.

The mission of DAS is to represent state governments in their efforts to identify, document, and receive escheatable property from holders in a professional, accurate, efficient, and sensitive manner. DAS' team, dedicated exclusively to unclaimed property examinations, has performed abandoned property and auditing services exclusively for our twenty-five (25) state clients for over sixteen (16) years, resulting in:

- Over 820 examinations completed without any legal challenge or adverse consequence to our clients
- Over \$120 million in unclaimed property reunited to owners and/or collected and remitted to states
- The vast majority of audits have been completed in 18 months or less

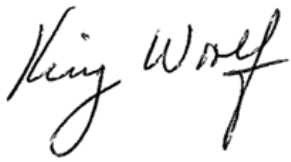
DAS' diverse experience and capabilities facilitate the efficient, effective, and thorough evaluation of compliance in a wide range of industries. DAS has performed unclaimed property examinations of financial institutions, oil and gas, insurance, healthcare, manufacturing, construction, and numerous other industries.

DAS was retained by the STO in 2017. Since then, we have completed thirteen (13) examinations and have eighteen (18) examinations in progress. The thirteen (13) completed cases have resulted in \$121,619.87 transferred to the STO. We have been timely in reporting the status and progress of these cases to the State's staff. We appreciate the timely support and professionalism of STO staff to date and hope to continue our partnership without interruption.

Since DAS was founded in 2006, not a single one of the 820 examinations completed for our twenty-five (25) state clients, including West Virginia, has been litigated by a holder. We believe in fair, uniform, objective, and professional treatment of holders. Our consistent performance, professionalism, attention to detail, and results working with the holder community to resolve issues before they escalate to the State and other client states demonstrates that DAS is the best choice to meet the State's objectives and the requirements of CRFQ STO2300000001. We have carefully reviewed the RFQ, fully understand its intent and requirements, and can certify to our compliance in every respect.

Thank for your consideration. We look forward to the opportunity to continue to assist the STO in reuniting property with the citizens of West Virginia. If you should have any questions regarding this response, I am the person legally authorized to bind this company and can personally be reached via email: kwoolf@discoveryauditservicesllc.com or phone at (225) 928-9175 ext 374.

Respectfully submitted,

A handwritten signature in cursive script that reads "King Woolf". The signature is written in black ink and is positioned below the "Respectfully submitted," text.

J. King Woolf, III
President, Founder, Owner and Contact Person
Discovery Audit Services, LLC (DAS)
kwoolf@discoveryauditservicesllc.com
(225)-928-9175 ext. 374

TABLE OF CONTENTS

- Transmittal Letter 2
- Executive Summary 5
- 3. Qualifications 6
 - 3.1 Knowledge 6
 - 3.2 Organization 6
 - 3.3 Location 9
 - 3.4 Quality Control Review 9
 - 3.5 Internal Controls, Security & Technology 9
 - 3.6 References 12
 - 3.7 Experience 12
 - 3.8 Standards 14
 - 3.9 Staff Qualifications 14
- 4. Mandatory Requirements 17
 - 4.1 Mandatory Contract Services Requirements and Deliverables 17
 - 4.2 Additional Optional Services Which Vendor May Provide 29
 - 4.3 Additional Services 33
- 5. Contract Award 34
- 6. Performance 34
- 7. Payment 34
- 8. Travel 34
- 9. Facilities Access 34
- 10. Vendor Default 34
- 11. Miscellaneous 35
- Appendix A: Required Forms 36
 - Designated Contact Form 37
 - Addendum Acknowledgement Form 38
 - Exhibit A – Pricing Page (Revised 8/30/2022) 39
- Appendix B: Statement of Good Standing 41
- Appendix C: Certificate of Insurance 42
- Appendix D: Organizational Chart 45
- Appendix E: Staff Resumes 46

EXECUTIVE SUMMARY

This proposal is presented by Discovery Audit Services, LLC (“DAS”) a limited liability corporation and sole proprietorship, and sister company to Revenue Recovery Group, Inc. (“RRG”), both owned by King and Christine Woolf.

DAS was established in 2006 with a mission to represent state governments in their efforts to identify, document, and receive escheatable property from holders in a professional, accurate, efficient, and sensitive manner. To date, DAS has performed over 820 examinations without any legal challenge or adverse consequence to our clients. We are qualified to provide a wide scope of unclaimed property services to our state clients, including general ledger audits, securities audits, full scope audits, virtual currency audits and vendor-assisted self-audits.

DAS works exclusively on the government side of the process and does not have any corporate clients. DAS has never offered and does not offer “related services” such as holder reporting, shareholder accounting, or unclaimed property reporting services. DAS remains fully independent and works exclusively on the government side of the process.

The senior management team at DAS brings a vast array of business experience that includes project planning and implementation, risk management review and development of appropriate internal controls and conducting audits of medium to large businesses for compliance with unclaimed property or similar law. Most importantly, the senior management team has over thirty (30) years of experience representing state and local government agencies performing examinations of small, medium, and large companies. This includes identification of potential examination candidates, presentation to the client, engaging the business, detailing the findings in a format acceptable to the client, anticipating potential risk to our client, communicating timely that risk, and overall, engaging the business in a manner that reflects the expectations and values of our agency clients.

We have leveraged our sixteen (16) years of multi-state and multi-industry unclaimed property audit experience to develop processes and procedures that allow for a highly comprehensive evaluation of holder compliance. Our examination methodology is designed to reduce interruption to business operations, minimize cycle time and increase the likelihood for future compliance through holder education. These contributions have positively impacted client relationships and have built trust in the holder community.

We have demonstrated to our state clients that we will consistently engage the holder community as an extension of state staff, and we will perform in a manner that will continue to positively enhance the state’s reputation. Our track record with our twenty-five (25) state clients, experience, capabilities and results are exemplified throughout this response.

3. QUALIFICATIONS

3.1 KNOWLEDGE

Vendor shall have sufficient knowledge of the West Virginia Unclaimed Property Act (the "Act"), set forth in W.Va. Code §36-8-1, et seq., court rulings regarding the Act, and its regulations. Vendor must comply with the Act and correctly apply the law to the Holder examination.

DAS certifies audit staff has sufficient knowledge of the West Virginia Unclaimed Property Act ("The Act"), set forth in W.Va. Code §36-8-1, et seq., court rulings regarding The Act, and its regulations. DAS certifies it comply with the Act and has the knowledge to correctly apply the law to the Holder examination.

The DAS Audit Managers and staff have developed the experience and expertise, working closely with our existing state clients and legal staff, to apply state and / or federal legislation regarding which state has the right to escheat property and in interpreting applicable laws relating to unclaimed property. Staff is qualified to apply the holdings of the U.S. Supreme Court in Texas v. New Jersey, 85 Ct. 1136 (1965), Pennsylvania v. New York, 92 S. Ct 2880 (1972), and Delaware v. New York, 113 Ct. 1550 (1993) to the audit issues that will be encountered. The Audit Managers and staff have reviewed and have knowledge of West Virginia Statutes relating to all categories of unclaimed property.

Additionally, Jay Hurst has been retained by DAS to provide legal counsel to DAS on matters concerning unclaimed property law and bankruptcy proceedings. Mr. Hurst is a former Deputy Attorney General of the Texas Attorney General's Office.

3.2 ORGANIZATION

Vendor must be of sufficient size and organization to provide the Services required by the STO. Provide an organizational chart identifying key staff members who will be providing the audit services required by this RFQ. Describe Vendor, discussing organizational structure size, ownership, number of employees, location of offices, experience and Vendor's ability, capacity, data processing capabilities, and qualifications for performing the services contemplated by this RFQ.

ORGANIZATIONAL STRUCTURE & SIZE

This proposal is presented by Discovery Audit Services, LLC ("DAS") a limited liability corporation and sole proprietorship, and sister company to Revenue Recovery Group, Inc. ("RRG"), both owned by John King Woolf, III and Christine Woolf.

DAS evolved out of its sister company, RRG, which has been engaged in sales and use tax auditing exclusively for state and local tax agencies since 1989. Although separate legal entities, the two companies share resources and personnel as appropriate. The core technical audit management and staffs are completely separate and only work in their designated sections. Personnel in top management, administration, and with specialized expertise are utilized appropriately by both entities.

DAS was formed in 2006 to exclusively provide discovery and audit services for abandoned and unclaimed property to states. DAS represents roughly one third of the combined RRG/DAS business. DAS personnel who impact the unclaimed property program total twelve (12) employees, with eleven (11) employed on a full-time basis. Of the eleven (11) full-time employees, six (6) are dedicated exclusively to DAS.

DAS' principal place of business is located in Baton Rouge, LA at 7515 Jefferson Hwy #244, Baton Rouge, LA 70806. The firm recently transitioned into a fully remote operation with audit staff dedicated exclusively to unclaimed property located in the following cities: Baton Rouge, LA; Danvers, MA; Royersford, PA; Houston, TX.

The firm's organizational structure ensures clear authority and accountability for each role. Descriptions of each role are provided below. An organizational chart identifying key staff members who will be providing the audit services required by this RFQ can be found in **Appendix D**. Descriptions of each role are provided below.

- President: Responsible for supervision, meeting client expectations, working with holders/advocates, quality assurance, and resolution of issues that arise during the process - including negotiation of non-disclosure agreements. The President facilitates the timely and accurate escheatment of property from the holder to the state, and ultimately to its owner.
- Vice President: Solely responsible for the safekeeping and security of all funds and will be transmitting property to the State timely and in accordance with procedures as required by the State. Maintains all insurance requirements, corporation registration with the states, and is in charge of all banking activities.
- Partner: Responsible for oversight of all DAS operations, including development and maintenance of the program's infrastructure designed to facilitate the efficient, effective and thorough progression of examination assignments for multiple states and quality assurance (audit review). Process owner of all technical issues, dispute resolutions, as well as conveyance of all examinations related communications, correspondence and work papers to the client state, holder and/or holder advocate.
- Operations Manager: Maintains all security procedures necessary for protection of confidential data, information, property, and communications. Responsible for oversight of existing operational systems - ensures all data, file sharing, and communications are secure, and all technology is functioning efficiently.
- Audit Manager: Assists the Partner with technical and quality functions of the program, including establishment of audit plans and strategy. Responsible for reviewing the status of each examination with the audit staff to ensure that each examination is progressing in a timely manner, consistent with the expectations of the State.
- Client Relations Manager: The Client Relations Manager functions as the main point of contact for all client states. Works closely with the senior management staff to ensure any client issues or questions are communicated and addressed timely and effectively.
- Administrative & Accounts Receivable Manager: Responsible for overseeing all administrative support functions, including non-technical communications between DAS and the Client. Oversees the collection and secure transfer of property, including all phases of holder electronic reporting to the State.
- Auditor: The Auditors are responsible for adhering to the established audit procedures, ensuring that each audit is conducted efficiently, accurately, timely, professionally, and with minimal adverse impact to the holder's normal business operations.
- Administrative Assistant: Responsible for managing the administrative support functions, including non-technical communications between DAS and the Client. This would include all audit requests, letter notices, and administrative communications with the Client.

ORGANIZATIONAL QUALIFICATIONS

For over sixteen (16) consecutive years, DAS has performed unclaimed property discovery and auditing services for state clients resulting in over \$120 million returned to owners and/or collected and remitted to states with zero legal challenges to our work product. DAS has consistently demonstrated it has the ability, qualifications, resources and experience to provide the services outlined in this RFQ in a professional manner and to represent the State of West Virginia with integrity and unquestionable ethics. Our present

system has all the resources necessary to provide unclaimed property examination services to the STO as required to meet the deadlines specified in the bid event.

DAS is qualified to provide various services to the STO applicable to unclaimed property compliance, to include:

- General Ledger Auditing Services
- Securities Auditing Services
- Full Scope Audits
- Virtual Currency Audits
- Vendor Assisted Self-Auditing Services

DAS has performed general ledger and securities unclaimed property examinations of financial institutions, oil and gas, insurance, healthcare, manufacturing, construction, retailers, and numerous other industries. Audits have varied in profile to include, however has not been limited to mid-sized to Fortune 100 in these industries. To date, DAS has completed 820 holder examinations, averaging 41 examinations completed per year. Additionally, DAS currently has fifty-nine (59) multi-state holder engagements in progress.

As a value-add to DAS's unclaimed property examination and education services, our firm also assists states in navigating the often-unfamiliar challenges and complexities of the bankruptcy process. Timing is critical in the claims process, as bankruptcy courts typically establish a deadline for proof of claims to be submitted. This deadline makes it difficult for the State, in its custodial position, to quantify liability and file an accurate proof of claim. DAS retains Jay Hurst, a former Deputy Attorney General of the Texas Attorney General's Office, to provide legal counsel to DAS on matters concerning unclaimed property law and bankruptcy proceedings. As Deputy AG, Jay led on bankruptcy cases on behalf of the Texas Comptrollers' office on unclaimed property cases. He assists in navigating the claims process, requesting reasonable timelines for the state to evaluate unclaimed property exposure, and submitting the appropriate claim. DAS has assisted states throughout the bankruptcy settlement process, resulting in millions of dollars of pre-petition unclaimed properties being reported to the state.

DAS certifies its audit staff has practical experience in auditing, financial statement preparation, and general ledger account review as related to unclaimed property. DAS has performed unclaimed property examinations of financial institutions, oil and gas, insurance, healthcare, manufacturing, construction, and numerous other industries. Audits include mid-size up to the Fortune 100 in these industries. The audit staff's demonstrated experience in understanding and navigating the general ledger has resulted in timely, fair evaluations of holder compliance with zero (0) unresolved disputes, nor negative ratings from the holder community.

DAS' sixteen (16) years of experience in auditing many of the largest global companies evidences its ability to effectively analyze large data sets otherwise known as "big data." The audit staff has been adequately trained, and has demonstrated capability to efficiently analyze large, disparate data sets and manipulate to a more auspicious format. DAS auditors have an understanding and/or appreciation in utilizing various automated applications in analyzing large dataset. In addition to Microsoft Office tools such as Excel and Access, our firm utilizes MTC estimation software when necessary and approved in advance by the client. These tools allow our auditors to efficiently analyze large datasets thereby minimizing excessive burden on the holder as well as facilitating the timely turnaround of examinations.

DAS audit staff have experience with computer assisted auditing and statistical sampling. Also, audit staff has been trained in all phases of unclaimed and abandoned property law, including case law, Generally Accepted Accounting Principles (GAAP), Generally Accepted Auditing Standards (GAAS), National Association of State Treasurers (NAST), and National Association of Unclaimed Property Administrators (NAUPA) resolutions and commitments on performing audits specifically for unclaimed and abandoned property. Audits are performed in accordance with standards of the American Institute of Certified Public Accountants (AICPA) and the United States General Accounting Office (USGAO).

DAS certifies its audit staff is qualified to ethically, effectively, and efficiently work in accordance with The Act. Audit Managers and staff have developed the expertise, working closely with our existing state clients

and legal staff, to apply state and/or federal legislation regarding which state has the right to escheat property and in interpreting applicable laws relating to unclaimed property.

3.3 LOCATION

Vendor must be authorized to conduct business in the state of West Virginia. Vendor must store, process, and maintain data for the State, or a third-party under audit, within the continental United States always.

DAS certifies it is properly licensed and in good standing with all governmental entities in which it currently does business, including West Virginia. All examinations records and employees responsible for providing services under a contract resulting from this RFQ shall be located in the United States. Audit work will be performed by audit specialist located in Baton Rouge, LA, Danvers, MA, Royersford, PA, and Houston, TX. Any physical examination records will be maintained in Baton Rouge, LA.

3.4 QUALITY CONTROL REVIEW

The Vendor must have favorable quality control reviews for its work if requested by the STO. The Vendor's external quality control review contents should provide either a positive or a non-negative review of the Vendor.

DAS' internal policies and procedures have been refined over the last sixteen (16) years of delivering discovery and examination services to governmental agencies. These controls have enabled DAS to consistently achieve excellent results for its clients measured across a variety of key performance indicators, including quality, cycle time and consistency. Our results speak for themselves as not one examination performed by DAS has been legally challenged by a holder.

Various quality control processes have been implemented to assist with conducting audits. Auditors are responsible for adhering to the audit procedures and other information related to specific state regulatory requirements, as documented in the DAS Audit Manual. Auditors utilize standardized audit templates and all audit documentation, including audit work papers and the final report, undergo a multi-level quality review processes.

We have been successful in working with the holders and their advocates in a collaborative manner in order to reach the exit interview in agreement on the examination findings. This approach has been very effective for the last sixteen (16) years. To date, audit findings and reports delivered to states have not resulted in any negative feedback by our state clients. We trust these results are sufficient in establishing a positive result with respect to our work.

3.5 INTERNAL CONTROLS, SECURITY & TECHNOLOGY

DAS has undertaken commercially reasonable measures to ensure that all information obtained in connection with the audit and reporting process is kept confidential and only authorized personnel have access to this information for appropriate purposes. In this regard, DAS applies commercially reasonable controls to protect unauthorized access to data, to eliminate internal and external threats and identify and proactively prevent system security breaches.

DAS recognizes the importance of protecting holder's sensitive data. We take great effort in the selection of tools and training of our personnel to ensure we can provide secure and safe data management in each phase of our work, including:

- Pre-Audit (Information Intake): All records and communications transmitted between the holder and auditor are treated as confidential. In order to ensure the secure transmission and security of records, holders are provided three options in security transmitting data: (1) DAS creation of secure/shared folder via Citrix Sharefile (2) Holder creation of secure/shared folder through their internal, secured network (3) mailing of secure, password protected USB Flash Drives or CDs. Once

received, data is transferred to an encrypted, protected repository - DAS utilizes the enterprise version of Box ("Box Enterprise"), a Software as a Service (SaaS) tool which provides the required levels of security, compliance and convenience our clients demand. DAS can determine who has access to files, control data access to outside parties and provide transparency across every event, user and administrative action.

- **Audit (Information Management):** During the audit process DAS acknowledges that at times information will reside on laptop and desktop (stationary) computers. Data securely obtained from Box via a Virtual Private Network (VPN) connection will be protected using BitLocker Drive Encryption. This data protection feature is fully integrated with the Windows operating system and addresses the threats of data theft or exposure from lost, stolen, or inappropriately decommissioned computers.
- **Audit (Information Backups):** DAS utilizes the service of a third-party IT company to back up our data every four hours. Any client files that reside on our servers will be protected with Acronis, DAS's Backup as a Service (BaaS).
- **Post-Audit (Information Return):** DAS will utilize the same technologies and processes for return of information post-audit as are utilized during the intake process. Data will be returned via Box. Additionally, any client data that remains in the possession of DAS post-audit can be destroyed per the client's requirements using Windows utilities such as Shift Delete and third-party products such as C Cleaner. Other approaches can be utilized according to our clients demands.
- **Post-Audit (Data Retention):** Confidential information provided by the holder will be retained in Box for the time required by the code in each Participating State(s) represented by DAS, or for the time required in the contract between DAS and the Participating State(s), whichever is longer.

A copy of DAS' confidential Security Plan will be made available upon request if DAS is awarded a contract.

3.5.1 A. Vendor must use a secure transfer method to collect audit data.

- **SFTP/FTPS (secure file transfer over TLS 1.2 or higher or secure file transfer over SSH).**
- **Secure Web Transfer using HTTPS with TLS 1.2 or higher.**

DAS certifies it uses a secure transfer method to collect audit data. In order to ensure the secure transmission and security of records, holders are provided three options in security transmitting data: (1) DAS creation of secure/shared folder via Citrix ShareFile (2) Holder creation of secure/shared folder through their internal, secured network (3) mailing of secure, password protected USB Flash Drives or CDs.

Files are updated and downloaded in ShareFile between the end user and the storage tier directly over a Secure Socket Layer (SSL) or Transport Layer Security (TLS) encrypted segment using high grade encryption. ShareFile supports TLS 1.2.

B. Vendor must have data-at-rest encryption for transferred data.

- **For cloud storage vendors, link their compliance information for data- at-rest encryption of blob/object storage.**
- **For on-premises storage, provide information on the data-at-rest encryption technology implemented.**

Once received, data is transferred to an encrypted, protected repository. DAS utilizes the enterprise version of Box ("Box Enterprise"), a Software as a Service (SaaS) tool.

Box Enterprise uses TLS 1.3 as the standard protocol to encrypt content uploaded to Box in transit. If a user's browser does not support the TLS 1.3 protocol, it will use TLS 1.2. Box uses an Advanced Encryption Standard (AES) algorithm with a key size of 256 bits to encrypt data at rest. Box Filers (also referred to as Object Storage) is encrypted at rest using AES 256/FIPS 140-2 validated encryption and stored using non-

attribute file information. Information regarding Box Enterprises' security, reliability, compliance and privacy can be found at <https://www.box.com/trust>.

Additional information regarding encryption in Box Enterprise can be found in the Box 2021 SOC 2 Report, which shall be provided upon request.

C. Vendor must use a "least privileged" access model.

- **Only auditors working on the audit have access to the data.**
- **Administrative access or permission changes are logged.**

DAS certifies it uses a "least privileged" access model. Only auditors working on the audit have access to the data and administrative access or permission changes are logged. DAS can determine who has access to files, control data access to outside parties and provide transparency across every event, user and administrative action.

3.5.2 Vendor must ensure that any data communications whether remote or internal, with the state or with an entity under audit, must be secured using a minimum of TLS v1.2. Any required cipher suites, protocols or encryption technology that has been publicly exploited (published CVE) must be immediately remediated upon discovery, including any aforementioned minimum-security requirements.

DAS certifies any that any data communications whether remote or internal, with the state or with an entity under audit, are secured using a minimum of TLS v1.2. DAS utilizes Office 365 Applications for internal and external communications, which supports TLS version 1.2+.

Any required cipher suites, protocols or encryption technology that has been publicly exploited (published CVE) must be immediately remediated upon discovery, including any aforementioned minimum-security requirements.

3.5.3 Vendor must not require the usage of Java, Silverlight, Adobe Flash, Active X Controls or any additional third-party plugins from the state or any third-party entity under audit.

DAS shall not require the usage of Java, Silverlight, Adobe Flash, Active X Controls or any additional third-party plugins from the state or any third-party entity under audit.

3.5.4 Vendor must export and return data to the state in a commonly used format at no additional cost to the state, upon request.

DAS shall export and return data to the state in a commonly used format at no additional cost to the state, upon request.

3.5.6 Within one month of a contract award pursuant to this solicitation and annually thereafter, Vendor must provide American Institute of Certified Public Accountants (AICPA) SOC-I, Type 2; or SOC 2, Type 2; or ISO 27001:2013 Certification from an ANSI accredited certification body; or CSTAR Level 2 State RAMP Moderate Certification annually to the state with bridge letters to provide assurance that controls are operating during any intervening periods. The SOC- 1, Type 2 report should cover all the requirements listed in AICPA's Statement on Standards for Attestation Engagements No. 18 (SSAE No. 18). If the requirements are not met annually, the STO will not authorize audits and may cancel participation in existing multi-state audits.

The West Virginia Office of Technology evaluated DAS' internal controls in 2021 for security at the request of a holder and found DAS to have sufficient protections and protocols in place.

DAS shall provide SOC 2 Type 2 Reports for the following systems within one month of a contract award pursuant to this solicitation and annually thereafter:

- Box Enterprise
- Citrix ShareFile
- Microsoft Office 365

3.6 REFERENCES

The Vendor must have satisfactory references. Please provide the names of at least three (3) references from governmental agencies which administer unclaimed property programs for which the Vendor performed unclaimed property audits in the past five (5) years. The references must show that the Vendor has previously conducted unclaimed property audits in a competent and professional manner or must otherwise demonstrate the ability of the Vendor to perform the Services specified in this RFQ. The STO reserves the right to contact any person or entity it believes prudent and to inquire about Vendor.

DAS currently provides unclaimed property audit services to the three (3) state references provided below in accordance with the requirements of the state statute and all other applicable state, federal and local laws.

Governmental Agency	Contact	Email	Phone
Louisiana Department of the Treasury	Ms. Kathleen Lobell - Director, Unclaimed Property Division	klobell@treasury.state.la.us	225-219-9377
Texas Comptroller of Public Accounts	Mr. Matthew Angus – Audit Manager, Unclaimed Property Division	Matthew.angus@cpa.texas.gov	512-463-3569
North Dakota Department of Trust Lands	Ms. Susan Dollinger – Unclaimed Property Administrator	sdollinger@nd.gov	701-328-1944

3.7 EXPERIENCE

Vendor must have at least five (5) years experience in providing unclaimed property multi-state audit services for state governments. Please describe Vendor's experience, including years of providing audit services, average number of engagements per year, the nature of Vendor's current customers, and the types of industries in which it has auditing experience.

DAS has over sixteen (16) years of experience providing unclaimed property multi-state audit services for state governments, resulting in over \$120 million returned to owners and/or collected and remitted to states. DAS has performed general ledger and securities unclaimed property examinations of financial institutions, oil and gas, insurance, healthcare, manufacturing, construction, retailers, and numerous other industries. Audits have varied in profile to include, however has not been limited to mid-sized to Fortune 100 in these industries. To date, DAS has completed 82 holder examinations, averaging 41 examinations completed per year. Additionally, DAS currently has fifty-nine (59) multi-state holder engagements in progress.

DAS is currently contracted with twenty-five (25) states to perform unclaimed property discovery and audit services, including Colorado, District of Columbia, Florida, Georgia, Idaho, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Missouri, Montana, North Carolina, North Dakota, Nevada, New Hampshire, Ohio, Oregon, Pennsylvania, Tennessee, Texas, Utah, Washington, West Virginia, and Wisconsin. The

requirements by the twenty-five (25) existing states, including West Virginia, DAS has engaged in are very similar to what is presented in the RFQ.

DAS works exclusively on the government side of the process and does not have any corporate clients. DAS has never offered and does not offer “related services” such a holder reporting, shareholder accounting, or unclaimed property reporting services. DAS remains fully independent and works exclusively on the government side of the process. Thus, there is no appearance of a conflict of interest.

A full list of states for which DAS currently provides unclaimed property auditing and collection services comparable in scope with what is requested by West Virginia is provided on the following page. The list includes the range of the term of the contract.

#	Entity Name	Contract Range
1	Colorado Department of the Treasury, Unclaimed Property Division	10/6/2015 - Present
2	Office of the Chief Financial Officer for the District of Columbia	7/30/2020 - Present
3	Florida Department of Financial Services, Department of Unclaimed Property	5/21/2013 - Present
4	Georgia Department of Revenue	7/1/2022 - Present
5	Idaho State Treasurer's Office	9/1/2015 - Present
6	Kentucky State Treasury Office, Department of Unclaimed Property	7/1/2012 - Present
7	Louisiana Department of Treasury	5/1/2006 - Present
8	Comptroller of Maryland	10/2/2014 - Present
9	Commonwealth of Massachusetts, Unclaimed Property Division	12/8/2016 - Present
10	Michigan Department of Treasury	8/15/2017 - Present
11	Missouri State Treasurer, Unclaimed Property Division	12/18/2014 - Present
12	Montana Department of Revenue	4/1/2016 - Present
13	Nevada State Treasurer	7/1/2018 - Present
14	State of New Hampshire Treasury	11/18/2016 - Present
15	North Carolina Treasury	8/16/2017 - Present
16	North Dakota Department of Trust Lands	12/18/2012 - Present
17	Ohio Department of Commerce, Division of Unclaimed Property	7/1/2019 - Present
18	Oregon Department. of State Lands	3/8/2016 - Present
19	Pennsylvania Treasury Department	7/6/2017 - Present
20	Tennessee Treasury Department, Division of Unclaimed Property	9/15/2015 - Present
21	Texas Comptroller of Public Accounts	8/30/2013 - Present
22	Utah State Treasurer's Office	6/1/2016 - Present

#	Entity Name	Contract Range
23	Washington State Department of Revenue	6/26/2015 - Present
24	West Virginia State Treasurer's Office	10/6/2017 - Present
25	Wisconsin Department of Revenue	8/11/2014 - Present

3.8 STANDARDS

Vendor must comply with the professional standards required by the American Institute of Certified Public Accountants (AICPA). The audit and identification of unclaimed property from the records of Holders, the processing of records and the demands for payment of the property to the STO shall be made in accordance with the Act, Generally Accepted Accounting Principles (GAAP) and Generally Accepted Auditing Standards (GAAS) to the extent applicable to unclaimed property audits. Vendor shall adhere to neutral, unbiased accounting and financial reporting standards based on the core value of independence as outlined by the Governmental Accounting Standards Board (GASB).

DAS certifies it shall comply with the professional standards required by the American Institute of Certified Public Accountants (AICPA). The audit and identification of unclaimed property from the records of Holders, the processing of records and the demands for payment of the property to the STO shall be made in accordance with the Act, Generally Accepted Accounting Principles (GAAP) and Generally Accepted Auditing Standards (GAAS) to the extent applicable to unclaimed property audits. DAS shall adhere to neutral, unbiased accounting and financial reporting standards based on the core value of independence as outlined by the Governmental Accounting Standards Board (GASB).

3.9 STAFF QUALIFICATIONS

3.9.1 Experienced Staff: Vendor must provide experienced staff. All personnel assigned to examinations for the STO must have at least five (5) years of auditing experience in unclaimed property auditing. Vendor must maintain a full-time, licensed attorney on staff or on retainer. Include the names and contact information of the specific staff to be assigned to the STO contract and a resume for each staff member listed.

A list of all personnel will perform professional services under any contract that results from this RFQ is included below. All audits conducted by DAS for the STO shall be assigned to auditors who have at least five years of unclaimed property auditing experience. Staff who do not meet the five-year criteria will provide support to the lead auditor. The Audit Manager and Partner are responsible for review of all work prior to submission to the holder and the STO. Full resumes can be found in **Appendix E**.

- John King Woolf, III, President & Founder: Mr. Woolf has over thirty (30) years of experience representing state and local government agencies in examinations of small, medium and large companies. After founding RRG in 1989, he founded DAS in 2006 at the request of the Louisiana State Treasurer. Both firms represent exclusively state and/or local government agencies and facilitate education and compliance within the business community of business tax and state escheat laws. He was also Co-founder and President of the sales/use tax filing software, Trustfile, which was sold in 2007. Mr. Woolf's experience includes expert development and oversight of auditing services on behalf of all of state unclaimed property clients. He is responsible for meeting client expectations, quality assurance and resolution of issues that arise during the examination process.
- Gary Joseph, MBA, CIA, Partner: Mr. Joseph has over ten (10) years of diverse unclaimed property compliance and educational experience. During his career, he has acted as both auditor/audit manager and holder advocate/consultant, yielding a wide range and balance of unclaimed property

compliance experience. This diverse knowledge and understanding of the state and holder “sides” of the equation will yield DAS state clients and holders balanced, informed, fair, and reasonable audits as we navigate the ever-changing complexities of compliance enforcement and education. He has also served on board(s) with the Unclaimed Property Professionals Organization (UPPO) and has presented at various holder conferences to include UPPO, the National Association of Division Order Analysts (NADOA), the Institute of Internal Auditors (IIA), American Bankers Association (ABA), and the National Association of Lease and Title Analysts (NALTA).

- Cory Roberts, Audit Manager: Mr. Roberts has over eighteen (18) years of experience supervising and conducting unclaimed property audits comparable in the size and scope to those that would be completed for the State. As Audit Manager, he assists in the oversight of the audit program in addition to managing an inventory of unclaimed property audits. He assists with technical and quality functions of the program. Prior to joining DAS in 2018, he was an Audit Manager for Conduent for six (6) years and was responsible for oversight of multi-state unclaimed property examinations of large public and private companies.
- John King Woolf, IV, Client Relations Manager and Auditor: Mr. Woolf has over five (5) years of unclaimed property auditing experience comparable in size and scope to the requirements of the STO. He functions as the main point of contact for all client states and works closely with the senior management staff to ensure any client issues or questions are communicated and addressed timely and effectively. He also manages a fully inventory of examinations, which include both single and multi-state examinations. Prior to joining DAS full-time, he functioned as an audit technician, where he assisted with unclaimed property audits and performed state statute research and analysis.
- Deborah Horwatt, Auditor: Ms. Horwatt recently joined DAS with over three (3) years of unclaimed property consulting experience. She will be responsible for assisting lead auditors with processing records, research and report production under the supervision of the Audit Manager. Prior to joining DAS, she functioned as a Consultant at Sovos (formerly Keane), where she was responsible for efficiently filing Unclaimed Property Reports due to states on behalf of clients and generating reports to assist clients in staying in compliance with state unclaimed property laws.
- Michael Conway, Auditor: Mr. Conway recently joined DAS and has half of a year of unclaimed property auditing experience. He brings over four (4) years of specialized oil and gas industry experience to DAS after functioning as a Senior Lease & Division Order Analyst at Pettigrew & Pettigrew Land Services from 2012 to 2016. Michael excels at the analysis of legal documents, such as leases, mineral ownership reports, title opinions, probate, and other title documents to identify mineral ownership, surface rights and provisions
- Carrie Stephenson, Statistical Sampling & Computer Assisted Audit Specialist: Ms. Stephenson has over seventeen (17) years of compliance auditing experience. She has completed ten (10) years of Missouri Field Compliance Bureau’s Advanced Electronic Auditing Training as well as the Multistate Tax Commission’s (“MTC”) Statistical Sampling Course. Her primary role is supervising sales and use tax examinations as Audit Manager for Revenue Recovery Group. However, due to her extensive background in statistical sampling and electronic auditing, Ms. Stephenson assists RRG and DAS auditors with electronic data analysis by researching, testing and teaching Excel strategies. She also consults with auditors on statistical sampling methods and best practices for working with large datasets as needed. Mrs. Stephenson’s work is separate from performing any unclaimed property audits.
- Cynthia (“Cindy”) Cissell, Administrative & Accounts Receivable Manager: Ms. Cissell has over ten (10) years of total experience in the field of unclaimed property, including four (4) years of unclaimed property auditing and analysis experience. Her primary function as Administrative and AR Manager is to provide oversight of all administrative functions, including support for unclaimed property auditors, clients and managers. Cindy has been with the firm for over twenty (20) years and has functioned in both an administrative and technical role. Prior to joining the administrative team, she was an unclaimed property auditor with DAS for four (4) years. She has extensive knowledge in the

production of audit summary reports and audit schedules to include the preparation of holder reports in NAUPA II format and electronic filing.

- Pamela (“Pam”) Hebert, Administrative Assistant: Ms. Hebert has over fifteen (15) years of experience working with government agencies, facilitation and maintaining various aspects of the overall workflow. She is responsible for managing the administrative support functions, including non-technical communications between DAS and the Client. She is also responsible for the collection of remittance, conversion of files to NAUPA II format, and electronic filing.
- Jay Hurst, JD, Legal Consultant: Mr. Hurst is an Attorney at Law and is exclusively retained by DAS as legal counsel. Mr. Hurst holds a Juris Doctor of Law from University of Texas School of Law (1979) a Bachelor of the Arts in Philosophy from Baylor University (1976). He has over forty (40) years of experience practicing law, specializing in bankruptcy and collections. Mr. Hurst served as Assistance Attorney General in the Bankruptcy and Collections Division of the Texas Attorney General’s Office for over nineteen (19) years.

3.9.2 Partner & Supervisory Qualifications: Vendor must identify all principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists who would be assigned to the audit engagements. They must have a minimum of five (5) years experience in conducting multi-state unclaimed property compliance audits.

All DAS personnel will serve as the project team. Their qualifications and experience have been described in Section 3.9.1.

3.9.3 Continuation of Quality Staff: Vendor shall provide quality of staff over the term of the contract and ensure that any new or additional staff members have the same qualifications, training and experience as the staff members Vendor provided in its bid to this RFQ. Vendor shall inform the STO in writing of any personnel or staff changes that would affect the Services provided to the STO.

DAS understands and acknowledges it shall provide quality of staff over the term of the contract and ensure that any new or additional staff members have the same qualifications, training and experience as the staff members DAS provided in its bid to this RFQ. DAS shall inform the STO in writing of any personnel or staff changes that would affect the Services provided to the STO.

3.9.4 Vendor must disclose any potential subcontractor in its bid to this RFQ. In the event Vendor proposes providing the required Services through a subcontractor, the bid must include the name, address, contact information, experience and staff qualifications of the potential subcontractor. Any proposed subcontractor must meet the same mandatory requirements to provide the Services in this RFQ prior to entering into any agreement with Vendor. A bid that includes Services provided by a Subcontractor is not considered a joint bid. The STO will consider Vendor to be the sole point of regarding all contractual matters. Vendor is solely responsible and liable for payment of all financial matters in connection with its employees, contractors and subcontractors. The State reserves the right to review and approve all subcontractors, review services conducted by subcontractors, and refuse payment on projects where subcontractors are used without foreknowledge or approval by the STO.

DAS does not use subcontractors, outside experts or other resources to perform audits. All phases of the discovery, audit and reporting process are controlled and performed exclusively by DAS audit employees.

4. MANDATORY REQUIREMENTS

4.1 MANDATORY CONTRACT SERVICES REQUIREMENTS AND DELIVERABLES

4.1.1 Specific Work Plan - Audits: For each planned audit, Vendor must set forth a work plan for the audit, including an explanation for the methodology to be followed and any specialized methodologies to be used by Vendor. The scope of the audit is to ensure that the Holders are in compliance with the Act. This work plan must be communicated with the Holder prior to the beginning of the audit. The STO reserves the right to provide Vendor with Audit Guidelines governing activities for conducting these audits under the Act.

DAS understands the STO's objective is to identify holders holding unclaimed property subject to the provisions of The Act relating to all categories of unclaimed property. Our firm has demonstrated its ability to identify, examine, collect, and deliver unclaimed properties to our multiple client States over the past sixteen (16) years, including West Virginia. DAS is committed to, at minimum, adhering to The Act, its intent, and making responsible and ethical decisions in support of the long-term sustainability of state level administration and unclaimed property. DAS understands its role is to perform the examination timely, and pursuant to West Virginia law, and adhering to examination standards pursuant to The Act.

Following execution of the contract and prior to any action, DAS will request a phone meeting with the appropriate STO staff. This meeting will take no more than one hour. The purpose of that meeting will be to re-affirm the expectations of the state, policy, procedures, and communication preferences that will drive how DAS proceeds with executing its services. This reinforcement provides clarity to DAS so that it can be sure to continue to proceed in a manner consistent with the expectations of the STO, and to make any needed adjustments.

DAS understands the goal of this project is to:

1. Identify holders holding unclaimed property subject to The Act,
2. Evaluate and examine the holders' records with minimal interruption to the holder's business,
3. Educate the holder to facilitate future timely and voluntary compliance, and
4. Prepare and submit detailed reports of reportable unclaimed property to the State so that it may be reunited with its owner as promptly as possible.

Provided DAS receives prior written authorization from the STO, DAS shall audit the financial records of unclaimed property holders, ensure compliance of all property types, complete audit reports, conduct on-going due diligence on audit findings during the course of the audit and review period, ensure the holder files the proper reports and remittance with the STO, and identify the holder's state of incorporation and principal place of business.

DAS will engage the holder timely, within twenty-one (21) days, to review holder records covering the audit period. If holder record retention schedules limit the quality/quantity of data accessible, estimation and extrapolation techniques may be utilized with the knowledge and prior approval of the STO. Property types reviewed are normally dependent on the holder's industry. The examination scope covers any egregious obligations and includes inconspicuous obligations that arise due to provided services, product purchases, contractual provisions, and/or judicial proceedings. For examinations focused on securities, the property types of exposure would include, however may not be limited to, stock certificates, fractional shares, dividends and other derivative properties.

Fieldwork will be conducted onsite or offsite (through the mail or electronic file transfer), depending on the holder's preference and auditor's judgment. DAS auditors will conduct a thorough examination of the holder's internal controls pertinent to abandoned and unclaimed property. Policies and procedures are analyzed for adequacy and opportunities to strengthen controls. Holder education is a priority for DAS auditors. Upon conclusion of the examination, the holder is advised of its strengths and weaknesses, and recommendations for future compliance are provided where warranted

At the conclusion of the examination, DAS will electronically transmit audit findings via a secure portal using either UP exchange or a state specific site in Standard NAUPA II format. Electronic transmissions include, but are not limited to, a schedule of audit findings, audit report summary, copy of holder remittance, confirmation of property upload, and DAS invoice. DAS understands and acknowledges that final reports are subject to the review of the STO. DAS certifies it has the ability to send the final report and related funds less the percentage of any fees owed for conducting the audit to the STO.

DAS understands and acknowledges the requirements outlined in Section 4.1 (Mandatory Contract Services Requirements and Deliverables) of this RFQ and certifies the work plan outlined in the subsequent sections will satisfy all of the requirements set forth by the STO.

IDENTIFICATION

DAS shall independently research and identify holders of unclaimed property who have never reported unclaimed property, who have not adequately reported unclaimed property to the STO, or who have not been examined within the authorized examination period per The Act and perform all of the services according to the expectations, requirements and guidelines of this RFQ.

DAS staff utilizes various publicly available and non-public sources to research and identify potential audit candidates. Examples of sources include holder company websites, D&B Hoovers, Secretary of State, government geographic information systems (GIS), SEC.gov, FDIC.gov, holder regulated filings, reliable reference publications, reliable trade publications. Report history and previous audit information may also be requested from the State. Information gathered for each potential audit candidate includes, but not limited to:

- State of corporate domicile and/or incorporation
- Date of incorporation and/or inception
- Holder external and internal industry analysis
- Revenue and sales over sequential periods of time
- Merger & acquisition history
- Company size and structure
- Geographic location and applicable demographics
- Holder reporting history
- Competitor's reporting history
- Previous examinations, if applicable

Audit candidates are first segregated by industry and property type(s) of which they are susceptible to generating. These candidates are then selected based on the results of the DAS Risk Assessment and further analysis of the state provided filing histories and other publicly available data sources.

While the identification and selection of holders of unclaimed property shall not be limited to any industry, we have noted over time certain industries appear to have systemic issues of non-compliance. Whether intentional or due to a lack of understanding, or of resources, we note that these systemic issues are material, and the public good is served well by an ethical, efficient, and accurate examination, education, and reporting process.

After thoroughly evaluating the results of the identification criteria, a list of audit candidates is compiled in the format as prescribed by the STO and presented to the STO for consideration by written request. No examination will be initiated until written authorization has been received by the STO.

AUDIT INITIATION

- Initial Contact: Holders and DAS, concurrently, receive a certified letter from the STO advising them of selection for examination. The STO supplies the auditor with a summary of property reported by the holder in previous reportable years, if available. The holder is given fifteen days, or two weeks, to respond to the notice by contacting DAS. Once contact is made, the holder is introduced to the lead auditor for the examination. The holder will then be advised to delegate a point of contact that

will be in direct contact with the auditor throughout the examination. The opening conference is then scheduled with the holder.

- Opening Conference: The opening/entrance conference with the holder is conducted subsequent to establishment and introduction of the primary contact(s) of the examination. The holder is informed of the audit plan, and provided a detailed, verbal overview of the audit scope. The audit scope overview covers the look back period, reportable years, and methodology, as well as a list reportable property types and holding periods. Any initial inquiries or concerns of the holder is addressed in this communication. Although reasonable attempts are made in ascertaining the facts pertinent to the holder's structure and organization in this phase of the examination process, the auditor continues to evaluate the holder to attain an accurate and complete representation of the holder's "global" makeup. If applicable, DAS shall also gain an understanding of how the company manages its security-type properties – whether it outsources to a third-party administrator or handles internally. The holder's response to the inquiries, along with other useful information gathered by way of researching publicly available information (i.e., sec.gov and financial statements) shall provide the clarity needed to ascertain the true extent of responsibility in reporting security-type properties.
- Engagement Package: Upon completion of the opening / entrance conference, the auditor will confirm the conversation with the Holder via email and include the engagement package. The engagement package includes the following documents:
 - Copy of the notice(s) of examination for the state(s)
 - DAS Non-Disclosure Agreement
 - DAS Guidelines
 - DAS Scope and Methodology
 - Initial Questionnaire
 - Copy of the participating states' UP statutes
 - Any other documentation required by the STO
- Scoping: The holder is required to complete an industry specific questionnaire that inquires on internal controls and additional items including records retention schedules, unclaimed property policies and procedures, mergers and acquisitions, preference of mail or onsite examination, as well as common practices of the holder. The holder is provided seven days (if reasonable) to complete the questionnaire and submit it to the auditor. The responses to the initial questionnaire, as well as any publicly available and/or supplementary data received from the holder is leveraged to complete the scoping exercise. Upon completion of the scoping exercise, holders are made aware of the entities, accounts and property types that will be included in the examination scope.
- Preliminary Records Request: Upon receipt of the completed initial questionnaire, the auditor will review and inquire on any matters requiring further investigation. Once the auditor has sufficient information to proceed with the audit, a preliminary document request is submitted to the holder. The holder will be provided fifteen to thirty days to assemble the requested documents. If the holder has any pending obligations or obstacles that will delay receipt of requested documents, the auditor needs to be advised. The auditor will then contact the Audit Manager to seek approval in providing an extension for documents requested.

RECORDS REVIEW & ANALYSIS

- Preliminary Document Review: The preliminary documents requested by the auditor in the initiation process will be reviewed for compliance discrepancies, and to determine if further investigation is necessary. An inventory of the documents is completed on a rolling basis upon receipt. Inquiries and updates are presented to the holder in real-time to ensure efficient and timely progression of the examination. Management representation letters may be requested in the event records are unavailable due to record retention or system limitations.

- Initial Audit Review (General Ledger): Control documents that will be reviewed without industry specificity are listed below. The reports will serve as a basis for initial audit review and provide the auditor with a population from which to select transactions judgmentally or randomly. The auditor will request additional documents based upon industry type. The auditor will also determine the parameters of reports based upon the holder retention schedules.
 - Chart of Accounts
 - Trial Balance (Pre-Close)
 - General Ledger
 - Bank Reconciliations
 - Inactive Disbursement Accounts List
 - Outstanding Check Registers
 - Void Report
 - Unclaimed Property Reports with Work Papers
 - Unclaimed Property Policy & Procedures

- Initial Audit Review (Securities): Control documents that will be reviewed for all security-type audits are listed below. The reports will serve as a basis for initial audit review and provide the auditor with a population from which to select transactions judgmentally or randomly. The auditor will request additional documents based upon industry type. The auditor will also determine the parameters of reports based upon the holder retention schedules.
 - Chart of Accounts
 - Trial Balance (Pre-Close)
 - General Ledger
 - Listing of all security-types managed by company
 - Contracts for all transfer agents, any intermediaries and third parties
 - Bank Reconciliations
 - Inactive Disbursement Accounts List
 - Outstanding Check Registers
 - Void Report
 - Unclaimed Property Reports with Work Papers
 - Unclaimed Property Policy & Procedures (including references to SEC Rule 17Ad-17)

- Supplemental Documentation Request: After review of the reports, the auditor will supply the holder with an actual, or a sample if requested, list of securities or derivative instruments of which further analysis will be conducted. The documents provided will serve as a test of holder controls. Documents can be tested either onsite or offsite. The auditor will test to confirm whether the current controls are working effectively, and if the holder is and/or has been compliant with the code.

- Identifying Unclaimed Property: If the evaluation of test data uncovers issues of noncompliance, such as outstanding accounts or instruments inactive for an excessive period of time (i.e. 90 days), the auditor will place the item on the inquiries workbook, and subsequently on a preliminary schedule if proof of adequate resolution cannot be provided. If significant noncompliance is verified by the auditor, and records for previous years are not provided due to retention schedules, the auditor will (with the prior consent of the STO) use extrapolation and estimation techniques to account for years of which compliance is unknown.

Once compliance issues are identified, the auditor will confirm the findings with the holder prior to the reporting phase. This may include presenting work papers for the holder to review and research. If there is a disagreement on the findings, the auditor will direct the holder to respond in writing and notify the STO no later than sixty (60) days after property holder's dispute of demand amount or type of property, or of property holder's failure to turn over records or property. The auditor will brief the holder on the next phase of the abandoned and unclaimed property examination, as well as provide any recommendations to improve compliance efficiency.

ADDITIONAL AUDIT PROCEDURES

- Statistical Sampling: DAS is aware that the holder community is very sensitive to the use of statistical sampling techniques, given recent court decisions evidencing abuse of this tactic. DAS confirms all sampling and statistical estimation techniques will be in accordance with AICPA Professional Standards. DAS intends to examine all records that are germane and available in discharging our agency responsibilities. The auditor will make every effort to obtain from the holder all records as needed. Only if such records are not available or forthcoming would DAS recommend to the STO that statistical sampling be utilized to estimate the amount of unclaimed property being held by the holder for the authorized period. DAS understands that less rigid standards may have been permissible by some states, but we have never opted to use estimation instead of reviewing in detail all germane and available records. Opting to short-cut the review of records and choosing to estimate is inconsistent with our principles and values and undermines the reputation and sustainability of state administration of unclaimed property. It is our policy that if all reasonable and timely attempts to secure the necessary records for the audit period are unsuccessful, DAS will notify STO staff in a timely manner. DAS will then present appropriate documentation and facts to facilitate an informed decision of the STO. If the STO directs DAS by giving prior written approval to proceed using statistical sampling, then DAS will act accordingly.
- Access Refusal: In the event a holder refuses access, DAS shall submit written notification to the STO within seven (7) days and recommend subsequent action, including but not limited to litigation or demand letter.
- Record Retention: DAS auditors conduct a thorough evaluation of holder record retention policies and procedures. Auditors obtain and confirm records retention practices through inquiry, analysis and observation. These standard audit procedures provide the auditor the ability to identify relevant, reliable documentation at the source level. While subject to circumstance, the auditor can modify these tools to accomplish the objective of ascertaining information essential in determining the proper state of which property should be reported.
- Address Information Non-Existent, Insufficient or Unavailable: In circumstances where the address information is nonexistent, insufficient or unavailable, our auditors request permanent, reliable documentation that are generated at the inception of the holder's transacting relationship. These inceptive documents are often periodically reestablished or reaffirmed through written correspondence between the holder and transacting party.
- Properties Disputed Through Bankruptcy: Our auditors are experienced in working with holders regarding properties disputed through bankruptcy. While bankruptcy may be a complex, convoluted concept to decipher – our auditors have worked with holders and states in facilitating the transfer of unclaimed funds to either the rightful owner or custodial state. As aforementioned, our auditors reference the original, permanent documents that initiate the business relationship between the holder and creditor, or property owner. This documentation exhibits the original address of association. Once a determination has been made to who has the rights to the property, the auditor works with the holder in determining how the property should be handled, either through remediation with the rightful owner or custodial retainage by the STO. DAS works with the STO and internal bankruptcy counsel on all bankruptcy related matters due to its legal sensitivity.

DUE DILIGENCE & REMEDIATION

- Presentation of Findings: After completing the review and analysis of the holder's records, the auditor submits the preliminary schedule of findings with properties that presumptively meet prescription for escheatment and the preliminary notice of findings to the holder. This report lists the property presumed abandoned and due to the STO by report year detailing description of the property, property identifier, owner information, last transaction date or other dormancy trigger, amount and property type and property, as these are available.

- **Due Diligence / Remediation:** The preliminary notice of findings prompts the holder to conduct remediation and send written notice to the apparent owner(s) of properties with a value of above the statutory due diligence threshold. This notice will clearly provide a timeline for the remediation submission, as well as the deadline to evaluate, reconcile, and conduct due diligence on these audit findings consistent with the code.

Once the due date for due diligence responses has elapsed, DAS requests the holder to provide copies of the signed due diligence letters, which will be provided to the STO if required. DAS reviews the responses to the letters and remediates the properties. In the event due diligence has not been carried out by the holder, or there is no confirmation letter and/or affidavit on file, DAS will notify the STO.

- **Exit Conference:** During the exit conference, the auditor will direct the holder's attention to The Act, including the holder's continuing obligation to report directly to the STO and the record retention requirements under W.Va. Code §36- 8-21. The auditor recommends processes that would encourage and/or be conducive to complying with client criteria without risking the compromise of auditor objectivity. DAS understands the value of this educational process to owners, the State and holder. The audit is designed to identify escheatable property, but during the course of the audit there are numerous opportunities to educate the holder. This education is essential to the holder's future voluntary compliance. The primary benefit of the audit is that the holder is educated, procedures are corrected, and the holder can voluntarily comply with their obligation to escheat the property timely, and with a proper perspective. This is the primary means by which future compliance will be sought and maintained.

Upon expiration of the provided remediation period, the holder will mail any waiver request letter along with remittance payable to the STO and mail to DAS headquarters in Baton Rouge to the attention of the auditor. The auditor remains available to assist holders with basic information after the examination is complete.

REPORTING

Once remittance and any waiver request are received, the auditor acknowledges receipt of property and provides holder with the STO's website and phone number for assistance with future unclaimed property questions and reporting. The auditor will complete the audit reports and submit to AUP Audit Manager for final review and processing. The file will then be transmitted to the STO, usually within five (5) business days of receipt from the holder. The STO is provided a schedule of escheatable property in the NAUPA format at the conclusion of the audit along with a billing invoice. The administrative process for electronic reporting is outlined below.

1. Upon receipt of schedule of audit findings and other essential information, the administrative team initiates the electronic holder reporting process in accordance with the requirements of The Act, corresponding West Virginia legislative rule 112 CSR 5, and what is outlined in the RFQ. The scheduled properties are filtered, and/or segregated, by state. The properties total balance reportable to each participating state is reconciled to its applicable remittance submitted by holder. In the event the scheduled balances do not reconcile with the remittance check amount, the AUP Audit Manager is consulted for further guidance and rectification.
2. Once reconciliation of findings schedule and remittance is accomplished, the Administrative Assistant accesses UPEXchange and extracts the standardized, NAUPA II formatted worksheet in preparation for data upload.
3. The Administrative Assistant uploads the scheduled properties, from the schedule of findings, to the NAUPA worksheet. For validation and verification purposes, the Administrative Assistant conducts tests of both "hash" and "batch" totals. These tests mitigate the risk of erroneous reporting.

4. The Audit Manager then uploads the NAUPA II formatted spreadsheet to the STO's unclaimed property reporting website via UPEXchange. The upload confirmation's balance output is reconciled to the schedule of findings for validation purposes. The file is then forwarded to the Administrative Manager.
5. The Administrative Manager conducts the final quality control review to ensure the examination packet is complete and free from error or omission. The remittance check along with the final packet is forwarded to the STO.

DELIVERY

It is the preference of DAS that property is presented directly from the holder to the STO. Where some states wish for us to receive the property in escrow, net our fees, and forward the balance to the state, we would prefer not to take possession of the property. That is of course the decision of the STO. DAS will include this preference as an item to be discuss in the onboarding call with the STO if selected.

In the event the STO instructs DAS to receive the property in escrow and forward it to the STO, DAS has an escrow account set up for this purpose with JPMorgan Chase Bank. It is the policy of DAS to receive and transfer to the state these funds from escrow in the same day unless some extraordinary circumstance prevents this. DAS does not wish to hold these funds in escrow overnight.

The designated custodian of DAS is JPMorgan Chase Bank, N.A., a federal or state licensed financial institution. The custodian function is separate from the auditing and compliance function. This interest-bearing account is used to receive funds from the holder and send those funds to the state. This account has been more than sufficient to provide DAS with the ability to place funds in a secure account before transmitting them to the state. This transfer will occur within 24 to 48 hours following receipt from the holder.

DAS Designated Custodian

Custodian Name: JPMorgan Chase Bank, N.A.

Address: Town Center – 179, 7171 Corporate Blvd Baton Rouge, LA 70809

Contact Person: Mr. Michael D'Albor

Phone: 225-332-3166

4.1.2 Audits Examinations: Vendor shall conduct audit examinations of holders as required by the STO. Audits shall be conducted offsite virtually through electronic means. However, audits may be conducted onsite in-person if technical limitations exist which the audit vendor finds to make an offsite examination impracticable. Vendor shall undertake to identify and collect all types of unclaimed property from Holders that have never reported, have been improperly reported or are presumed to potentially have in their possession unclaimed property that is subject to report and delivery under the Act and within scope of the audit. It shall be the Vendor's responsibility to review the records of such Holders to determine if all property within the scope of the audit has been reported and remitted to the state. The property shall be reported and remitted to the state for owners with a last known address in West Virginia, or in the absence of records of owner names, where the Holder is domiciled in West Virginia. *The West Virginia Property Type Codes Table* with applicable abandonment periods is attached as Exhibit B.

DAS understands and acknowledges the requirements set forth in Section 4.1.2 and Exhibit B.

4.1.3 Requesting Multi-State Audit Examinations: Prior to the commencement of any audit, Vendor shall draft and submit electronically, to the Unclaimed Property Compliance Director, a request for audit. The request for audit should include the following information, if available. The auditor is not required to submit information regarding another state if confidential by law or by contract. Failure to provide sufficient information may result in the rejection of the audit.

4.1.3.1 All invited and participating states.

4.1.3.2 All Holders, including all subsidiaries or affiliated holders and the parent company, included in the scope of the audit, identified by both FEIN and Legal Name and any name they are doing business under.

4.1.3.3 Time period of records to be examined based upon the cutoff date. The cutoff date is defined by the property's last activity date.

4.1.3.4 Explanation of factors qualifying the Holder for audit.

4.1.3.5 Specific scope of types of records and/or transactions to be audited, including but not limited to:

A. Type of audit, as defined as, but not limited to:

- 1. General ledger audit - Includes property other than securities. Vendor cannot classify an audit that includes a book review of securities as a general ledger audit. An audit that includes forms of ownership other than securities may still qualify as a general ledger audit, OR**
- 2. Securities audit- Includes only securities, OR**
- 3. Full scope audit- includes all possible property types, OR**
- 4. Virtual currency audit.**

B. Parent company's date of formation and date of incorporation.

C. Holder's state of incorporation and principal place of business.

D. Indication of whether the holder currently or at any time previously has been located in, doing business in, or has been incorporated in West Virginia.

Prior to the commencement of any audit, DAS shall draft and submit electronically, to the Unclaimed Property Compliance Director, a request for audit. The request for audit shall include the information included in Section 4.1.3.1 through 4.1.3.5 as available. DAS acknowledges additional information may be requested by the STO and that failure to provide sufficient information may result in the rejection of the audit.

4.1.5 Audit Authorization: Prior to commencing an audit, Vendor must obtain written approval in the form of a standardized Authorization Letter approved by the STO, on STO letterhead. The STO has the final and sole authority to determine who, if anyone, will conduct an examination of Holders. All unclaimed property funds or securities submitted by Vendor or the Holder pursuant to an examination conducted without an Authorization Letter from the STO shall be received by the STO without compensation to Vendor. The STO will advise Vendor of a rejected audit examination request within 60 days of the initial request.

The STO reserves the right to require the Audit Guidelines described in Section 4.1.1 be included as an attachment with the Authorization Letter.

DAS understands and acknowledges the requirements set forth in Section 4.1.5. No examination will be initiated until written authorization has been received by the STO.

4.1.6 Multi-state Audit Authorizations: In the event of multi-state audits, and if in agreement with some of all participating states, Vendor will request and receive approval from a majority of participating states prior to initiation of the audit. The authorization letters will be sent in a single batch or minimal batches from all states that are in agreement with this process to serve as notice to the Holder of the initiation of the multi-state audit and of all participating states.

DAS understands and acknowledges the requirements set forth in Section 4.1.6.

4.1.7 Authority: The Vendor shall act within the scope of authority granted to it by the STO. STO approval is required for the use of statistical sampling, projection, and estimation in the absence of Holder records. Written STO approval must be obtained prior to estimation being undertaken. Audit expansions, including but not limited to the type of audit, properties included in the audit, subsidiaries included in the audit, the lookback period, require a formal written request that includes a reason the expansion is necessary.

DAS understands and acknowledges the requirements set forth in Section 4.1.7.

4.1.8 Timeframe: Vendor must comply with STO established timeframes. Vendor shall schedule an assigned unclaimed property examination at a time mutually agreeable with the Holder; however, the examination shall commence no later than ninety (90) days after the notification to Vendor of the assignment of the examination, except on a showing of good cause.

Audits shall be authorized for three (3) years from the date of the authorization letter. Should the auditor not complete the audit in that time, they shall request an extension of the audit. Extensions may be granted in one (1) year increments. If an extension is not received at least forty-five (45) days prior to the expiration of the audit, the extension request may not be reviewed, and the audit will set to expire. Unless extenuating circumstances are adequately demonstrated, no more than one (1) extension may be granted under any audit.

DAS understands and acknowledges the requirements set forth in Section 4.1.8.

4.1.9 Act Requirements and Notices: The Vendor must have a working knowledge and familiarity with the requirements of the Act to properly advise Holders of their obligations. Vendor shall advise each Holder of the requirements of W.Va. Code §36-8-7 for notifying owners of their property ("Due Diligence") and shall notify the STO if the Holder failed to conduct Due Diligence. Vendor shall also advise Holders that all property reported and remitted must conform to the requirements of the Act, now and in the future. Vendor shall advise each Holder of the NAUPA reporting format and the required information for its use. Vendor shall advise each Holder of record retention requirements under W.Va. Code §36-8-21. Holders are not exempt from any section of the Act, including but not limited to W.Va. Code §36-8-24, which grants the STO the authority to charge penalties and interest to delinquent Holders. Vendor shall not represent to Holders that penalties and interest will be waived without written authorization from the STO.

DAS understands and acknowledges the requirements set forth in Section 4.1.9. Specific detail addressing DAS' methodology to adhere to these guidelines is further outlined in the Work Plan provided in response to Section 4.1.1.

4.1.10 Bankruptcy of Holder: Vendor will notify the STO if it is discovered a Holder has filed for bankruptcy. Vendor will provide all available information to the Unclaimed Property Compliance Director within seven (7) days of discovery of the pending bankruptcy by Vendor.

DAS shall notify the STO if it is discovered a Holder has filed for bankruptcy. DAS will provide all available information to the Unclaimed Property Compliance Director within seven (7) days of discovery of the pending bankruptcy by Vendor.

4.1.11 Closure: Vendor must properly close an audit, as required by the requirements listed herein. After the Holder and Vendor have agreed to the amount deliverable, Vendor will provide the Holder and the STO with a final examination report summarizing the procedures performed and the conclusions reached, including the amount deliverable. Vendor will properly close the audit on the following month's Work-in-Progress Report ("WIP"). If

applicable, the STO will notify the Holder of any interest or penalties assessed on delinquent property

DAS understands and acknowledges the requirements set forth in Section 4.1.11.

4.1.12 Reporting: These requirements may be amended at the written direction of the STO. Further, the STO reserves the right to reject any audit reports not in compliance with the provisions of this RFQ. In conjunction with the identification and collection of unclaimed property, Vendor must:

4.1.12.1 Process records of unclaimed property obtained from Holders and/or their agents;

4.1.12.2 Timely submit all required reports and notices electronically to the Unclaimed Property, Compliance Director.

4.1.12.3 Prepare and submit to the STO reports of unclaimed property in accordance with the requirements of the Act & corresponding West Virginia legislative rule, 112 CSR 5;

4.1.12.4 Report all unclaimed property electronically using the NAUPA II standardized unclaimed property reporting format. This format can be downloaded from the NAUPA website: <http://www.unclaimed.org>; and

4.1.12.5 Timely submit, pay or deliver all funds and other property constituting unclaimed property to the STO, or its designee subsequent to the processing of the Holder's records and Vendor's demand of report and payment or delivery, as provided in this subparagraph. All funds, must be segregated and securely maintained by Vendor for a period not to exceed thirty (30) calendar days prior to disbursement to the STO or its designee.

DAS understands and acknowledges the requirements set forth in Section 4.1.12. Specific detail addressing DAS' methodology to adhere to these guidelines is further outlined in the Work Plan provided in response to Section 4.1.1.

4.1.13 Securities: Vendor must process all securities according to the procedures established by State law and the STO.

4.1.13.1 Vendor shall cause all securities to be re-registered to the State of West Virginia or its nominee, as directed by the STO, and delivered using Depository Trust Company (OTC) designations when applicable. For all securities that are not OTC eligible, Vendor shall cause them to be re-registered to the WV State Treasurer or its nominee, at the written direction of the STO, and delivered in physical form to the STO, or its designee. Worthless securities should not be reported or transferred to the STO.

4.1.13.2 The accompanying invoice should include the value of the shares on the date the property is received by the STO. The value of any security shall be the closing price of that security on the date the property is received by the STO or the STO's custodian. If the property is a security traded over the counter, it shall be the bid price as set forth in the over the counter market. For any other security related properties, the value shall be determined according to generally accepted valuation procedures.

DAS understands and acknowledges the requirements set forth in Section 4.1.13.

4.1.14 Demands for Remittance: Vendor must be able to demand and accept remittances of unclaimed property from Holders. Unless otherwise authorized by the STO, Vendor shall not make a demand of a Holder for remittance of property to the STO until such time as the Holder and Vendor reconcile and agree upon the report to be filed with the STO. In the event Vendor and Holder do not agree upon the report to be filed, Vendor shall notify the STO, who shall decide the matter.

DAS understands and acknowledges the requirements set forth in Section 4.1.14.

4.1.15 Dispute Resolution: Vendor must be able to assist in dispute resolution as needed. In the event Vendor and the Holder are unable to reach an agreement as to the terms of Vendor's final examination report, the Holder may maintain an original action to establish the claim in the circuit court of Kanawha County, naming the administrator as a defendant.

DAS understands and acknowledges the requirements set forth in Section 4.1.15.

4.1.16 Property Disputes: Vendor must be able to assist the STO with property disputes. Timely disbursement of property may be delayed because of a dispute with respect to the delivery, ownership, right of possession and/or disposition of property. Delivery requirements may be suspended at the discretion of the STO pending the resolution of said disputes or as otherwise requested by the STO. Vendor shall notify the STO of any such disputes within thirty (30) days of determination that a dispute exists. Vendor shall then make all reasonable efforts to resolve disputes as quickly as possible. Vendor shall provide to the STO the actual resolution date of any such disputes and shall remit the property within thirty (30) days of resolution of disputes.

DAS understands and acknowledges the requirements set forth in Section 4.1.16.

4.1.17 Release Agreements: Vendor must prepare Release Agreements according to STO procedures. Vendor shall prepare a Release Agreement, when requested by a Holder, to be signed by the Holder and the STO, which shall identify the property to be remitted, and verify that the appropriate abandonment period has been met for each type of property reported. A copy of a sample Standard Release Agreement is attached as Exhibit C. The STO reserves the right to modify the terms of the Release Agreement at its discretion.

DAS understands and acknowledges the requirements set forth in Section 4.1.17.

4.1.18 Work-In-Progress Reports: Vendor must provide to the STO Work-in- Progress Reports ("WIPs") according to the following procedures:

4.1.18.1 Vendor shall provide the Unclaimed Property Compliance Director at UP_Compliance@wvsto.com, by the 15th of each month, for the previous month, a WIP for each Holder under examination. All Holders under audit must be listed in the WIPs from the time the audit is commenced until the audit is formally closed. The WIPs will be in the form of and include all information required by the current sample Work-in-Progress Report Template attached as Exhibit D. This template may be amended at the written discretion of the STO.

DAS understands and acknowledges the requirements set forth in Section 4.1.18. The requirements of the Work in Progress (WIP) Report, as set forth in the RFQ, will be one of the elements clarified in the orientation call, following the execution of the contract and prior to any action by DAS. The DAS Administrator will deliver this status information to the designated person at the State in accordance with the prescribed method, content, and frequency.

The WIP report is sent monthly and conveyed in accordance with the STO's preference for electronically sending and receiving confidential information. DAS will comply with all monthly reporting as required by the STO using state forms as appropriate. The reports will, at minimum, include the information listed in Exhibit D.

Additionally, DAS shall be available for in-person meetings with the Division as well as phone calls, conference calls, emails, and other communications as deemed necessary by the Division. These communications with current state clients have been extremely productive in resolving issues and defining strategy early on in the process.

4.1.19 Review and Retention of Records: Vendor must permit the STO to review all records it maintains to ensure Vendor's compliance with all the terms and conditions of the purchase order issued pursuant to this RFQ. The scheduling of these reviews will be designated by the STO. All working papers and reports must be retained, at Vendor's expense, for a minimum often (10) years from the originating date, unless Vendor is notified in writing by the STO to extend the retention period.

DAS understands and acknowledges the requirements set forth in Section 4.1.19.

4.1.20 Joint Examinations: Vendor agrees the STO reserves the right to participate in a joint examination of any Holder, at any time, with Vendor.

DAS understands and acknowledges the STO reserves the right to participate in a joint examination of any Holder, at any time, with DAS.

4.1.21 Fees: Vendor agrees to payment for audit services as follows:

4.1.21.1 Except as provided in Section 4.2.10 and Section 4.3.1 below, all Vendor fees for the identification and collection of unclaimed property will be the lesser of a flat 10 percent (10%) of the net unclaimed property remitted to the STO, or the lowest fee percentage charged to any other state for the same Holder multi-state audit, less any interest due pursuant to the provision of this RFQ. In such case, if the fee is lower than 10%, Vendor shall provide written notice of the lower fee and agree to provide the same fee.

4.1.21.2 Net unclaimed property is the gross value of all unclaimed property, minus the value of all unclaimed property delivered by the Holder, if any, that otherwise would have been delivered pursuant to the reporting practices of the Holder as they existed prior to the execution of the agreement with Vendor. Payment will be made in arrears, based upon invoices submitted by Vendor, once property is received.

4.1.21.3 Failure to deliver property to the STO within thirty (30) days of receipt from the Holder will result in the following reductions in fees, unless a dispute occurs or unless the STO waives the reduction for matters beyond the reasonable control of Vendor. The STO reserves the right to request documentation indicating the date the property was received by Vendor. Vendor must provide requested information within two (2) business days of request.

4.1.21.3.1 Audit reports, funds and securities that are submitted thirty- one (31) to sixty (60) calendar days after the receipt of property by Vendor or its designee may be subject to up to a 33% fee reduction, at the discretion of the STO.

4.1.21.3.2 Audit reports, funds and securities that are submitted sixty- one (61) to ninety (90) calendar days after receipt of property by Vendor or its designee may be subject to up to a 66% fee reduction, at the discretion of the STO.

4.1.21.3.3 Audit reports, funds and securities that are submitted past ninety-one (91) calendar days after the receipt of property by Vendor may be considered past due and may result in a forfeiture of the entire fee, at the discretion of the STO. The STO reserves the right to require Vendor to submit all reports and property immediately upon reaching past due status.

DAS agrees to payment for audit services as set forth in Section 4.1.21.

4.1.22 Confidentiality: Vendor must preserve the integrity of STO security and confidentiality. If Vendor is engaged in handling confidential information, it shall exercise appropriate security precautions. Vendor shall maintain as confidential all information concerning a Holder's property. Pursuant to W.Va. Code §36-8-25, unclaimed property records are confidential and not subject to the West Virginia Freedom of Information Act ("FOIA"), W.Va. Code§ 29B-1- 1 et seq.

DAS certifies it shall preserve the integrity of STO security and confidentiality. When DAS is engaged in handling confidential information, it shall exercise appropriate security precautions. DAS shall maintain as confidential all information concerning a Holder's property. DAS understands and acknowledges pursuant to W.Va. Code §36-8-25, unclaimed property records are confidential and not subject to the West Virginia Freedom of Information Act ("FOIA"), W.Va. Code§ 29B-1- 1 et seq.

4.2 ADDITIONAL OPTIONAL SERVICES WHICH VENDOR MAY PROVIDE

4.2.1 Additional Services: Vendors with the minimum qualifications set forth in Section 3 and who want to oversee Vendor-Assisted Self Audit (referred to as the Compliance Program within the STO) for Holders must also meet or exceed the mandatory requirements listed below.

DAS meets the minimum qualifications set forth in Section 3 and would like to provide Vendor-Assisted Self Audit Services for the STO. DAS understands the mandatory requirements set forth below and certifies the work plan outlined in the subsequent sections will satisfy the requirements set forth by the STO.

DAS understands and embraces the importance of not only verifying compliance, but proactively engaging and educating the business community. While an audit presence is an essential element to compel voluntary compliance, education is the most effective way to ensure holders continue to report and remit property in a lawfully compliant fashion.

Referred to as “managed audits” in state and local tax, this concept is gaining traction with state and local tax agencies. Revenue Recovery Group (RRG), our sister company, has engaged on behalf of tax agency clients to perform nexus, discovery, education services, and is aggressively expanding this methodology.

For example, RRG’s Construction Use/Tax Administration Audit Program has been in place for over 15 years and has made a significant impact on compliance for our Colorado municipal clients. This program includes, but is not limited to, the provision of training seminars, technical assistance and staff support in the development and implementation of systems to identify, record, track and provide on-going analysis of construction permits and associated use tax deposits and obligations through the completion of the projects to ensure all appropriate taxes/fees have been appropriately paid to the client agency.

DAS is leveraging RRG’s experience on the state and local tax side to deliver these services to our unclaimed property clients. DAS has also successfully implemented this program in North Dakota through collaboration with the North Dakota Department of Trust Lands, Unclaimed Property Division.

The work plan outlined below aims to assist holders with the following:

- Understanding their obligations under The Act

- Determining whether they are currently in compliance with The Act
- Educating them on the opportunity to come into compliance through the Vendor-Assisted Self Audit Program
- Participating in the Vendor-Assisted Self Audit and correctly reporting

4.2.2 Assistance: Vendor must assist the STO in the identification, outreach, education, and notification of potential Holders of unclaimed property. Vendor shall assist in the education of the Holders' obligation to file unclaimed property reports and to remit those funds to the STO.

DAS understands it must assist the STO in the identification, outreach, education and notification of potential holders of unclaimed property. DAS shall assist in the education of the holders' obligation to file unclaimed property reports and to remit those funds to the STO.

4.2.3 Identification: Vendor must research and identify potential Holders of unreported unclaimed property that is past due. Vendor must provide written justification for seeking approval for Holder to participate in this program. The STO may also identify potential Holders and request their participation in the program.

4.2.3.1 Written Justification: Vendor's written justification must be based on the Holder's reporting history and an indication of the Holder's willingness to be compliant with the Act.

4.2.3.2 Review Plan: Vendor-assisted self-review plan must identify the Vendor's staff and the assistance that will be provided to the Holder, an expected timeline to begin with an opening conference and conclude with a closing conference, the general methods to be employed and the time period to be covered by the vendor-assisted self-review.

DAS understands and acknowledges the requirements set forth in Section 4.2.3. DAS shall collaborate with the STO staff to establish criteria for segmenting the West Virginia-based holder population into separate groups that best represent the objectives of the STO. DAS staff will use the criteria set forth by the STO to research and identify potentially non-compliant State-based holder candidates for the program.

Advanced data matching and analytics techniques will be used to compile a list of holder candidates for consideration. Data sources include holder reporting data provided by State along with reliable research tools and available data sources such as, however not limited to, D&B Hoovers, State Secretary of State, State Name Department of Revenue, SEC, and the FDIC.

Once thoroughly evaluated, a list of holder candidates is compiled and presented to the STO for approval in addition to:

- Written justification based on the holder's reporting history and an indication of the holder's willingness to be compliant with the Act.
- Review Plan, including an expected timeline to begin, proposed methodology for determining whether holders are currently in compliance with the State's unclaimed property law and verification procedures for holder reporting
- All educational materials to be used

4.2.4 Authorization: Vendor must obtain prior written authorization from the STO to oversee a self-audit of a Holder under this program. The STO has the final and sole authority to determine who, if anyone, will take part in the self-audit and will also make requests in writing to Vendor. All unclaimed property funds or securities submitted by Vendor or the Holder pursuant to any self-review under this program conducted without prior written approval from the STO shall be received by the STO without compensation to Vendor.

DAS understands and acknowledges the requirements set forth in Section 4.2.4.

4.2.5 Vendor-Assisted Self-Audit: Within 90 days of obtaining authorization from the STO, Vendor must contact the Holder and begin to execute Vendor-assisted self-review plan. Vendor shall assist the Holder to determine, report, and collect all types of unclaimed property in the possession of the Holder, within the scope of the audit due and owing the STO. Vendor shall explain its responsibilities to the Holder which will include the following phases:

- i. Vendor will gather and document basic corporate information;**
- ii. Vendor will review the financial statements in order to advise the Holder of the types of property to be included in the self-review;**
- iii. Vendor will review the self-review analysis prepared by the Holder;**
- iv. Vendor will assist the preparation of the unclaimed property report;**
- v. Vendor will prepare a final report to the close the self-review; and**
- vi. Vendor will review the Holder's final report and submit the final report and remittance to the STO.**

DAS understands and acknowledges the requirements set forth in 4.2.5. An overview of our work plan is provided below.

OUTREACH & INITIATION

- Outreach: Holder outreach to be conducted using the appropriate method given the circumstances to explain holder obligations, review common property types based on industry that are subject to escheat, and notify them of their selection to participate in the Vendor-Assisted Self-Audit.
- Initial Contact: Within 90 days of obtaining authorization from the STO, DAS shall contact the holder and begin to execute the self-review plan. In the event the STO requires the holder must formally accept the invitation to participate in the program, DAS proposes the following workflow:
 - The holder must formally accept the invitation to participate within 90 days of receipt or may be subjected to audit. Formal acceptance is indicated by signing the correspondence and returning to the STO via certified mail by the deadline.
 - If the holder responds to the invitation by the deadline, the STO will then notify both the holder and DAS of the holder's acceptance into the program. The holder will then be contacted by DAS within two weeks to conduct the entrance conference and be presented with scoping documents for their completion.
- Entrance Conference: DAS shall schedule an entrance conference with the holder to introduce the holder to their self-audit reviewer and conduct a walkthrough of the phases of the engagement. During this meeting, the holder will be informed of its compliance and reporting obligations, a timeline will be established with milestones for completing the self-audit, and any concerns of the holder will be addressed. Any pre-approved educational materials will also be provided to the holder as well as guidelines and expectations for the self-audit.
- Scoping: At the conclusion of the entrance conference, the following items will be presented to the holder:
 - Pre-Audit Questionnaire: the questionnaire is designed to capture important information about the holder's operations. Pre-Audit Questionnaire responses may be used in formulating a comprehensive list of records for the holder to include in their review. The questionnaire is industry specific and may inquire on a number of topics, including:
 - Records retention schedules
 - Unclaimed property policies and procedures
 - Mergers and acquisitions

- Common practices of the holder
- Scoping Workbook: Scoping is a critical component of the engagement, as it will assist the holder in identifying all entities of which it has exposure, as well as ensure the appropriate application of the priority rules. The scoping workbook is comprised of the following content:
 - Entity listing
 - Disbursement account listing by entity
 - Accounts receivables listing by entity
 - Employee benefits workbook

HOLDER ANALYSIS OF RECORDS & QUANTIFICATION OF UNCLAIMED PROPERTY LIABILITIES

- Holder Self-Review Analysis: Once the scope of established, DAS shall assist the holder in preparing a list of documents for the holder to analyze and review based on the holder's primary business industry and information gathered during the Initiation Phase as outlined above. The holder will follow the methodology outlined below to complete the analysis:
 - The holder will pull source documents, such as check registers, agings and other useful documents for in-scope periods.
 - The holder will conduct both on-balance sheet and off-balance sheet testing for disbursement accounts and accounts receivables agings.
 - On-balance sheet testing will consist of reviewing the most recent source document for properties outstanding for 90 days or longer that are currently on the books and have met or exceeded the dormancy period.
 - Off-balance sheet testing will consist of reviewing quarterly disbursement accounts and agings to identify properties outstanding 90 days or longer prior to being voided, cancelled, or disregarded in other manner. The holder shall confirm the final resolution of the property.
 - The holder will provide a workbook capturing the properties identified via the aforementioned testing methods, and quantify any unclaimed properties identified.
 - The holder will generate a narrative to accompany its workbook(s). This narrative shall be a stand-alone document that provides insight into the steps taken throughout the review as well as note the end results and discoveries.
- Holder Assistance & Support: DAS may assist the holders in the self-review as follows:
 - Suggest records to analyze for each property type included in the review, assist in establishing the periods for which records are complete and researchable.
 - Transactional Level Analysis for all property types by assisting in determining the appropriate criteria for additional research.
 - Suggest remediation & due diligence for all properties identified and review documentation that supports the resolution of each transaction to determine unclaimed status.
 - Provide guidance in its completion of the narrative.

REPORTING & DELIVERY

- Report Verification: DAS shall verify the analysis and narrative completed by the holder. DAS will present inquiries, where warranted, to ensure the appropriate steps were taken by the holder to

determine its true exposure and compliance. A quality review is then completed to ensure all necessary data is obtained and accurate. At the conclusion of the report review, DAS will notify the holder whether the review can proceed to the next phase.

- **Finalization & Reporting of Property:** Once the verification process is complete, the holder shall provide its finalized workpapers and narrative to DAS. DAS shall then formally request a check made payable to the STO be mailed to its office within two (2) weeks. Upon receipt of payment, DAS shall follow standard protocol in submitting the reports and payment to the STO.

4.2.6 Timeframe: The self-review of the Holder's records under the Compliance Program must be completed within one (1) year from the date of the STO's authorization letter unless the STO grants an extension.

DAS understands and acknowledges the requirements set forth in Section 4.2.6.

4.2.7 Work-In-Progress: Vendor must submit regular WIPs on all pending vendor- assisted self-reviews in an electronic format previously agreed upon prior to authorization. These may be in a format which differs Section 4.1.19.

DAS understands and acknowledges the requirements set forth in Section 4.2.7.

4.2.8 Collection and Delivery: Vendor must report all property remitted in accordance with Section 4.1.12 and 4.1.13 as required by Section 4.1.17. The Holder shall deliver any tangible property such as contents of safe deposit boxes directly to the STO.

DAS understands and acknowledges the requirements set forth in Section 4.2.8.

4.2.9 Education and Compliance: Prior to closing the vendor-assisted self-review, Vendor must educate the Holder on its future compliance with the Act including those requirements noted in Section 4.1.9.

DAS understands and acknowledges the requirements set forth in Section 4.2.9.

4.2.10 Compensation: All Vendor fees for the Voluntary Compliance Program will be a flat 9 percent (9%) of the net unclaimed property remitted to the STO. Net unclaimed property is the gross value of all unclaimed property, minus the value of all unclaimed property delivered by the Holder, if any, that otherwise would have been delivered pursuant to the reporting practices of the Holder as they existed prior to the execution of the agreement with Vendor. Payment will be made in arrears, based upon invoices submitted by Vendor, once property is received.

DAS understands and acknowledges the requirements set forth in Section 4.2.10.

4.3 ADDITIONAL SERVICES

Vendors with the minimum qualifications set forth in Section 3 may be selected to conduct agreed upon procedures related to a Holder that may or may not have been part of an audit. If selected, the scope of the Agreed Upon Procedure will be outlined in a delivery order.

DAS understands and acknowledges the requirements set forth in Section 4.3. DAS meets the minimum qualifications set forth in Section 3 and would like to be selected to conduct agreed upon procedures related to a holder that may or may not have been part of an audit. DAS understands that if selected, the scope of the Agreed Upon Procedure will be outlined in a delivery order.

4.3.1 Audit Agreed Upon Procedures related to a Holder which is outside of the scope of a multistate audit, West Virginia state specific audit, or Vendor-assisted self-audits will be paid on an hourly basis at the rate of \$100 per hour, and the total cost will be capped in a release order, if selected.

DAS understands and agrees to the fees set forth in Section 4.3.1.

5. CONTRACT AWARD

DAS acknowledges the contract requirements of RFQ Section 5 and certifies compliance with the required specifications upon award of a contract resulting from this RFQ.

6. PERFORMANCE

DAS acknowledges the performance requirements of RFQ Section 6. DAS understands it and the STO shall agree upon a schedule for performance of Contract Services and Contract Services Deliverables, unless such a schedule is already included herein by STO. If this Contract is designated as a Master Agreement, DAS understands it shall perform in accordance with the delivery orders that may be issued against this Contract.

7. PAYMENT

DAS acknowledges the payment requirements of RFQ Section 7 and certifies compliance with the required specifications upon award of a contract resulting from this RFQ.

8. TRAVEL

DAS acknowledges the payment requirements of RFQ Section 8 and certifies compliance with the required specifications upon award of a contract resulting from this RFQ.

9. FACILITIES ACCESS

DAS acknowledges the payment requirements of RFQ Section 9 and certifies compliance with the required specifications upon award of a contract resulting from this RFQ.

10. VENDOR DEFAULT

DAS acknowledges the payment requirements of RFQ Section 10 and certifies compliance with the required specifications upon award of a contract resulting from this RFQ.

11. MISCELLANEOUS

DAS acknowledges the contract manager requirements of RFQ Section 11. DAS has provided contact information for its Contract Manager below.

Contract Manager: J. King Woolf, III

Telephone Number: (225) 928-9175 ext. 374

Fax Number: (225) 928-9176

Email Address: kwoolf@discoveryauditservicesllc.com

APPENDIX A: REQUIRED FORMS

The following forms are provided in this section:

1. Designated Contact Form
2. Addendum Acknowledgement Form
3. Exhibit A – Pricing Page

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) J. King Woolf, III, President

(Printed Name and Title) J. King Woolf, III, President

(Address) 7515 Jefferson Hwy #244 Baton Rouge, LA 70806

(Phone Number) / (Fax Number) Phone: 225-928-9175 ext. 374 / Fax: 225-928-9176

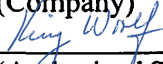
(email address) kwoolf@discoveryauditservicesllc.com

CERTIFICATION AND SIGNATURE: By signing below, or submitting documentation through wvOASIS, I certify that: I have reviewed this Solicitation/Contract 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/Contract 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.

By signing below, I further certify that I understand this Contract is subject to the provisions of West Virginia Code § 5A-3-62, which automatically voids certain contract clauses that violate State law; and that pursuant to W. Va. Code 5A-3-63, the entity entering into this contract is prohibited from engaging in a boycott against Israel.

Discovery Audit Services, LLC

(Company) _____

 J. King Woolf, III, President

(Authorized Signature) (Representative Name, Title) _____

J. King Woolf, III President 8/3/2022

(Printed Name and Title of Authorized Representative) (Date) _____

225-928-9175 ext. 374 225-928-9176

(Phone Number) (Fax Number) _____

kwoolf@discoveryauditservicesllc.com

(Email Address) _____

ADDENDUM ACKNOWLEDGEMENT FORM
SOLICITATION NO.: CRFQ STO23*001

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:

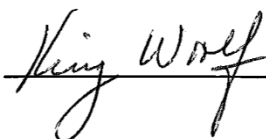
(Check the box next to each addendum received)

- | | |
|--|--|
| <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.

Discovery Audit Services, LLC

Company



Authorized Signature

9/2/2022

Date

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

REQUEST FOR QUOTATION
Professional Auditing Services

EXHIBIT A – PRICING PAGE (Revised 8/30/22)

Vendor affirms by their signature or submission of a bid response that they will accept the fee schedule as listed for all STO mandatory, requested and approved services. All vendor expenses must be included in the established fee schedule and shall not be reimbursed separately.

Note: Vendor is not required to provide services considered Optional. Such response will have no bearing on a contract award.

MANDATORY SERVICES:

Per Section 4.1.21.1: Vendor fees for the identification and collection of unclaimed property will be a flat 10.5 percent (10.5%) of the net unclaimed property remitted to the WV STO.

OPTIONAL SERVICES (Non-mandatory):

Per Section 4.2.10: Compensation: All Vendor fees for the Voluntary Compliance Program will be a flat 9 percent (9%) of the net unclaimed property remitted to the STO. Net unclaimed property is the gross value of all unclaimed property, minus the value of all unclaimed property delivered by the Holder, if any, that otherwise would have been delivered pursuant to the reporting practices of the Holder as they existed prior to the execution of the agreement with Vendor.

Fee: Flat Rate of 9%

Vendor will offer this service: Yes X No

Per Section 4.3.1: Compensation: Audit Agreed Upon Procedures related to a Holder which is outside of the scope of a multistate audit, West Virginia state specific audit, or Vendor-assisted self-audits will be paid on an hourly basis at the rate of \$100 per hour, and the total cost will be capped in a release order, if selected.

Fee: Not to Exceed \$100/hour

Vendor will offer this service: Yes X No

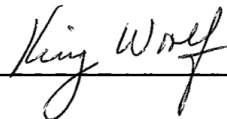
REQUEST FOR QUOTATION
Professional Auditing Services

I/We agree to the established fee schedule for the mandatory services listed within this solicitation and resultant contract award, including any of the selected optional services affirmed above:

Company Name: Discovery Audit Services, LLC

Printed Name of Signatory: J. King Woolf, III

Title of Signatory: President

Signature: 

APPENDIX B: STATEMENT OF GOOD STANDING



STATE OF WEST VIRGINIA
State Tax Department, Taxpayer Services Division
P.O. Box 885
Charleston, WV 25323-0885



Matthew R. Irby, State Tax Commissioner

DISCOVERY AUDIT SERVICES, LLC
PO BOX 77738
BATON ROUGE LA 70879-7738

Letter Id: L1894298912
Issued: 08/15/2022

West Virginia State Tax Department

Statement of Good Standing

EFFECTIVE DATE: August 15, 2022

A review of tax accounts indicates that DISCOVERY AUDIT SERVICES, LLC is in good standing as of the effective date of this document. Please note, this Statement of Good Standing expires on **November 13, 2022**.

The issuance of this Statement of Good Standing shall not bar any audits, investigations, assessments, refund or credits with respect to the taxpayer named above and is based only on a review of the tax returns and not on a physical audit of records.

Sincerely,

Nicole Grant, Tax Unit Supervisor
Taxpayer Services Division

atL103 v.31

Taxpayer Services Division ■ P.O. Box 885 ■ Charleston, WV 25323-0885
Toll Free (800) 982-8297 ■ www.tax.wv.gov

APPENDIX C: CERTIFICATE OF INSURANCE

DAS' Certificate of Insurance can be found on the page immediately following this one.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

8/10/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Arthur J. Gallagher Risk Management Services, Inc. 235 Highlandia Drive, Suite 200 Baton Rouge LA 70810	CONTACT NAME: Renee Meaux PHONE (A/C, No, Ext): 225-906-1271 E-MAIL ADDRESS: renee_meaux@ajg.com		FAX (A/C, No): 225-292-3893
	INSURER(S) AFFORDING COVERAGE		
INSURED Revenue Recovery Group, Inc./ Discovery Audit 7515 Jefferson Hwy #244 Baton Rouge, LA 70806	REVEREC-02	INSURER A : Travelers Casualty and Surety Company	NAIC # 19038
		INSURER B : Illinois Union Insurance Company	27960
		INSURER C : Northfield Insurance Company	27987
		INSURER D : MSIG Specialty Insurance USA	
		INSURER E : Evanston Insurance Company	35378
		INSURER F : Hiscox Insurance Company Inc.	10200

COVERAGES

CERTIFICATE NUMBER: 1165664993

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
C	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	Y		WS515069	6/30/2022	6/16/2023	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
D	<input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY	Y		HNO100016300	6/30/2022	6/16/2023	COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Retention \$ 5,000
E	<input type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$	Y		EZXS3084116	6/30/2022	6/16/2023	EACH OCCURRENCE \$ 1,000,000 AGGREGATE \$ 1,000,000 \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	UB0L5678142242G	6/16/2022	6/16/2023	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
B F	Professional Liability Cyber	Y Y	Y Y	EONLAF112758374 MPL200994822	6/16/2022 6/16/2022	6/16/2023 6/16/2023	Aggregate Limit \$ 1,000,000 Aggregate Limit \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Complete Named Insured for the Liability Policy:
 Revenue Recovery Group, Inc. and King Woolf
 Discovery Audit Services, LLC

Complete Named Insured for the Workers Compensation Policy:
 Revenue Recovery Group, Inc.
 Discovery Audit Services, LLC

See Attached...

CERTIFICATE HOLDER**CANCELLATION**

West Virginia State Treasurer's Office
 322 70th Street, S.E.
 Charleston WV 25304
 USA

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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ADDITIONAL REMARKS SCHEDULE

AGENCY Arthur J. Gallagher Risk Management Services, Inc.		NAMED INSURED Revenue Recovery Group, Inc./ Discovery Audit 7515 Jefferson Hwy #244 Baton Rouge, LA 70806	
POLICY NUMBER		EFFECTIVE DATE:	
CARRIER	NAIC CODE	(Empty)	

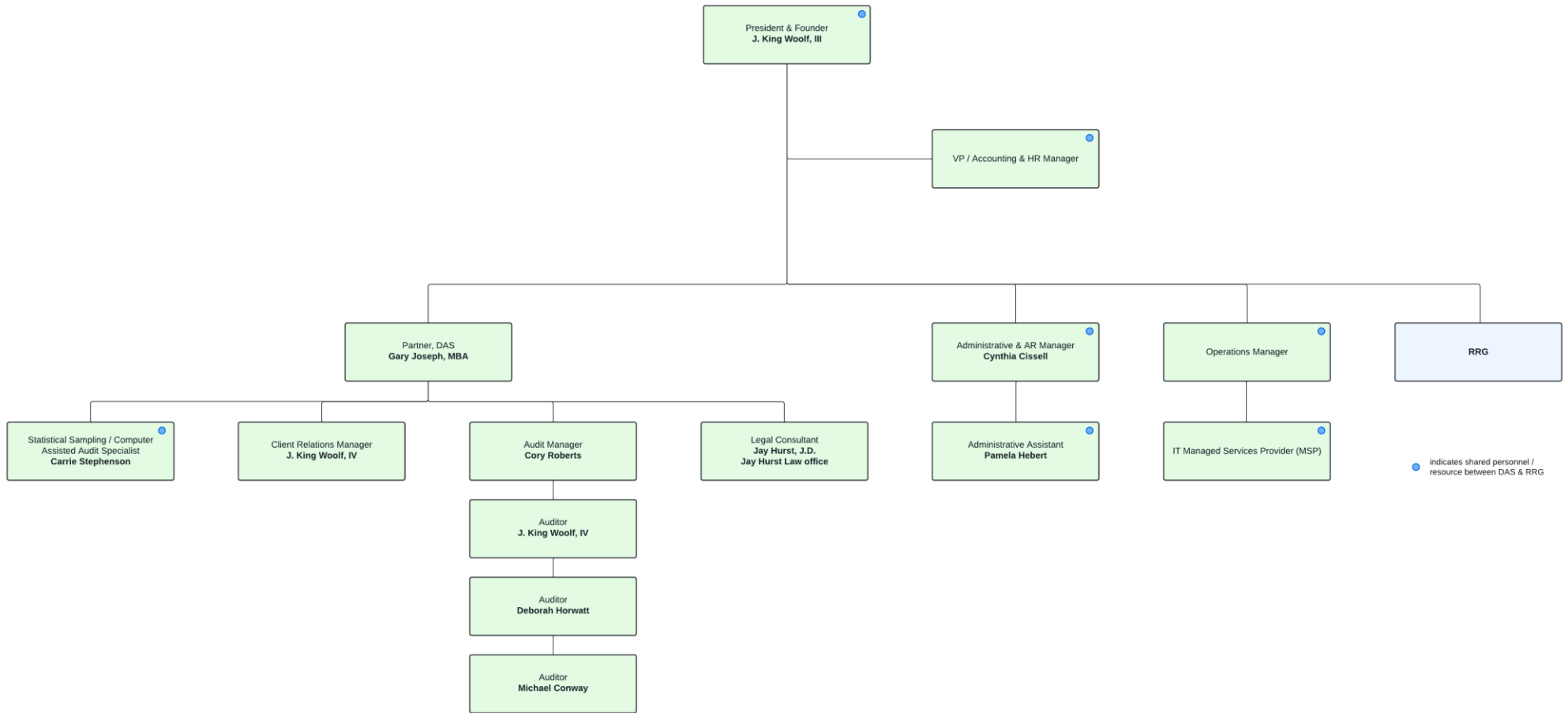
ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: 25 FORM TITLE: CERTIFICATE OF LIABILITY INSURANCE

Blanket Additional Insured with respects to General Liability per written contract or agreement
 30 Day NOC with respects to General Liability provided to West Virginia State Treasurer's Office

APPENDIX D: ORGANIZATIONAL CHART

An organizational chart identifying key staff members who will be providing the audit services required by this RFQ is provided below.



APPENDIX E: STAFF RESUMES

John King Woolf, III

President & Founder

Mr. Woolf is the President and Founder of Discovery Audit Services and Revenue Recovery Group. Both firms represent exclusively state and/or local government agencies and facilitate education and compliance within the business community of business tax and state escheat laws. Combined, these two firms have discovered, documented, and facilitated the transfer of over \$395 million in delinquent tax payments and escheatable property to their government clients. He holds a Master of Business Administration from Vanderbilt University (1989) and a Bachelor of Science in Business Administration from Louisiana State University (1981). Mr. Woolf has over thirty-two (32) years of experience supervising multi-state audit programs, with sixteen (16) years of experience in the field of unclaimed property.

Relevant Experience

Since 1989, Mr. Woolf has founded Discovery Audit Services and Revenue Recovery Group, specialty audit firms representing the public sector. Mr. Woolf's experience includes expert development and oversight of auditing services on behalf of all of state unclaimed property clients. Mr. Woolf founded Discovery Audit Services in 2006 at the request of the Louisiana Treasurer. Mr. Woolf has been successful in securing multiple state contracts to discover and examine unclaimed property, establishing procedures, monitoring delivery, and resolving issues. Mr. Woolf is responsible for meeting client expectations, quality assurance, and resolution of issues that arise during the process. He has over sixteen (16) years of knowledge and skill in managing and supervising the unclaimed property operation.

Mr. Woolf founded Revenue Recovery Group in 1989 to provide discovery and audit services to state and local governments. The company discovers and details delinquent tax owed to state and local government clients. Over 62,900 audits have been completed. Of the 62,900 audits, six cases have been litigated and of those five supported the firm's findings. Over \$333 million delinquent tax revenue has been discovered, detailed, and reported to state and local government clients in eight states. Revenue Recovery Group was recognized in 2011 by the National Council of State Legislatures as being a "responsible third-party audit firm."

Additionally, Mr. Woolf was the Co-Founder and President of eFileSolutions, Inc. dba Trustfile, a software company that provided e-filing solutions for business filers, from 2000 to 2007. Trustfile's mission was to deliver a single point electronic registration, filing, and payment portal to allow a business to file and pay Sales/Use tax into all states and localities in the U.S. When Trustfile was sold it accurately and timely transmitted electronic filing and payment return data to thirteen (13) states with total annual dollars transmitted through the portal exceeding ten billion dollars.

Speaking Engagements

Mr. Woolf was invited to speak at the 2011 National Conference of State Legislatures annual meeting. A panel had been formed to make recommendations to the state legislatures concerning the use of third-party auditors. King was invited to speak based on the firm's track record of excellence since 1989. Other speaking engagements include:

- Federation of Tax Administrators (FTA): "Electronic Filing Partnerships Between the States and the Private Sector"
- Western States Association of Tax Administrators (WSATA): "Nexus Issues, Effective Metrics to Evaluate Audits"
- Louisiana Association of Tax Administrators (LATA): "Nexis, Local Control of Local Taxes, Streamlined Sales Tax Issues"
- Louisiana Multi-Parish Tax Compact: "Impact of Federal Legislation to Capture Remote Sales Tax"
- Louisiana Government Finance Officers Association (LGFOA): "Local Control of Local Taxes"

- Colorado Government Finance Officers Association (CGFOA): “Outsourcing Tax Discovery & Audit Services”

Gary Joseph, MBA, CIA

Partner

Mr. Joseph is Partner of Discovery Audit Services. He holds a Master of Business Administration (MBA) in Accounting from Colorado Technical University (2013) and a Bachelor of Science in Accounting & Finance from Northeastern University (2010). Mr. Joseph is also a Certified Internal Auditor (CIA). He has over ten (10) years of diverse unclaimed property compliance and educational experience. During his career, he has acted as both auditor/audit manager and holder advocate/consultant, yielding a wide range and balance of unclaimed property compliance experience. This diverse knowledge and understanding of the state and holder “sides” of the equation will yield DAS state clients and holders balanced, informed, fair, and reasonable audits as we navigate the ever-changing complexities of compliance enforcement and education.

Relevant Experience

As Partner, Gary is responsible for oversight of all DAS operations. He is responsible for the development and maintenance of the program’s infrastructure designed to facilitate the efficient, effective and thorough progression of examination assignments for multiple states. Gary is the process owner of all technical issues, dispute resolutions as well as conveyance of all examinations related communications, correspondence and work papers to the client state, holder and/or holder advocate. In addition to the aforementioned responsibilities, he is also responsible for examination quality control and final deliverables to client states.

Gary began his career at DAS in 2010, where he became the Abandoned & Unclaimed Property Audit Manager and was responsible for all technical and quality functions of the program. In 2017, he departed DAS to become an Unclaimed Property State & Local Tax Manager in BDO USA, LLP’s Houston office (2017-2018), and later a Senior Consulting Manager for Sovos (formerly KEANE) from 2018-2021. During his time as a consultant, he provided various services to unclaimed property holders such as audit defense, Delaware Voluntary Disclosure Agreement (VDA) assistance, and pre/post M&A liability quantification and remediation.

He has also served on board(s) with the Unclaimed Property Professionals Organization (UPPO) and has presented at various holder conferences to include UPPO, the National Association of Division Order Analysts (NADOA), the Institute of Internal Auditors (IIA), American Bankers Association (ABA), and the National Association of Lease and Title Analysts (NALTA).

Cory Roberts

Audit Manager

Mr. Roberts is the Abandoned & Unclaimed Property Audit Manager at Discovery Audit Services. He holds a Bachelor of Science from Northeastern University’s College of Business Administration (1998). He has over twenty-two (22) years of auditing experience, seventeen (17) of which are experience in the field of unclaimed property.

Relevant Experience

As Audit Manager, Mr. Roberts assists the Partner in oversight of the audit program in addition to managing an inventory of unclaimed property audits comparable in the size and scope to the requirements of the State. He assists with technical and quality functions of the program and is responsible for reviewing the status of his team’s audits to ensure optimal effectiveness and efficiency and that each examination is progressing in a timely manner, consistent with the expectations of the state. He is also responsible for

reviewing the status of each examination for each member of the audit team to verify the audit plan is optimal, and that each examination is progressing in a timely manner, consistent with the expectations of the state.

Prior to joining DAS in 2018, Mr. Roberts was at Conduent, Inc. (formerly Xerox Corporation and Affiliated Computer Services Inc) from 2004 to 2017, where he worked his way up from Staff Auditor to Audit Manager. He functioned as Audit Manager for six (6) years and was responsible for the management and oversight of the multi-state unclaimed property examinations of large public and private companies. He interfaced with companies and their advocates on a regular basis during various phases of unclaimed property audits, worked with staff and senior auditors to adhere to the standard methodologies for conducting examinations, reviewed client state deliverables for presentation to the state and trained audit staff.

John King Woolf, IV

Client Relations Manager & Auditor

Mr. Woolf is an Abandoned & Unclaimed Property Auditor and Client Relations Manager at Discovery Audit Services. Mr. Woolf holds a Bachelor of Science from Louisiana State University (2017). Prior to joining DAS full-time, he was an audit technician, where he assisted on AUP audits and performed state statute research and analysis. He has over five (5) years of unclaimed property auditing experience. He has attended two NAUPA conferences.

Relevant Experience

As Client Relations Manager, Mr. Woolf functions as the main point of contact for all client States. He works closely with the Audit Manager to ensure any client issues or questions are communicated and addressed timely and effectively. He also assists in identifying and evaluating productive audit candidates and educating the clients on the reason behind the audit request.

Mr. Woolf has experience performing AUP audits comparable in size and scope to the requirements of the State. His inventory of examinations includes both single and multi-state examinations. As an auditor, Mr. Woolf's duties include: facilitating and maintaining correspondence documentation between DAS and holders, assisting in identifying potential unclaimed property, reviewing remediation documentation provided by the holder, maintaining work papers for the duration of an audit, performing independent research on public and private companies, reviewing and documenting internal controls, policies, and procedures, and analyzing accounting records to quantify reportable unclaimed property.

Prior to becoming a full-time auditor at DAS, Mr. Woolf analyzed and researched state statutes for unclaimed property legal restrictions, limitations, and controls on a state-by state basis. He also performed LEAN analysis doing empirical analysis of process cycle time by isolating and quantifying activities known to cause delay.

Cynthia “Cindy” Cissell

Administrative & Accounts Receivable Manager

Ms. Cissell is Discovery Audit Services' Administrative and Accounts Receivable Manager. Ms. Cissell holds a Bachelor of Science in Business – Personnel and Labor Relations from University of Maryland-University College (1988). She has over twelve (12) years of total experience in the field of unclaimed property, including four (4) years of unclaimed property auditing and analysis experience. She has successfully completed a hundred and eight unclaimed property audits resulting in \$4,483,000 in property returned to owners and/or collected and remitted to clients.

Relevant Experience

Ms. Cissell's primary function as Administrative & AR Manager for over seven (7) years is to provide oversight of all administrative functions and activities, including support for unclaimed property auditors, clients, and managers. Additionally, Ms. Cissell is responsible for ensuring that internal controls are established and maintained in order to meet the requirements specified in client contracts and to support quality control. She ensures all data, file sharing, and communications are secure and for the secure transfer of property, including all phases of electronic holder reporting to the state.

Prior to her becoming the Administrative & AR Manager, Ms. Cissell functioned as an Abandoned & Unclaimed Property Auditor for four (4) years. As an auditor, she performed Unclaimed Property audits and audit analysis for client jurisdictions as well as researching industries and identifying potential audit leads. She has extensive knowledge in the production of audit summary reports and audit schedules to include the preparation of holder reports in NAUPA II format and electronic filing. She has successfully completed one hundred and eight (108) audits for Discovery Audit Services, LLC (DAS), resulting in \$4,483,000 in property returned to owners and/or collected and remitted to clients.

Ms. Cissell actively assists in the training and consultation of abandoned and unclaimed property auditors. Her experience in the banking, manufacturing, healthcare, utility and oil and gas industries has proven invaluable in the development, training and consultation of the firm's Abandoned & Unclaimed Property Auditors. Furthermore, she actively assists the AUP Audit Manager in program development, client, and staff relations.

Earlier in her career, Ms. Cissell served as Administrative Assistant with Revenue Recovery Group for over eight (8) years. She provided both exceptional and consistent office support to include the production of letters and affidavits related to the audit process, maintaining the audit database, and producing invoices for audit services, and preparing the daily deposit. Ms. Cissell excelled at developing relationships with staff, senior executives and clients.

Deborah Horwatt

Auditor

Ms. Horwatt is an Abandoned & Unclaimed Property Auditor at DAS. She holds a Bachelor of Science in Environmental Engineering from Temple University (1993). She has over three (3) years of unclaimed property consulting experience.

Relevant Experience

As an Auditor, Ms. Horwatt assists in performing AUP audits comparable in size and scope to the requirements of the State. Her duties include: facilitating and maintaining correspondence documentation between DAS and holders, assisting in identifying potential unclaimed property, reviewing remediation documentation provided by the holder, maintaining work papers for the duration of an audit, performing independent research on public and private companies, reviewing and documenting internal controls, policies, and procedures, and analyzing accounting records to quantify reportable unclaimed property.

Prior to joining DAS, Ms. Horwatt functioned as a Consultant at Sovos (formerly KEANE), where she was responsible for efficiently filing Unclaimed Property Reports due to states on behalf of clients. She also worked as an Account Executive in Legal Claimant Services, where she assisted legal claimants in claiming unclaimed assets potentially due to entitled parties, heirs, and account owners. She also served as Account Specialist in the Call Center, where she fielded 50 to 75 inbound calls daily answering questions related to due diligence letters sent on behalf of clients.

Michael Conway

Auditor

Mr. Conway is an Abandoned & Unclaimed Property Auditor at DAS. He holds an Associates Degree in Accounting from Lone Star College (2016) and is currently attending Sam Houston State University to attain his Bachelor of Business Administration in Accounting. He joined the firm this year, bringing over four (4) years of specialized oil and gas industry experience to the team.

Relevant Experience

As an Auditor, Mr. Conway assists in performing AUP audits comparable in size and scope to the requirements of the State. His duties include: facilitating and maintaining correspondence documentation between DAS and holders, assisting in identifying potential unclaimed property, reviewing remediation documentation provided by the holder, maintaining work papers for the duration of an audit, performing independent research on public and private companies, reviewing and documenting internal controls, policies, and procedures, and analyzing accounting records to quantify reportable unclaimed property.

Prior to joining DAS, Mr. Conway functioned as Senior Lease & Division Order Analyst at Pettigrew & Pettigrew Land Services for over four (4) years. He excels at the analysis of legal documents, such as leases, mineral ownership reports, title opinions, probate, and other title documents to identify mineral ownership, surface rights and provisions. He was also a member of the National Association of Lease & Title Analysts (NALTA) from 2013 to 2015. He has also obtained his Series 7 and 66 licenses through his work as a Financial Advisor at Edward Jones, where he gained experience working with many types of securities.

Carrie Stephenson

Statistical Sampling & Computer Audit Specialist

Ms. Stephenson is a Statistical Sampling Audit Specialist & Computer Assisted Audit Specialist for DAS and RRG. She also serves as an Audit Manager for RRG. She holds a Bachelor of Arts in Accounting from Missouri Southern State University (2003) and is a Louisiana Association of Tax Administrators (LATA) Certified Tax Examiner (CTE). She also participated in Missouri Field Compliance Bureau's annual Advanced Electronic Audit Training for ten (10) years and completed the Statistical Sampling Course presented by the Multistate Tax Commission (MTC)

Relevant Experience

Due to her extensive background in statistical sampling and electronic auditing, Ms. Stephenson assists auditors with electronic data analysis by researching, testing, and teaching Excel strategies. She also consults with auditors on statistical sampling methods and best practices for working with large data sets as needed. Ms. Stephenson's work is separate from performing any unclaimed property audits.

In addition to her role as Statistical Sampling Audit Specialist and Computer Assisted Audit Specialist, Ms. Stephenson functions as a full time Audit Manager for RRG. Since 2014, Ms. Stephenson has worked on and supervised Sales & Use Tax Examinations. She is also responsible for assisting auditors with electronic data work, teaching Excel strategies and planning and pulling statistical samples. She has over fifteen years of tax auditing experience.

Prior to joining the firm, Ms. Stephenson served as Supervising Senior Auditor for Missouri State of Revenue for over ten (10) years. She oversaw a Sales & Use Tax audit team of five in addition to conducting large audits.

Pamela “Pam” Hebert

Administrative Assistant

Ms. Hebert is Discovery Audit Service’s Abandoned & Unclaimed Property Administrative Manager. Ms. Hebert has over fifteen (15) years of experience working with government agencies, facilitating and maintaining various communications and aspects of the overall workflow.

Relevant Experience

As Administrative Assistant, Ms. Hebert provides research and technical analysis of potential audit leads, and researches and evaluates potential audit candidates for further consideration as audit requests. She is responsible for managing the administrative support functions, including non-technical communications between DAS and the Client. She is also responsible for the collection of remittance, conversion of files to NAUPA II format, and electronic filing.

Before graduating to her role as Administrative Manager, Ms. Hebert served as Administrative Assistant for Revenue Recovery Group. For seven years, Ms. Hebert provided outstanding and consistent office support to audit managers and auditors in the field. Duties included the production of letters and files related to the audit process, maintaining the audit database, producing invoices for the audit database, and preparation of deposits.

Jay Hurst, JD

Legal Consultant, Jay Hurst Law Office

Mr. Hurst is an Attorney at Law and is exclusively retained by DAS as legal counsel. Mr. Hurst holds a Juris Doctor of Law from University of Texas School of Law (1979) a Bachelor of the Arts in Philosophy from Baylor University (1976). He has over forty (40) years of experience practicing law, specializing in bankruptcy and collections.

Relevant Experience

As a Legal Consultant, Mr. Hurst’ focus is providing expert advice on legal matters related to unclaimed property audits as requested by the Audit Manager. Upon request, he will also engage with client legal staff to provide guidance regarding escheat law and bankruptcy strategy, process and tactics.

Mr. Hurst served as Assistance Attorney General in the Bankruptcy and Collections Division of the Texas Attorney General’s Office for over nineteen (19) years. While with the Texas AG he was assigned to unclaimed property and led the Texas effort on several successful cases where unclaimed property was recovered out of bankruptcy.