



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

Solicitation

NUMBER
FAR140001

PAGE
1

ADDRESS CORRESPONDENCE TO ATTENTION OF:
GUY NISBET 304-558-2596

RFQ COPY

TYPE NAME/ADDRESS HERE

VENDOR

SHIP TO

DEPARTMENT OF ADMINISTRATION
 FINANCIAL ACCOUNTING AND
 REPORTING SECTION
 2101 WASHINGTON ST E
 CHARLESTON, WV
 25305-1510 304-558-4083

DATE PRINTED
04/03/2014

BID OPENING DATE: 05/15/2014

BID OPENING TIME 1:30PM

LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
0001	1	LS		946-20		
AUDIT OF STATE CAFR REQUEST FOR PROPOSAL (RFP) THE WEST VIRGINIA PURCHASING DIVISION FOR THE AGENCY, WEST VIRGINIA DIVISION OF FINANCE, IS SOLICITING PROPOSALS FROM QUALIFIED FIRMS TO PERFORM THE "SINGLE AUDIT" OF THE STATE OF WEST VIRGINIA AND THE FINANCIAL AUDIT OF THE BASIC FINANCIAL STATEMENTS OF THE STATE'S COMPREHENSIVE ANNUAL FINANCIAL REPORT "CAFR" FOR THE FISCAL YEAR ENDING: JUNE 30, 2014, PER THE ATTACHED SPECIFICATIONS AND TERMS & CONDITIONS.						
***** THIS IS THE END OF RFQ FAR140001 ***** TOTAL:						

SIGNATURE		TELEPHONE	DATE
TITLE	FEIN	ADDRESS CHANGES TO BE NOTED ABOVE	

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

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SECTION ONE: GENERAL INFORMATION

1. Purpose: The West Virginia Department of Administration, Purchasing Division (hereinafter referred to as the "Purchasing Division") is soliciting proposals pursuant to **West Virginia Code §5A-3-10b** for the Department of Administration, Finance Division (hereinafter referred to as the "Agency,") to provide an audit on the Single Audit of the State of West Virginia and the State's Comprehensive Annual Financial Report (CAFR) for the fiscal year ending June 30, 2014, in accordance with generally accepted auditing standards, the Single Audit Act of 1996, OMB Circular A-133, Governmental Accounting Standards Board (GASB) pronouncements, other applicable laws, and federal and governmental requirements.

2. By signing and submitting its proposal, the successful Vendor agrees to be bound by all the terms contained in this Request for Proposal ("RFP").

An RFP is generally used for the procurement of services in situations where price is not the sole determining factor and the award will be based on a combination of cost and technical factors (Best Value). Through this proposal, the bidder offers a solution to the objectives, problem, or need specified in the RFP, and defines how it intends to meet (or exceed) the RFP requirements.

3. Schedule of Events:

Vendor's Written Questions Submission Deadline	04/22/14
Mandatory Pre-bid Conference	04/16/14
Addendum Issued.....	TBD
Bid Opening Date.....	05/15/14
Cost Opening.....	TBD

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SECTION TWO: INSTRUCTIONS TO VENDORS SUBMITTING BIDS

Instructions begin on next page.

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INSTRUCTIONS TO VENDORS SUBMITTING BIDS

1. **Review Documents Thoroughly:** The attached documents contain a solicitation for bids. Please read these instructions and all documents attached in their entirety. These instructions provide critical information about requirements that if overlooked could lead to disqualification of a Vendor's bid. All bids must be submitted in accordance with the provisions contained in these instructions and the Solicitation. Failure to do so may result in disqualification of Vendor's bid.
2. **Mandatory Terms:** The Solicitation may contain mandatory provisions identified by the use of the words "must," "will," and "shall." Failure to comply with a mandatory term in the Solicitation will result in bid disqualification.
3. **Pre-bid Meeting:** The item identified below shall apply to this Solicitation.

- A pre-bid meeting will not be held prior to bid opening.
- A **Non-Mandatory Pre-Bid** meeting will be held at the following place and time:

- A **Mandatory Pre-Bid** meeting will be held at the following place and time:

Date: April 16, 2014
Time: 10:00 am
Location: Financial Accounting and Reporting
 Building 17, 1st Floor Conference Room
 2101 Washington Street, East
 Charleston, WV 25305

All Vendors submitting a bid must attend the mandatory pre-bid meeting. Failure to attend the mandatory pre-bid meeting shall result in disqualification of the Vendor's bid. No one person attending the pre-bid meeting may represent more than one Vendor.

An attendance sheet provided at the pre-bid meeting shall serve as the official document verifying attendance. The State will not accept any other form of proof or documentation to verify attendance. Any person attending the pre-bid meeting on behalf of a Vendor must list on the attendance sheet his or her name and the name of the Vendor he or she is representing. Additionally, the person attending the pre-bid meeting should include the Vendor's E-Mail address, phone number, and fax number on the attendance sheet. It is the Vendor's responsibility to locate the attendance sheet and provide the

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required information. Failure to complete the attendance sheet as required may result in disqualification of Vendor's bid.

All Vendors should arrive prior to the starting time for the pre-bid. Vendors who arrive after the starting time but prior to the end of the pre-bid will be permitted to sign in, but are charged with knowing all matters discussed at the pre-bid.

Questions submitted at least five business days prior to a scheduled pre-bid will be discussed at the pre-bid meeting, if possible. Any discussions or answers to questions at the pre-bid meeting are preliminary in nature and are non-binding. Official and binding answers to questions will be published in a written addendum to the Solicitation prior to bid opening.

4. **Vendor Question Deadline:** Vendors may submit questions relating to this Solicitation to the Purchasing Division. Questions must be submitted in writing. All questions must be submitted on or before the date listed below and to the address listed below in order to be considered. A written response will be published in a Solicitation addendum if a response is possible and appropriate. Non-written discussions, conversations, or questions and answers regarding this Solicitation are preliminary in nature and are non-binding.

Question Submission Deadline: April 22, 2014 at 1:00 PM. EST.

Submit Questions to: Guy Nisbet, Senior Buyer
 2019 Washington Street, East
 Charleston, WV 25305
 Fax: 304.558.3970
 Email: Guy.L.Nisbet@wv.gov

5. **Verbal Communication:** Any verbal communication between the Vendor and any State personnel is not binding, including that made at the mandatory pre-bid conference. Only information issued in writing and added to the Solicitation by an official written addendum by the Purchasing Division is binding.
6. **Bid Submission:** All bids must be signed and delivered by the Vendor to the Purchasing Division at the address listed below on or before the date and time of the bid opening. Any bid received by the Purchasing Division staff is considered to be in the possession of the Purchasing Division and will not be returned for any reason. The Purchasing Division will not accept bids, modification of bids, or addendum acknowledgement forms via e-mail. Acceptable delivery methods include hand delivery, delivery by courier, or facsimile. The bid delivery address is:

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Department of Administration, Purchasing Division
2019 Washington Street East
Charleston, WV 25305-0130

The bid should contain the information listed below on the face of the envelope or the bid may not be considered:

SEALED BID

Buyer: _____

Solicitation No.: _____

Bid Opening Date: _____

Bid Opening Time: _____

Fax Number: _____

In the event that Vendor is responding to a request for proposal, the Vendor shall submit one original technical and one original cost proposal plus (3) convenience copies of each to the Purchasing Division at the address shown above. Additionally, the Vendor should identify the bid type as either a technical or cost proposal on the face of each bid envelope submitted in response to a request for proposal as follows:

BID TYPE: Technical
 Cost

7. **Bid Opening:** Bids submitted in response to this Solicitation will be opened at the location identified below on the date and time listed below. Delivery of a bid after the bid opening date and time will result in bid disqualification. For purposes of this Solicitation, a bid is considered delivered when time stamped by the official Purchasing Division time clock.

Bid Opening Date and Time: May 15, 2014 at 1:30 PM. EST.

Bid Opening Location: Department of Administration, Purchasing Division
2019 Washington Street, East
Charleston, WV 25305-0130

8. **Addendum Acknowledgement:** Changes or revisions to this Solicitation will be made by an official written addendum issued by the Purchasing Division. Vendor should acknowledge receipt of all addenda issued with this Solicitation by completing an Addendum Acknowledgement Form, a copy of which is included herewith. Failure to acknowledge addenda may result in bid disqualification. The addendum acknowledgement should be submitted with the bid to expedite document processing.

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9. **Bid Formatting:** Vendor should type or electronically enter the information onto its bid to prevent errors in the evaluation. Failure to type or electronically enter the information may result in bid disqualification.

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SECTION THREE: GENERAL TERMS AND CONDITIONS

1. **Contractual Agreement:** Issuance of a Purchase Order signed by the Purchasing Division Director, or his designee, and approved as to form by the Attorney General's Office constitutes acceptance of this Contract made by and between the State of West Virginia and the Vendor. Vendor's signature on its bid signifies Vendor's agreement to be bound by and accept the terms and conditions contained in this Contract.
2. **Definitions:** As used in this Solicitation/Contract, the following terms shall have the meanings attributed to them below. Additional definitions may be found in the specifications included with this Solicitation/Contract.
 - 2.1 "Agency" or "Agencies" means the agency, board, commission, or other entity of the State of West Virginia that is identified on the first page of the Solicitation or any other public entity seeking to procure goods or services under this Contract.
 - 2.2 "Contract" means the binding agreement that is entered into between the State and the Vendor to provide the goods and services requested in the Solicitation.
 - 2.3 "Director" means the Director of the West Virginia Department of Administration, Purchasing Division.
 - 2.4 "Purchasing Division" means the West Virginia Department of Administration, Purchasing Division.
 - 2.5 "Purchase Order" means the document signed by the Agency and the Purchasing Division, and approved as to form by the Attorney General, that identifies the Vendor as the successful bidder and Contract holder.
 - 2.6 "Solicitation" means the official solicitation published by the Purchasing Division and identified by number on the first page thereof.
 - 2.7 "State" means the State of West Virginia and/or any of its agencies, commissions, boards, etc. as context requires.
 - 2.8 "Vendor" or "Vendors" means any entity submitting a bid in response to the Solicitation, the entity that has been selected as the lowest responsible bidder, or the entity that has been awarded the Contract as context requires.

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3. **Contract Term; Renewal; Extension:** The term of this Contract shall be determined in accordance with the category that has been identified as applicable to this Contract below:

Term Contract

Initial Contract Term: This Contract becomes effective on award and extends for a period of one (1) year(s).

Renewal Term: This Contract may be renewed upon the mutual written consent of the Agency, and the Vendor, with approval of the Purchasing Division and the Attorney General's Office (Attorney General approval is as to form only). Any request for renewal must be submitted to the Purchasing Division Director thirty (30) days prior to the expiration date of the initial contract term or appropriate renewal term. A Contract renewal shall be in accordance with the terms and conditions of the original contract. Renewal of this Contract is limited to three (3) successive one (1) year periods. Automatic renewal of this Contract is prohibited. Notwithstanding the foregoing, Purchasing Division approval is not required on agency delegated or exempt purchases. Attorney General approval may be required for vendor terms and conditions.

Reasonable Time Extension: At the sole discretion of the Purchasing Division Director, and with approval from the Attorney General's Office (Attorney General approval is as to form only), this Contract may be extended for a reasonable time after the initial Contract term or after any renewal term as may be necessary to obtain a new contract or renew this Contract. Any reasonable time extension shall not exceed twelve (12) months. Vendor may avoid a reasonable time extension by providing the Purchasing Division Director with written notice of Vendor's desire to terminate this Contract thirty (30) days prior to the expiration of the then current term. During any reasonable time extension period, the Vendor may terminate this Contract for any reason upon giving the Purchasing Division Director thirty (30) days written notice. Automatic extension of this Contract is prohibited. Notwithstanding the foregoing, Purchasing Division approval is not required on agency delegated or exempt purchases, but Attorney General approval may be required.

Release Order Limitations: In the event that this contract permits release orders, a release order may only be issued during the time this Contract is in effect. Any release order issued within one year of the expiration of this Contract shall be effective for one year from the date the release order is issued. No release order may be extended beyond one year after this Contract has expired.

- Fixed Period Contract:** This Contract becomes effective upon Vendor's receipt of the notice to proceed and must be completed within days.

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- One Time Purchase:** The term of this Contract shall run from the issuance of the Purchase Order until all of the goods contracted for have been delivered, but in no event shall this Contract extend more than one fiscal year.
- Other:** See attached.
4. **Notice to Proceed:** Vendor shall begin performance of this Contract immediately upon receiving notice to proceed unless otherwise instructed by the Agency. Unless otherwise specified, the fully executed Purchase Order will be considered notice to proceed.
5. **Quantities:** The quantities required under this Contract shall be determined in accordance with the category that has been identified as applicable to this Contract below.
- Open End Contract:** Quantities listed in this Solicitation are approximations only, based on estimates supplied by the Agency. It is understood and agreed that the Contract shall cover the quantities actually ordered for delivery during the term of the Contract, whether more or less than the quantities shown.
- Service:** The scope of the service to be provided will be more clearly defined in the specifications included herewith.
- Combined Service and Goods:** The scope of the service and deliverable goods to be provided will be more clearly defined in the specifications included herewith.
- One Time Purchase:** This Contract is for the purchase of a set quantity of goods that are identified in the specifications included herewith. Once those items have been delivered, no additional goods may be procured under this Contract without an appropriate change order approved by the Vendor, Agency, Purchasing Division, and Attorney General's Office.
6. **Pricing:** The pricing set forth herein is firm for the life of the Contract unless specified elsewhere within this Solicitation/Contract by the State. A Vendor's inclusion of price adjustment provisions in its bid, without an express authorization from the State in the Solicitation to do so, may result in bid disqualification.
7. **Emergency Purchases:** the Purchasing Division Director may authorize the Agency to purchase goods or services in the open market that Vendor would otherwise provide under this contract if those goods or services are for immediate or expedited delivery in an emergency. Emergencies shall include, but are not limited to, delays in transportation or an unanticipated increase in the volume of work. An emergency purchase in the open market, approved by the Purchasing Division Director, shall not constitute of breach of this Contract and shall not entitle the Vendor to any form of

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compensation, or damages. This provision does not excuse the State from fulfilling its obligations under a One Time Purchase contract.

8. **Required Documents:** All of the items checked below must be provided to the Purchasing Division by the Vendor as specified below:

- Bid Bond:** All Vendors shall furnish a bid bond in the amount of five percent (5%) of the total amount of the bid protecting the State of West Virginia. The bid bond must be submitted with the bid.
- Performance Bond:** the apparent successful Vendor shall provide a performance bond in the amount of \$ _____. The performance bond must be issued and received by the Purchasing Division prior to Contract award. On construction contracts, the performance bond must be 100% of the Contract Value.
- Labor/Material Payment Bond:** The apparent successful Vendor shall provide a labor/material payment bond in the amount of 100% of the Contract value. The labor/material payment bond must be issued and delivered to the Purchasing Division prior to Contract award.

In lieu of the Bid Bond, Performance Bond, and Labor/Material Payment Bond, the Vendor may provide certified checks, cashier's checks, or irrevocable letters of credit. Any certified check, cashier's check, or irrevocable letter of credit provided in lieu of a bond must be of the same amount and delivered on the same schedule as the bond it replaces. A letter of credit submitted in lieu of a performance and labor/material payment bond will only be allowed for projects under \$100,000. Personal or business checks are not acceptable.

- Maintenance Bond:** The apparent successful Vendor shall provide a two (2) year maintenance bond covering the roofing system. The maintenance bond must be issued and delivered to the Purchasing Division prior to Contract award.
- Workers' Compensation Insurance:** The apparent successful Vendor shall have appropriate workers' compensation insurance and shall provide proof thereof upon request.
- Insurance:** The apparent successful Vendor shall furnish proof of the following insurance prior to Contract award and shall list the State as a certificate holder:
 - Commercial General Liability Insurance:** \$ _____ or more.
 - Builders Risk Insurance:** builders risk – all risk insurance in an amount equal to 100% of the amount of the Contract.

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- Public Liability** \$1,000,000
- Professional Liability:** \$5,000,000
- Property Damage** \$1,000,000
- _____
- _____

The apparent successful Vendor shall also furnish proof of any additional insurance requirements contained in the specifications prior to Contract award regardless of whether or not that insurance requirement is listed above.

- License(s) / Certifications / Permits:** In addition to anything required under the section entitled Licensing of the General Terms and Conditions, the apparent successful Vendor shall furnish proof of the following licenses, certifications, and/or permits prior to Contract award, in a form acceptable to the Purchasing Division.

- _____
- _____
- _____
- _____

The apparent successful Vendor shall also furnish proof of any additional licenses or certification contained in the specifications prior to Contract award regardless of whether or not that requirement is listed above.

9. **Litigation Bond:** The Director reserves the right to require any Vendor that files a protest of an award to submit a litigation bond in the amount equal to one percent of the lowest bid submitted or \$5,000, whichever is greater. The entire amount of the bond shall be forfeited if the hearing officer determines that the protest was filed for frivolous or improper purpose, including but not limited to, the purpose of harassing, causing unnecessary delay, or needless expense for the Agency. All litigation bonds shall be made payable to the Purchasing Division. In lieu of a bond, the protester may submit a cashier's check or certified check payable to the Purchasing Division. Cashiers or certified checks will be deposited with and held by the State Treasurer's Office. If it is determined that the protest has not been filed for frivolous or improper purpose, the bond or deposit shall be returned in its entirety.

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10. **Alternations:** Any model, brand, or specification listed herein establishes the acceptable level of quality only and is not intended to reflect a preference for, or in any way favor, a particular brand or vendor. Vendors may bid alternates to a listed model or brand provided that the alternate is at least equal to the model or brand and complies with the required specifications. The equality of any alternate being bid shall be determined by the State at its sole discretion. Any Vendor bidding an alternate model or brand should clearly identify the alternate items in its bid and should include manufacturer's specifications, industry literature, and/or any other relevant documentation demonstrating the equality of the alternate items. Failure to provide information for alternate items may be grounds for rejection of a Vendor's bid.
11. **Exceptions and Clarifications:** The solicitation contains the specifications that shall form the basis of a contractual agreement. Vendor shall clearly mark any exceptions, clarifications, or other proposed modifications in its bid. Exceptions to, clarifications of, or modifications of a requirement or term and condition of the solicitation may result in bid disqualification.
12. **Liquidated Damages:** Should the audit firm fail to meet the submission deadlines for draft and final reports as outlined in Attachment E, Vendor agrees to liquidated damages imposed by the State Comptroller in the amount of five percent (5%) of the total contract price. However, liquidated damages will not be imposed if the audit firm has received a written extension of the deadlines from the State Comptroller in advance. The State Comptroller has the discretion to assess or waive liquidated damages based upon the circumstances or reasons for the failure on the part of the auditor. This clause shall in no way be considered exclusive and shall not limit the State or Agency's right to pursue any other available remedy.
13. **Acceptance/Rejection:** The State may accept or reject any bid in whole, or in part. Vendor's signature on its bid signifies acceptance of the terms and conditions contained in the Solicitation and Vendor agrees to be bound by the terms of the contract, as reflected in the Purchase Order, upon receipt.
14. **Registration:** Prior to contract award, the apparent successful Vendor must be properly registered with the West Virginia Purchasing Division and must have paid the \$125 fee if applicable.
15. **Communication Limitations:** In accordance with West Virginia Code of State Rules §148-1-6.6, communication with the State of West Virginia or any of its employees regarding this solicitation during the solicitation, bid, evaluation or award periods, except through the Purchasing Division, is strictly prohibited without prior Purchasing Division approval. Purchasing Division approval for such communication is implied for all agency delegated and exempt purchases.
16. **Funding:** This contract shall continue for the term stated herein, contingent upon funds being appropriated by the Legislature or otherwise being made available. In the event funds are not appropriated or otherwise made available, this contract becomes void and of no effect beginning on July 1 of the fiscal year for which funding has not been appropriated or otherwise made available.

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17. **Payment:** Payment in advance is prohibited under this contract. Payment may only be made after the delivery and acceptance of goods or services. The Vendor shall submit invoices, in arrears, to the Agency at the address on the face of the purchase order labeled "Invoice To."
18. **Unit Price:** Unit prices shall prevail in cases of a discrepancy in the Vendor's bid.
19. **Delivery:** All quotations are considered freight on board destination ("F.O.B. destination") unless alternate shipping terms are clearly identified in the bid. Vendor's listing of shipping terms that contradict the shipping terms expressly required by this solicitation may result in bid disqualification.
20. **Interest:** Interest attributable to late payment will only be permitted if authorized by the West Virginia Code. Presently, there is no provision in the law for interest on late payments.
21. **Preference:** Vendor preference may only be granted upon written request and only in accordance with the West Virginia Code §5A-3-37 and the West Virginia Code of State Rules. A Resident Vendor Certification form has been attached hereto to allow Vendor to apply for the preference. Vendor's failure to submit the Resident Vendor Certification form with its bid will result in denial of Vendor Preference. Vendor Preference does not apply to construction projects.
22. **Small, Women-Owned, or Minority-Owned Businesses:** For any solicitations publicly advertised for bid on or after July 1, 2012, in accordance with West Virginia Code §5A-3-37(a)(7) and W. Va. CSR §148-22-9, any non-resident vendor certified as a small, women-owned, or minority-owned business under W. Va. CSR §148-22-9 shall be provided the same preference made available to any resident vendor. Any non-resident small, women-owned, or minority-owned business must identify itself as such in writing, must submit that writing to the Purchasing Division with its bid, and must be properly certified under W. Va. CSR §148-22-9 prior to submission of its bid to receive the preferences made available to resident vendors. Preference for a non-resident small, women-owned, or minority-owned business shall be applied in accordance with W. Va. CSR §148-22-9.
23. **Taxes:** The Vendor shall pay any applicable sales, use, personal property or any other taxes arising out of this contract and the transactions contemplated thereby. The State of West Virginia is exempt from federal and state taxes and will not pay or reimburse such taxes.
24. **Cancellation:** the Purchasing Division Director reserves the right to cancel this contract immediately upon written notice to the vendor if the materials or workmanship supplied do not conform to the specifications contained in the contract. The Purchasing Division Director may cancel any purchase or contract upon 30 days written notice to the Vendor in accordance with West Virginia Code of State Rules §148-1-7.16.2.
25. **Waiver of Minor Irregularities:** The Director reserves the right to waive minor irregularities in bids or specifications in accordance with West Virginia Code of State Rules §148-1-4.6.
26. **Time:** Time is of the essence with regard to all matters of time and performance in this contract.

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27. **Applicable Law:** This contract is governed by and interpreted under West Virginia law without giving effect to its choice of law principles. Any information provided in specification manuals, or any other source, verbal or written, which contradicts or violates the West Virginia Constitution, West Virginia Code or West Virginia Code of State Rules is void and of no effect.
28. **Compliance:** Vendor shall comply with all applicable federal, state, and local laws, regulations and ordinances. By submitting a bid, Vendors acknowledge that they have reviewed, understand, and will comply with all applicable law.
29. **Prevailing Wage:** On any contract for the construction of a public improvement, Vendor, and any subcontractors utilized by Vendor, shall pay a rate or rates of wages which shall not be less than the fair minimum rate or rates of wages (prevailing wage), as established by the West Virginia Division of Labor under West Virginia Code §21-5A-1 et seq. and available at <http://www.sos.wv.gov/administrative-law/wagerates/Pages/default.aspx>. Vendor shall be responsible for ensuring compliance with prevailing wage requirements and determining when prevailing wage requirements are applicable. The required contract provisions contained in West Virginia Code of State Rules §42-7-3 are specifically incorporated herein by reference.
30. **Arbitration:** Any references made to arbitration contained in this contract, Vendor's bid, or in any American Institute of Architects documents pertaining to this contract are hereby deleted, void, and of no effect.
31. **Modifications:** This writing is the parties' final expression of intent. Notwithstanding anything contained in this contract to the contrary, no modification of this contract shall be binding without mutual written consent of the Agency, and the Vendor, with approval of the Purchasing Division and the Attorney General's Office (Attorney General approval is as to form only). **No change shall be implemented by the Vendor until such time as the Vendor receives an approved written change order from the Purchasing Division.**
32. **Waiver:** The failure of either party to insist upon a strict performance of any of the terms or provision of this contract, or to exercise any option, right, or remedy herein contained, shall not be construed as a waiver or a relinquishment for the future of such term, provision option, right, or remedy, but the same shall continue in full force and effect. Any waiver must be expressly stated in writing and signed by the waiving party.
33. **Subsequent Forms:** The terms and conditions contained in this contract shall supersede any and all subsequent terms and conditions which may appear on any form documents submitted by Vendor to the Agency or Purchasing Division such as price lists, order forms, invoices, sales agreements, or maintenance agreements, and includes internet websites or other electronic documents. Acceptance or use of Vendor's forms does not constitute acceptance of the terms and conditions contained thereon

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34. **Assignment:** Neither this contract nor any monies due, or to become due hereunder, may be assigned by the Vendor without the express written consent of the Agency, the Purchasing Division, the Attorney General's Office (as to form only), and any other government agency or office that may be required to approve such assignments. Notwithstanding the foregoing, Purchasing Division approval may or may not be required on certain agency delegated or exempt purchases.
35. **Warranty:** The Vendor expressly warrants that the goods and/or services covered by this contract will: (a) conform to the specifications, drawings, samples, or other description furnished or specified by the Agency; (b) be merchantable and fit for the purpose intended; and (c) be free from defect in material and workmanship.
36. **State Employees:** State employees are not permitted to utilize this contract for personal use and the Vendor is prohibited from permitting or facilitating the same.
37. **Bankruptcy:** In the event the Vendor files for bankruptcy protection, the State of West Virginia may deem this contract null and void, and terminate this contract without notice.
38. **[Reserved]**
39. **Confidentiality:** The Vendor agrees that it will not disclose to anyone, directly or indirectly, any such personally identifiable information or other confidential information gained from the Agency, unless the individual who is the subject of the information consents to the disclosure in writing or the disclosure is made pursuant to the Agency's policies, procedures, and rules. Vendor further agrees to comply with the Confidentiality Policies and Information Security Accountability Requirements, set forth in <http://www.state.wv.us/admin/purchase/privacy/default.html>.
40. **Disclosure:** Vendor's response to the solicitation and the resulting contract are considered public documents and will be disclosed to the public in accordance with the laws, rules, and policies governing the West Virginia Purchasing Division. Those laws include, but are not limited to, the Freedom of Information Act found in West Virginia Code §29B-1-1 et seq.

If a Vendor considers any part of its bid to be exempt from public disclosure, Vendor must so indicate by specifically identifying the exempt information, identifying the exemption that applies, providing a detailed justification for the exemption, segregating the exempt information from the general bid information, and submitting the exempt information as part of its bid but in a segregated and clearly identifiable format. Failure to comply with the foregoing requirements will result in public disclosure of the Vendor's bid without further notice. A Vendor's act of marking all or nearly all of its bid as exempt is not sufficient to avoid disclosure and WILL NOT BE HONORED. Vendor's act of marking a bid or any part thereof as "confidential" or "proprietary" is not sufficient to avoid disclosure and WILL NOT BE HONORED. Vendor will be required to defend to the State's nondisclosure. Vendor must indemnify the State for any costs incurred related to any exemptions claimed by Vendor. Any questions regarding the applicability of the various public records laws should be addressed to your own legal counsel prior to bid submission.

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41. **Licensing:** In accordance with West Virginia Code of State Rules §148-1-6.1.7, Vendor must be licensed and in good standing in accordance with any and all state and local laws and requirements by any state or local agency of West Virginia, including, but not limited to, the West Virginia Secretary of State's Office, the West Virginia Tax Department, West Virginia Insurance Commission, or any other state agency or political subdivision. Upon request, the Vendor must provide all necessary releases to obtain information to enable the Purchasing Division Director or the Agency to verify that the Vendor is licensed and in good standing with the above entities.
42. **Antitrust:** In submitting a bid to, signing a contract with, or accepting a Purchase Order from any agency of the State of West Virginia, the Vendor agrees to convey, sell, assign, or transfer to the State of West Virginia all rights, title, and interest in and to all causes of action it may now or hereafter acquire under the antitrust laws of the United States and the State of West Virginia for price fixing and/or unreasonable restraints of trade relating to the particular commodities or services purchased or acquired by the State of West Virginia. Such assignment shall be made and become effective at the time the purchasing agency tenders the initial payment to Vendor.
43. **Vendor Certification:** By signing its bid or entering into this contract, Vendor certifies (1) that its bid was made without prior understanding, agreement, or connection with any corporation, firm, limited liability company, partnership, person, or entity submitting a bid for the same material, supplies, equipment, or services; (2) that its bid is in all respects fair and without collusion or fraud; (3) that this contract is accepted or entered into without any prior understanding, agreement, or connection to any other entity that could be considered a violation of law; and (4) that it has reviewed this RFQ in its entirety, understands the requirements, terms and conditions, and other information contained herein. Vendor's signature on its bid also affirms that neither it nor its representatives have any interest, nor shall acquire any interest, direct or indirect, which would compromise the performance of its services hereunder. Any such interest shall be promptly presented in detail to the Agency.

The individual signing this bid on behalf of Vendor certifies that he or she is authorized by the Vendor to execute this bid or any documents related thereto on Vendor's behalf; that he or she is authorized to bind the Vendor in a contractual relationship; and that, to the best of his or her knowledge, the Vendor has properly registered with any State agency that may require registration.

44. **Purchasing Card Acceptance:** The State of West Virginia currently utilizes a Purchasing Card program, administered under contract by a banking institution, to process payment for goods and services. The Vendor must accept the State of West Virginia's Purchasing Card for payment of all orders under this contract unless the box below is checked.
- Vendor is not required to accept the State of West Virginia's Purchasing Card as payment for all goods and services.

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45. **Vendor Relationship:** The relationship of the Vendor to the State shall be that of an independent contractor and no principal-agency relationship or employer-employee relationship is contemplated or created by this contract. The Vendor as an independent contractor is solely liable for the acts and omissions of its employees and agents. Vendor shall be responsible for selecting, supervising, and compensating any and all individuals employed pursuant to the terms of this solicitation and resulting contract. Neither the Vendor, nor any employees or subcontractors of the Vendor, shall be deemed to be employees of the State for any purpose whatsoever. Vendor shall be exclusively responsible for payment of employees and contractors for all wages and salaries, taxes, withholding payments, penalties, fees, fringe benefits, professional liability insurance premiums, contributions to insurance and pension, or other deferred compensation plans, including but not limited to, Workers' Compensation and Social Security obligations, licensing fees, etc. and filing of all necessary documents, forms and returns pertinent to all of the foregoing. Vendor shall hold harmless the State, and shall provide the State and Agency with a defense against any and all claims including, but not limited to, the foregoing payments, withholdings, contributions, taxes, Social Security taxes, and employer income tax returns.
46. **Indemnification:** The Vendor agrees to indemnify, defend, and hold harmless the State and the Agency, their officers, and employees from and against: (1) Any claims or losses for services rendered by any subcontractor, person, or firm performing or supplying services, materials, or supplies in connection with the performance of the Contract; (2) Any claims or losses resulting to any person or entity injured or damaged by the Vendor, its officers, employees, or subcontractors by the publications, translation, reproduction, delivery, performance, use, or disposition of any data used under the contract in a manner not authorized by the contract, or by Federal or State statutes or regulations; and (3) Any failure of the Vendor, its officers, employees, or subcontractors to observe State and Federal laws including, but not limited to, labor and wage and hour laws.
47. **Purchasing Affidavit:** In accordance with West Virginia Code §5A-3-10a, all Vendors are required to sign, notarize, and submit the Purchasing Affidavit stating that neither the Vendor nor a related party owe a debt to the State in excess of \$1,000. The affidavit must be submitted prior to award, but should be submitted with the Vendor's bid. A copy of the Purchasing Affidavit is included herewith.
48. **Additional Agency and Local Government Use:** This contract may be utilized by and extends to other agencies, spending units, and political subdivisions of the State of West Virginia; county, municipal, and other local government bodies; and school districts ("Other Government Entities"). This contract shall be extended to the aforementioned Other Government Entities on the same prices, terms, and conditions as those offered and agreed to in this contract. If the Vendor does not wish to extend the prices, terms, and conditions of its bid and subsequent contract to the Other Government Entities, the Vendor must clearly indicate such refusal in its bid. A refusal to extend this contract to the Other Government Entities shall not impact or influence the award of this contract in any manner.
49. **Conflict of Interest:** Vendor, its officers or members or employees, shall not presently have or acquire any interest, direct or indirect, which would conflict with or compromise the performance of its obligations hereunder. Vendor shall periodically inquire of its officers, members and employees to

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ensure that a conflict of interest does not arise. Any conflict of interest discovered shall be promptly presented in detail to the Agency.

50. **Reports:** Vendor shall provide the Agency and/or the Purchasing Division with the following reports identified by a checked box below:

- Such reports as the Agency and/or the Purchasing Division may request. Requested reports may include, but are not limited to, quantities purchased, agencies utilizing the contract, total contract expenditures by agency, etc.
- Quarterly reports detailing the total quantity of purchases in units and dollars, along with a listing of purchases by agency. Quarterly reports should be delivered to the Purchasing Division via email at purchasing.requisitions@wv.gov.

51. **Background Check:** In accordance with W. Va. Code §15-2D-3, the Director of the Division of Protective Services shall require any service provider whose employees are regularly employed on the grounds or in the buildings of the Capitol complex or who have access to sensitive or critical information to submit to a fingerprint-based state and federal background inquiry through the state repository. The service provider is responsible for any costs associated with the fingerprint-based state and federal background inquiry.

After the contract for such services has been approved, but before any such employees are permitted to be on the grounds or in the buildings of the Capitol complex or have access to sensitive or critical information, the service provider shall submit a list of all persons who will be physically present and working at the Capitol complex to the Director of the Division of Protective Services for purposes of verifying compliance with this provision.

The State reserves the right to prohibit a service provider's employees from accessing sensitive or critical information or to be present at the Capitol complex based upon results addressed from a criminal background check.

Service providers should contact the West Virginia Division of Protective Services by phone at (304) 558-9911 for more information.

52. **Preference for Use of Domestic Steel Products:** Except when authorized by the Director of the Purchasing Division pursuant to W. Va. Code §5A-3-56, no contractor may use or supply steel products for a State Contract Project other than those steel products made in the United States. A contractor who uses steel products in violation of this section may be subject to civil penalties pursuant to W. Va. Code §5A-3-56. As used in this section:

- a. "State Contract Project" means any erection or construction of, or any addition to, alteration of or other improvement to any building or structure, including, but not limited to, roads or highways, or the installation of any heating or cooling or ventilating plants or

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other equipment, or the supply of and materials for such projects, pursuant to a contract with the State of West Virginia for which bids were solicited on or after June 6, 2001.

- b. "Steel Products" means products rolled, formed, shaped, drawn, extruded, forged, cast, fabricated or otherwise similarly processed or processed by a combination of two or more or such operations, from steel made by the open health, basic oxygen, electric furnace, Bessemer or other steel making process.

The Purchasing Division Director may, in writing, authorize the use of foreign steel products if:

- a. The cost for each contract item used does not exceed one tenth of one percent (.1%) of the total contact cost or two thousand five hundred dollars (\$2,500.00), whichever is greater. For the purposes of this section, the cost is the value of the steel product as delivered to the project; or
- b. The Director of the Purchasing Division determines that specified steel materials are not produced in the United States in sufficient quantity or otherwise are not reasonably available to meet contract requirements.

53. Preference for Use of Domestic Aluminum, Glass, and Steel: In accordance with W. Va. Code §5-19-1 et seq., and W. Va. CSR §148-10-1 et seq., for every contract or subcontract, subject to the limitations contained herein, for the construction, reconstruction, alterations, repair, improvement or maintenance of public works or for the purchase of any item or machinery or equipment to be used at sites of public works, only domestic aluminum, glass, or steel products shall be supplied unless the spending officer determines, in writing, after the receipt of offers or bids, (1) that the cost of domestic aluminum, glass, or steel products is unreasonable or inconsistent with the public interest of the State of West Virginia, (2) that domestic aluminum, glass, or steel products are not produced in sufficient quantities to meet the contract requirements, or (3) the available domestic aluminum, glass, or steel do not meet the contract specifications. This provision only applies to public works contracts awarded in an amount more than fifty thousand dollars (\$50,000) or public works contracts that require more than ten thousand pounds of steel products.

The cost of domestic aluminum, glass, or steel products may be unreasonable if the cost is more than twenty percent (20%) of the bid or offered price for foreign made aluminum, glass, or steel products. If the domestic aluminum, glass, or steel projects to be supplied or produced in a "substantial labor surplus area", as defined by the United States Department of Labor, the cost of domestic aluminum, glass, or steel products may be unreasonable if the cost is more than thirty percent (30%) of the bid or offered price for foreign made aluminum, glass, or steel products.

This preference shall be applied to an item of machinery or equipment, as indicated above, when the item is a single unit of equipment or machinery manufactured primarily of aluminum, glass, or steel, is part of a public works contract and has the sole purpose or of being a permanent part of a single

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public works projects. This provision does not apply to equipment or machinery purchased by a spending unit for use by that spending unit and not as part of a single public works project.

All bids and offers including domestic aluminum, glass, or steel products that exceed bid or offer prices including foreign aluminum, glass, or steel products after application of the preferences provided in this provision may be reduced to a price equal to or lower than the lowest bid or offer price for foreign aluminum, glass, or steel products plus the applicable preference. If the reduced bid or offer prices are made in writing and supersede the prior bid or offer prices, all bids or offers, including the reduced bid or offer prices, will be reevaluated in accordance with this rule.

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SECTION FOUR: PROJECT SPECIFICATIONS

1. **Location:** Agency is located at 2101 Washington Street East, Charleston, WV.
2. **Background and Current Operating Environment:** The services to be provided under this contract are for a Statewide Single Audit of the State of West Virginia, which requires both a financial and a compliance audit. Those services must include the determination and report whether the Basic Financial Statements in the State's CAFR present fairly the financial position and results of financial operations in accordance with GAAP.

The State has completed a CAFR since 1992, through the efforts of the Financial Accounting and Reporting Section (FARS). Since the 1995 CAFR, the State has been awarded the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting. To produce the CAFR, FARS gathers information from all State agencies, accounts, departments, boards, and commissions.

West Virginia has filed all previous Single Audit reports with the federal government for fiscal years 1986-2012. The State has established a good working relationship with the Department of Health and Human Services, the federal cognizant agency for West Virginia's Single Audit.

Federal Financial Assistance: The fiscal year 2012 Schedule of Expenditures of Federal Awards (SEFA) identifies more than 490 individual awards, with approximately 27 possible Type A programs. These grants were received from 26 different federal grantor agencies. Included in the SEFA is the Student Financial Aid (SFA) program at the colleges and universities. Three Higher Education institutions have research corporations which obtain federal grants for the benefit of the institutions. The scope of this RFP will not include audits of these research corporations.

Chief Inspector's Office of the West Virginia State Auditor's Office: The State Auditor's Office is responsible for conducting or subcontracting audits of local governments. Many State agencies provide grants to sub-recipients. The Chief Inspector Division has controls and procedures in place that are designed to ensure local governments (sub-recipients) which are subject to the A-133 audit requirements have single audits performed timely for submission and review by the grantor agency. The potential exists for certain agencies to not be within the requirements of their grants. The Chief Inspector's Office had its last peer review performed by the National State Auditors' Association on October 4, 2012. The opinion is available at the Chief Inspector's web site: <http://www.wvsao.gov/ChiefInspector/files/QualityControlReviewOpinionLetter.pdf>

Financial Reporting Entity: West Virginia has approximately 100 State agencies of varying size and structural organization. Its agencies receive their funding from a combination of fees and annual appropriations of the West Virginia Legislature. The State's most significant sources of revenues in the governmental funds are federal grants, personal income tax, and consumer sales and use tax.

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The annual general revenue budget of the State is approximately \$4.1 billion. The majority of the State's general revenue budget is dedicated to Education.

The State of West Virginia has an executive branch of government that is structured to maintain separation of powers and responsibilities. The elected state officials are the Governor, State Auditor, Attorney General, Commissioner of Agriculture, State Treasurer, and Secretary of State. The legislative branch also operates a legislative auditor's office with accounting and audit responsibilities that are set forth in the West Virginia Code. These audit responsibilities do not overlap or duplicate the Single Audit.

There are several component units of State government which have been identified in accordance with GASB Statement No. 14 and No. 61. The majority of these component units and the enterprise funds presently have independent GAAP audits of their operations on an annual basis. The Single Audit firm is expected to rely on the stand-alone financial statement audits to the greatest extent possible. These audit reports are required to be issued each year in a timeframe established by the Financial Accounting and Reporting Section of the Department of Administration. See Attachment D for a list of entities which are audited on a stand-alone basis.

State Comptroller's Office:

The State Comptroller (Comptroller) is responsible for issuing the State's CAFR and ensuring that the Basic Financial Statements of the State are audited annually by an independent certified public accounting firm. Additionally, the Comptroller is responsible for maintaining the State's financial records in accordance with GAAP along with maintaining the official chart of accounts of the State, the centralized accounting system of the State, and statewide accounting policies and procedures. The Comptroller is also responsible for ensuring the State's component units submit financial statements, audited by independent certified public accountants, in the form and time frames necessary for inclusion in the State's CAFR.

WVFIMS:

The State of West Virginia's centralized accounting system is known as the West Virginia Financial Information Management System (WVFIMS). WVFIMS provides a centralized system that meets the budgetary accounting needs of the State and its agencies. The system provides management with on-line access to critical information for general ledger and appropriation accounts. WVFIMS has approximately 2,000 active funds in which the State tracks postings for all transactions. Also, WVFIMS has approximately 2,700 revenue accounts and 10,500 expenditure accounts in which activity is recorded. WVFIMS provides State agencies with ledgers for all accounting transactions. In 2013, there were approximately 656,000 invoice transactions, 641,000 purchase card transactions, and 28,000 intergovernmental transfers.

Documentation for WVFIMS is made available to State agencies in the form of training manuals and user manuals. Policies are currently distributed to State agencies as updated. All agencies have been trained on the system and ongoing training is available.

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The Office of Technology obtained a SOC audit report for FY 2013 and may continue this process in FY 2014.

wvOASIS:

The State is currently in the process of implementing an Enterprise Resource Planning system, wvOASIS, which may change aspects of the CAFR process for the FY 2015 audit. The budget module of wvOASIS was put in production August 5, 2013, the financial module is scheduled to go live July 1, 2014 and the payroll module is scheduled for January 1, 2015.

GAAP Basis Financial Data:

The Department of Revenue, State Budget Office, maintains responsibility for the budget process.

The Department of Administration maintains responsibility for the encumbrance accounting, purchasing rules and regulations, fixed asset accounting, hiring and classification of employees, spending controls, and preparation of GAAP basis financial statements.

The data available with respect to cash, investments, and accounts payable is centralized within WVFIMS.

The data available with respect to accounts receivable is not centralized. Each State agency that maintains accounts receivable is responsible for their own systems, procedures, and account records.

Annually, each State agency is required to report litigation and claims to FARS. This information is compiled and a list is sent to the Attorney General's Office and approximately 10 other attorneys representing other state agencies. The Attorney General and other attorneys then review the lists of litigation and claims. The attorneys respond directly to the audit firm as part of the confirmation process.

The State of West Virginia does not have a statewide internal audit function. Various agencies of government have an internal audit staff, which may be available to assist the external audit firm.

The State provides a retirement program for its employees and employees of local governmental units, including school boards. These retirement programs are administered through the Consolidated Public Retirement Board (CPRB), 4101 MacCorkle Ave. S.E, Charleston, WV. CPRB is audited separately.

Department of Transportation (DOT):

The Department of Highways within the DOT is required by the WV Constitution to be audited through the Legislative Auditor's Office and will continue to be separately audited. Also, the Railroad Maintenance Authority (WV State Rail) requires separately published financial statements, which are produced by DOT/WV State Rail, and need to be separately audited. The

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remaining divisions under DOT, Public Transit, Public Port Authority, Aeronautics Commission, Motor Vehicles, and Office of Administrative Hearings will be included in this contract.

CAFR:

The State has completed a CAFR every year since 1992. FARS is primarily responsible for the preparation of the CAFR. Information reported in the CAFR comes from a variety of sources. The State has approximately 27 component units and enterprise funds which are required to submit GAAP basis audited financial statements to FARS. For funds which are not audited on a stand-alone basis, working papers are prepared from information gathered in the form of "closing books." For the 2013 CAFR, FARS used 20 closing forms that are completed by approximately 60 State agencies. The following is a list of working papers prepared from closing book information or other sources.

Cash - Outside	Other Assets
Accounts Receivable	Claims & Judgments
Inventory	Compensated Absences
Other Liabilities	Operating Leases
Agency Funds	Transfers
Taxes Receivable	Investments
Capital Leases	Accounts Payable
IGT's Receivable	Budget to Actual Schedule
Medicaid Accrual	Budget to GAAP
Due To/From Federal Government	General Fund Opening Balances
Due To/From Local Government	Internal Service Funds (3 unaudited)
Statistical Section	Long-Term Debt - Bonds
Capital Assets (10 work papers)	Claims and Judgments
Tax Refunds Payable	Funds without Financial Statements
Summary of Significant Accounting Policies	Management Discussion & Analysis
Deposit & Investment Risk Disclosure	OPEB
Restricted Assets	Fund Equity (Changes in)
Retirement Systems	Lease Purchase Accounts (16)
Subsequent Events	Multi-year revenue
Pollution Remediation	Correctional Industries
Dept. of Transportation (not Highways)	School Construction Fund
GASB 54 Reconciliation	GASB 34 Reconciliations

All working papers are centrally located in the library of FARS. Working papers consist of closing book information from various State agencies, copies of audited financial statements from component units and information used to prepare the footnote disclosures and other required statements. Detailed budgetary basis activity for the year as recorded in WVFIMS is summarized for entry into the CAFR2000, a PC-based reporting tool, which produces the financial statements. Work sheets from CAFR2000 are printed, which document the adjustments made by FARS.

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State Auditor's Office (SAO):

The West Virginia State Auditor is a separate elected official. The SAO reviews and examines all disbursements, including vendor and payroll checks of the State of West Virginia. The SAO operates a budgetary fund accounting system on a modified cash basis.

The individual State agencies enter transactions on the IBM WVFIMS terminals. Transactions are then processed and approved by the State Auditor (Unisys System) for payment. When the transaction is completed, it is recorded on both the IBM and Unisys System. The SAO maintains supporting documentation (some scanned and some paper) centrally in its office. The two systems are kept in constant reconciliation.

The State has approximately 38,000 employees who are paid by the Auditor's Office. In 2013, the State processed approximately 981,500 vendor invoices.

Investments: The State Treasurer's Office (STO), Board of Treasury Investments (BTI), and the Investment Management Board (IMB) have the responsibility for the investment of funds for all State agencies, departments, boards and commissions, unless otherwise specified in the West Virginia Code. The STO has the responsibility for the cash management of funds for all State agencies, departments, boards and commissions unless otherwise specified in the West Virginia Code.

State Treasurer's Office:

The STO provides check depository services for state agencies. Agencies that are not located in the Capitol Complex are required to deposit their checks at an approved local bank. The checks and coupons are batched together and processed through transports to capture the data. Deposit documents are entered, modified, and completed in the general ledger. Both the STO and the Tax Department prepare cash letter deposits on a daily basis. Currently, the STO prepares an Image Cash Letter (ICL) that is transmitted directly to the Federal Reserve in Cleveland through a secure internet connection. The Federal Reserve reports the daily deposit amount from the ICL to the State's clearing bank.

The Tax Department bundles their checks in a deposit that is delivered to the State's clearing bank. The State's clearing bank receives the cash letter amount, collects the checks, images the checks, and distributes them to other banks or the Federal Reserve based on the routing numbers. The Tax Department is currently working toward the generation of an ICL in the future. The State's clearing bank reports the deposit amounts to the STO accounting personnel by email each day.

Cash and checks deposited into banks throughout the State are concentrated into the STO's main receipt account, either by wire transfer or through automated clearing house transactions. The STO is responsible for reconciling all receipt and disbursement of bank accounts. Approximately 55 bank accounts are reconciled monthly. The banking records are tracked through the banking module of WVFIMS. All supporting documents are located at the STO.

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The STO monitors all bank account balances to ensure that the bank has pledged sufficient collateral to cover all deposits held by the bank. The STO approves all imprest funds and outside bank accounts used by State agencies. An outside bank account may be used by a State agency to deposit those funds not due the State of West Virginia, e.g., direct student loans.

The STO is responsible for the administration of the Federal Cash Management Act. The STO performs all calculations required by the Cash Management Act and submits each annual report calculating the State's liability to the US Treasury.

The STO prepares a quarterly and annual debt management report, which is used in the preparation of the State's CAFR.

Investment Management Board (IMB):

The IMB is responsible for the State's long-term investments including various pension assets, insurance assets, and endowment assets. The total value of the assets under the IMB's authority was \$14.2 billion at June 30, 2013. The IMB has engaged professional investment managers who exercise full discretionary authority, within the policies established by the IMB, over their assigned investments.

Board of Treasury Investments (BTI):

The BTI is responsible for investing the State's general operating cash, and cash for participating local governments and State agencies, which totaled approximately \$3.5 billion at June 30, 2013. The BTI has engaged professional investment managers to provide investment advice on all of the investment pools except for the participant directed accounts.

Availability of Reports and Working papers: In accordance with Statement on Auditing Standards Number 84, the State intends to request that the predecessor firm respond to reasonable inquiries of the successor auditor and allow access to review working papers on matters of continuing significance. The State's working papers and copies of audited reports are available upon request.

- 3. Qualifications and Experience:** Vendors will provide in **Attachment A: Vendor Response Sheet** information regarding their firm, such as a list of audits and references that have been completed that demonstrate the ability to manage an audit engagement of this magnitude; list proposed audit staff with their degrees, qualifications, and experience in completing similar projects; describe aspects of the engagement which may require the services of specialists or involve consultation outside the engagement; prior government experience (description of past projects completed entailing the location of the project, project manager name and contact information, type of project, and what the project goals and objectives were and how they were met) and continuing education of senior audit staff, partners, managers, and supervisors; describe specific audit work plan including subcontractors, firm's responsibilities under the applicable auditing standards and federal regulations, describe how the firm's approach to this engagement will demonstrate that all requirements are met, and describe any potential problems in performing all services described in this RFP,

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including the effects of GASB standards, the firm's approach to resolving these problems and any special assistance that will be requested of the Agency or the State agencies.

Engagement partners, managers, other supervisory staff, audit seniors, and specialists may need to be changed if those personnel leave the firm, are promoted, or are assigned to another office. These personnel may also be changed for these or other reasons with the express prior written permission of the Agency. However, in either case, the Agency must be informed in writing of these changes and retain the right to approve or reject replacements based upon their qualifications, experience or performance. Other personnel may be changed at the discretion of the proposer, provided that replacements have substantially the same or better qualifications or experience.

4. **Project and Goals:** The project goals and objectives are:

- 4.1. Goal/Objective 1 - Firm with Statewide auditing experience.
- 4.2. Goal/Objective 2 - Qualified audit staff and specialists or outside consultants.
- 4.3. Goal/Objective 3 - Qualified senior audit staff, including partners, managers, and supervisors.
- 4.4. Goal/Objective 4 - Completed CAFR audit by December 31 and Single Audit by February 24.

5. **Mandatory Requirements**

The following mandatory requirements must be met by the Vendor as a part of the submitted proposal. Failure on the part of the Vendor to meet any of the mandatory specifications shall result in the disqualification of the proposal. The terms "must", "will", "shall", "minimum", "maximum", or "is/are required" identify a mandatory item or factor. Decisions regarding compliance with any mandatory requirements shall be at the sole discretion of the Purchasing Division.

- 5.1. Mandatory Requirement 1 - The firm must be independent and licensed to practice in West Virginia.
- 5.2. Mandatory Requirement 2 - The principal supervisory and management staff shall be certified public accountants with the required continuing professional education within the preceding two years. Once awarded, the Agency must be informed in writing of any changes in staffing at of the supervisory level and above. Also, the Agency retains the right to approve or reject replacements based upon their qualifications, experience or performance.

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- 5.3. Mandatory Requirement 3 - The firm and its staff must meet the qualifications to perform audits in accordance with the requirements of the Single Audit Act of 1996 and OMB Circular A-133.
- 5.4. Mandatory Requirement 4 – The firm shall submit a copy of one (1) report issued in the last five (5) years that is similar to the engagement described in this RFP.
- 5.5. Mandatory Requirement 5 – The firm shall submit a copy of its most recent external quality control review report and the results of any Federal or State desk reviews or its audit during the past three (3) years.
- 5.6. Mandatory Requirement 6 – All requirements must also be met by joint proposers.
- 5.7. Cost of Services:
Total All-Inclusive Maximum Price:
The cost proposal shall contain all pricing information relative to performing the engagement as described in the RFP. The total all-inclusive maximum price to be bid is to contain all costs including out-of-pocket expenses.

The State of West Virginia and the Agency are not responsible for and will not reimburse any entity for expenses incurred in preparing and submitting the proposal or the sealed dollar cost proposal.

The first page of the cost proposal should include the following information:

1. Name of Firm;
2. A total all-inclusive maximum price for the one-year engagement of fiscal year 2014 (See Attachment C);
3. A total all-inclusive maximum price for the one-year engagement of fiscal year 2015 (See Attachment C);
4. A total all-inclusive maximum price for the one-year engagement of fiscal year 2016 (See Attachment C); and
5. A total all-inclusive maximum price for the one-year engagement of fiscal year 2017 (See Attachment C).

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Out-of-Pocket Expenses in the Total All-Inclusive Maximum Price and Reimbursement Rates:

All estimated out-of-pocket expenses must be included in the cost proposal as part of the total all-inclusive maximum price submitted by the firm.

Rates for Additional Professional Staff:

If it should become necessary for the Agency to request the firm to render any additional services either to supplement the services requested in this RFP or to perform additional work unforeseen at the issuance of the RFP but necessary to fulfill results required under this RFP, then such additional work shall be performed only if set forth in a written addendum to the contract between the Agency and the firm. Any such additional work agreed to between the Agency and or the agencies and the firm shall be performed at the same rates set forth in the schedule of fees and expenses included in the cost proposal.

Time Requirements, Contract Deliverables:

Date Services May Commence:

The audits will commence on a date to be mutually agreed upon. Preliminary work before fiscal year-end is encouraged to help ensure that the audit is completed in the time frame established in Attachment E.

Schedule for the Fiscal Year 2014 Audit:

Each of the following shall be completed by the audit firm no later than the time indicated in the timetable included in Attachment E:

1. **Interim Work**
During this phase, the audit firm shall gain a detailed understanding of the controls that exist over expenditures of federal awards and the GAAP basis financial statements.
2. **Detailed Audit Plan**
The audit firm shall provide detailed audit plans and requests for audit assistance within the time frame specified in Attachment E.
3. **Field Work**
The audit firm shall complete all field work within the time frame specified in Attachment E in order to ensure that the draft and final reports are delivered as agreed.
4. **Draft Reports**
The audit firm shall have drafts of the audit reports and recommendations to the respective management of the Agency available for their review by the dates specified in Attachment E.

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5. **Final Reports**
The audit firm shall deliver the final audit reports and recommendations to the respective management of the Agency and other State agencies, where applicable, by the dates specified in Attachment E.
6. All work under the proposed contract will be under the direction of the Agency. Written reports must be submitted initially in draft form in order that any necessary changes may be discussed and agreed upon before final acceptance. Any public statements which may be required must be discussed with the Agency prior to the statements being made or released.

All requests for extensions of the deadlines for submission of reports must be made in writing to the State Comptroller at least ten (10) working days before the first deadline for which an extension is requested. The request must include:

- a. what deadlines the request applies to;
- b. the new date of submission should the request be granted and the impact the request will have on subsequent report deadlines; and
- c. a concise discussion of the reason(s) for the delay which includes the cause of the delay, what events precipitated that delay, what action was taken to resolve the issues involved without a delay, and likelihood of meeting the new date of submission.

The State Comptroller will either grant or reject the request within ten (10) working days of its receipt, in a written notification to the audit firm.

Entrance Conferences, Progress Reporting, and Exit Conferences:

The audit firm shall hold entrance conferences with all key financial accounting personnel to discuss interim work to be performed and any anticipated audit problems. The meetings also will be used to establish an overall liaison for the audits and to make arrangements for work space and other needs of the audit firm.

During field work, the audit firm will meet at intervals as outlined in Attachment E with the State Comptroller or other designated financial personnel in order to report the progress of its work and identify any problems, issues, and significant findings. The audit firm shall provide the Agency with written minutes of the meeting, including issues discussed and actions to be taken within three (3) working days after the meeting.

The audit firm shall hold exit conferences with the Single Audit Coordinator and other key personnel from each agency in which CAFR and SEFA field work is conducted to summarize the results of their field work and to review significant findings. Agency representatives must be provided an

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opportunity to respond to the findings in a reasonable time frame in order to correct audit firm's errors or oversights identified by the audit firm, or to provide information that may have been previously unavailable. The meetings should be coordinated with FARS.

Due Date for Final Reports:

The audit firm shall provide all reports, findings, recommendations, revisions, management letters, and suggestions for improvement to the State Comptroller.

The State Comptroller will complete the review of the draft reports as expeditiously as possible. It is not expected that this process should exceed one week. During that period, the audit firm should be available for any meetings that may be necessary to discuss the audit reports. Once all issues for discussion are resolved, the final signed audit reports shall be delivered within seven (7) working days, but not later than the final delivery dates specified in Attachment E.

The audit firm shall deliver five (5) signed copies of each report to the State Comptroller.

Audit Requirements:

To meet the requirements of this RFP, the audit firm shall perform all audits in accordance with GAAP, Government Auditing Standards, the requirements of OMB Circular A-133, and all other applicable regulations and standards.

Reports to Be Issued:

As required by Federal OMB circular A-133, the services required by this RFP must include reporting on all of the following:

1. Whether the Basic Financial Statements in the State's CAFR present fairly the State's financial position and results of financial operations in conformity with generally accepted accounting principles.
2. Whether the SEFA is fairly presented in relation to the basic financial statements.
3. Internal control related to the financial statements and major programs.
4. Compliance with laws, regulations and the provisions of contracts or grant agreements, noncompliance with which could have a material effect upon the State's financial statements.
5. Compliance with laws, regulations and the provisions of contracts or grant agreements which could have a direct and material effect on each major program.
6. Findings and questioned costs.
7. The summary of the auditor's results, which includes:

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- type of report issued on financial statements;
 - type of report issued on compliance for major programs;
 - where applicable, a statement that reportable conditions in internal control over major programs were disclosed by the audit and whether any such conditions were material weaknesses;
 - where applicable, a statement of reportable conditions in internal control over major programs disclosed by the audit and whether any such conditions were material weaknesses;
 - a statement as to whether the audit disclosed any audit findings which the auditor is required to report;
 - an identification of major programs;
 - the dollar threshold used to distinguish between Type A and Type B programs; and
 - a statement as to whether the auditee qualified as a low-risk auditee.
8. Any irregularities, fraud, or illegal acts. The firm shall be required to give to the State Comptroller under the authority of Section 5A-2-33 of the State Code an immediate, written report of all irregularities and illegal acts of which the firm becomes aware.
9. Any additional requirements under OMB Circular A-133 or future federal OMB circulars that may become effective during this audit contract.

The firm must inform the Cabinet Secretary of the Department of Administration and the State Comptroller in writing of each of the following:

1. The auditor's responsibility under GAAP;
2. Significant accounting policies;
3. Management judgments and significant revisions of past and current estimates and projections;
4. Significant audit adjustments and significant revisions of past and current estimates and projections;

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5. Other information in documents containing audited financial statements or estimates and projections;
6. Disagreements with management;
7. Consultation with other accountants and actuaries;
8. Major issues discussed with management prior to retention;
9. Difficulties encountered in performing the audit;
10. Any additional requirements under SAS 61 or any other related requirements that are currently in effect or may become effective during this audit contract.

Assistance to be Provided to the Auditor:

Information and Assistance: The accounting staff of the Agency and the State agencies as well as management will be available during the audit to assist the audit firm by providing information, documentation and explanations. The preparation of confirmations will be the responsibility of the audit firm.

Work Area, Telephone, Photocopying, and Fax Machines: The Agency will provide the audit firm with reasonable work space, desks, and chairs. The audit firm will also be provided with access to telephone lines, photocopying facilities, and fax machines. The audit firm will provide the Agency with an estimate of the number of personnel to be assigned to the audit in the detailed audit plan. The audit firm will bear the cost of on-line use of the State's data processing systems for audit tests and will work with the Information Services & Communication staff on estimating and coordinating that work. Parking will be the responsibility of the audit staff.

Report Preparation: Final preparation, editing, and printing of the Agency reports, including the CAFR, SEFA, and the summary schedule of prior year audit findings, shall be the responsibility of the Agency.

Working Paper Retention and Access to Working Papers: All working papers and reports must be retained, at the auditor firm's expense, for a minimum of five (5) years after the issuance of all reports, unless the firm is notified in writing by the Agency of the need to extend the retention period. The audit firm will be required to make working papers available, upon request, to the representatives of the federal cognizant agency, other government audit staff, the Government Accountability Office (GAO), and the Agency.

In addition, the audit firm shall respond to the reasonable inquiries of successor auditors and allow them to review working papers relating to matters of continuing significance, in accordance with Statement on Auditing Standards Number 84.

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SECTION FIVE: VENDOR PROPOSAL

1. **Economy of Preparation:** Proposals should be prepared simply and economically providing a straightforward, concise description of the Vendor's abilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of the content.
2. **Incurring Cost:** Neither the State nor any of its employees or officers shall be held liable for any expenses incurred by any Vendor responding to this RFP, including but not limited to preparation, delivery, or travel.

3. **Proposal Format:** Vendors should provide responses in the format listed below:

Title Page: State the RFP subject, number, Vendor's name, business address, telephone number, fax number, name of contact person, e-mail address, Vendor signature, and date.

Table of Contents: Clearly identify the material by section and page number.

Attachment A: Within the attached response sheet (**Attachment A: Vendor Response Sheet**), provide the following: firm and staff qualifications and experience in completing similar projects; references; copies of any staff certifications or degrees applicable to this project; proposed staffing plan; descriptions of past projects completed entailing the location of the project, project manager name and contact information, type of project, and what the project goals and objectives were and how they were met.

Also, describe the approach and methodology proposed for this project. This should include how each of the goals and objectives listed is to be met.

Attachment B: Complete **Attachment B: Mandatory Specification Checklist**. By signing and dating this attachment, the Vendor acknowledges that they meet or exceed each of these specifications as outlined in 4.5 of Section Four: Project Specifications. The State reserves the right to require documentation detailing how each is met at its discretion.

Attachment C: Complete **Attachment C: Cost Sheet** included in this RFP and submit in a separate sealed envelope. Cost should be clearly marked.

Attachment D: Listing of agencies with stand-alone audits.

Attachment E: Timetable for completion of the audit.

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4. **Proposal Submission:** Proposals must be received in two distinct parts: technical and cost.
- **Technical proposals** must not contain any cost information relating to the project.
 - **Cost proposal** shall be sealed in a separate envelope and will not be opened initially.

All proposals must be submitted to the Purchasing Division **prior** to the date and time stipulated in the RFP as the opening date. All bids will be dated and time stamped to verify official time and date of receipt. All submissions must be in accordance with the provisions listed below and in Section Two: Instructions to Bidders Submitting Bids above.

5. **Technical Bid Opening:** The Purchasing Division will open and announce only the technical proposals received prior to the date and time specified in the Request for Proposal. The technical proposals shall then be provided to the Agency evaluation committee.
6. **Cost Bid Opening:** The Purchasing Division shall schedule a date and time to publicly open and announce cost proposals when the Purchasing Division has approved the technical recommendation of the evaluation committee. All cost bids for qualifying proposals will be opened. Cost bids for non-qualifying proposals will also be opened but shall not be considered. A proposal may be deemed non-qualifying for a number of reasons including, but not limited to, the bidder's technical proposal failing to meet the minimum acceptable score and the bidder's technical proposal failing to meet a mandatory requirement of the contract. Certain information, such as technical scores and reasons for disqualification, will not be available until after the contract award, pursuant to **West Virginia Code §5A-3-11(h)** and **West Virginia Code of State Rules §148-1-6.2.5**.

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SECTION SIX: EVALUATION AND AWARD

1. **Evaluation Process:** Proposals will be evaluated by a committee of three (3) or more individuals against the established criteria with points deducted for deficiencies. The Vendor who demonstrates that they meet all of the mandatory specifications required; and has appropriately presented within their written response their understanding in meeting the goals and objectives of the project; and attains the highest overall point score of all Vendors shall be awarded the contract. The selection of the successful Vendor will be made by a consensus of the evaluation committee.
2. **Evaluation Criteria:** All evaluation criteria is defined in the specifications section and based on a 100 point total score. Cost shall represent a minimum of 30 of the 100 total points.

The following are the evaluation factors and maximum points possible for technical point scores:

• Responsiveness of proposal in clear language stating an understanding of the work to be done	5 Points Possible
• Qualifications and experience	
○ Firm	15 Points Possible
○ Staff	10 Points Possible
○ Experience	10 Points Possible
• Approach and methodology	
○ Audit Work Plan	30 Points Possible
• Cost	<u>30 Points Possible</u>
Total	100 Points Possible

Each cost proposal cost will be scored by use of the following formula for all Vendors who attained the minimum acceptable score:

$$\frac{\text{Lowest price of all proposal}}{\text{Price of Proposal being evaluated}} \times 30 = \text{Price Score}$$

- 2.1 **Technical Evaluation:** The Agency evaluation committee will review the technical proposals, deduct points where appropriate, and make a final written recommendation to the Purchasing Division.
- 2.2 **Minimum Acceptable Score:** Vendors must score a minimum of 70% (49 points) of the total technical points possible. All Vendors not attaining the minimum acceptable score (MAS) shall be considered as non-qualifying. A proposal may be deemed non-qualifying for a number of

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reasons including, but not limited to, the bidder's technical proposal failing to meet the minimum acceptable score and the bidder's technical proposal failing to meet a mandatory requirement of the contract. Cost bids for non-qualifying proposals will also be opened but shall not be considered. Certain information, such as technical scores and reasons for disqualification, will not be available until after the contract award, pursuant to *West Virginia Code* §5A-3-11(h) and *West Virginia Code of State Rules* §148-1-6.2.5.

- 2.3 Cost Evaluation: The Agency evaluation committee will review the cost proposals, assign appropriate points, and make a final recommendation to the Purchasing Division.

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Attachment A: Vendor Response Sheet

Provide a response regarding the following: firm and staff qualifications and experience in completing similar projects; references; copies of any staff certifications or degrees applicable to this project; proposed staffing plan; descriptions of past projects completed entailing the location of the project, project manager name and contact information, type of project, and what the project goals and objectives where and how they were met.

List project goals and objectives contained in Section 4, Subsection 4:

Section 4, Subsection 4.1: List audits that have been completed that demonstrate the ability to manage an audit engagement of this magnitude.

Vendor Response:

Section 4, Subsection 4.2: List proposed audit staff with degrees, qualifications, and experience also describe aspects of the engagement which may require the services of specialists or involve consultation outside the engagement

Vendor Response:

Section 4, Subsection 4.3: List prior government experience (description of past projects completed entailing the location of the project, project manager name and contact information, type of project, and what the project goals and objectives were and how they were met) and continuing education of senior audit staff, partners, managers, and supervisors.

Vendor Response:

Section 4, Subsection 4.4: Describe specific audit work plan including; subcontractors; the firm's responsibilities under the applicable auditing standards and federal regulations; and how the firm's approach to this engagement will demonstrate that all requirements are met. Also describe specific audit work plan for any potential problems in performing all services described in this RFP including; the effects of GASB standards; the firm's approach to resolving these problems; and any special assistance that will be requested of the Agency or the State agencies.

Vendor Response:

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Attachment B: Mandatory Specification Checklist

List mandatory specifications contained in Section 4, Subsection .5:

Section 4, Subsection 5.1: The firm must be independent and licensed to practice in West Virginia.

Vendor Response:

Section 4, Subsection 5.2: The principal supervisory and management staff shall be certified public accountants with the required continuing professional education within the preceding two years. Once awarded, the Agency must be informed in writing of any changes in staffing at of the supervisory level and above. Also, the Agency retains the right to approve or reject replacements based upon their qualifications, experience, or performance.

Vendor Response:

Section 4, Subsection 5.3: The firm and its staff must meet the qualifications to perform audits in accordance with the requirements of the Single Audit Act of 1996 and OMB Circular A-133.

Vendor Response:

Section 4, Subsection 5.4: The firm shall submit a copy of one (1) report issued in the last five (5) years that is similar to the engagement described in this RFP.

Vendor Response:

Section 4, Subsection 5.5: The firm shall submit a copy of its most recent external quality control review report.

Vendor Response:

Section 4, Subsection 5.6: All requirements must also be met by joint proposers.

Vendor Response:

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Attachment C: Cost Sheet

Cost information below as detailed in the Request for Proposal and submitted in a separate sealed envelope. Cost should be clearly marked.

Cost Proposal for Fiscal Year 2014 (each item is an All Inclusive Cost):

CAFR \$ _____
Single Audit \$ _____
WVFIMS SSAE 16 Service Organization Control 1 Report \$ _____
State Rail (Separately Published Audit) \$ _____

Cost Proposal for Fiscal Year 2015 (each item is an All Inclusive Cost):

CAFR \$ _____
Single Audit \$ _____
wvOASIS SSAE 16 Service Organization Control 1 Report \$ _____
State Rail (Separately Published Audit) \$ _____

Cost Proposal for Fiscal Year 2016 (each item is an All Inclusive Cost):

CAFR \$ _____
Single Audit \$ _____
wvOASIS SSAE 16 Service Organization Control 1 Report \$ _____
State Rail (Separately Published Audit) \$ _____

Cost Proposal for Fiscal Year 2017 (each item is an All Inclusive Cost):

CAFR \$ _____
Single Audit \$ _____
wvOASIS SSAE 16 Service Organization Control 1 Report \$ _____
State Rail (Separately Published Audit) \$ _____

Grand Total of Cost Proposal for Fiscal Year 2014, 2015, 2016, and 2017 \$ _____

If applicable, sign and submit the attached Resident Vendor Preference Certificate with the proposal.

(All Inclusive)

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Attachment D: ENTITIES AUDITED ON A STAND-ALONE BASIS

AGENCY NAME

Alcohol Beverage Control Administration
Board of Risk and Insurance Management
Board of Treasury Investments
Consolidated Public Retirement Board
Economic Development Authority
Educational Broadcasting Authority
Workforce West Virginia
Water Pollution Control Revolving Fund - (DEP) A-133 version also
Housing Development Fund
Insurance Commission / Workers' Compensation Fund
Jobs Investment Trust
West Virginia Lottery
Parkways Authority
Public Employees Insurance Agency
Retiree Health Benefit Trust Fund
WV College Prepaid Tuition and Smart 529 Savings Program
Public Defender Corporations (18)
Racing Commission
Regional Jail and Correctional Authority
School Building Authority
Solid Waste Management Board
State Road /Highways
Tobacco Settlement Finance Authority
Water Development Authority
Drinking Water Treatment Revolving Fund (WDA) (loan funds)
Drinking Water Treatment Revolving Fund (DHHR) (set-aside funds) every 3 years (2015)
WV Infrastructure & Jobs Development Council
WV Investment Management Board
WV State Rail Authority
Higher Education (18 institutions, including WVNET and Higher Education Policy Commission)
Municipal Pension Oversight Board

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Attachment E: TIMETABLE FOR COMPLETION OF AUDIT

Required Submission/ Event	Required Completion/Submission Date
Entrance Conference	Within three (3) weeks of award of contract
Any interim work must be completed	June 8, 2014
Detailed Audit Plan	June 22, 2014
Field Work to begin (No Later Than) - Federal Awards - CAFR	August 15, 2014 August 15, 2014
Tests of Federal Awards substantially complete	October 26, 2014
Closing conferences with agencies substantially complete	November 16, 2014
Draft CAFR Audit Report	November 30, 2014
Draft Single Audit findings and other - management comments	December 9, 2014
Final CAFR audit report	December 31, 2014
Final Single Audit findings	January 27, 2015
Final Single Audit Reports	February 24, 2015

If applicable, sign and submit the attached Resident Vendor Preference Certificate with the proposal.

WV STATE GOVERNMENT

HIPAA BUSINESS ASSOCIATE ADDENDUM

This Health Insurance Portability and Accountability Act of 1996 (hereafter, HIPAA) Business Associate Addendum ("Addendum") is made a part of the Agreement ("Agreement") by and between the State of West Virginia ("Agency"), and Business Associate ("Associate"), and is effective as of the date of execution of the Addendum.

The Associate performs certain services on behalf of or for the Agency pursuant to the underlying Agreement that requires the exchange of information including protected health information protected by the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as amended by the American Recovery and Reinvestment Act of 2009 (Pub. L. No. 111-5) (the "HITECH Act"), any associated regulations and the federal regulations published at 45 CFR parts 160 and 164 (sometimes collectively referred to as "HIPAA"). The Agency is a "Covered Entity" as that term is defined in HIPAA, and the parties to the underlying Agreement are entering into this Addendum to establish the responsibilities of both parties regarding HIPAA-covered information and to bring the underlying Agreement into compliance with HIPAA.

Whereas it is desirable, in order to further the continued efficient operations of Agency to disclose to its Associate certain information which may contain confidential individually identifiable health information (hereafter, Protected Health Information or PHI); and

Whereas, it is the desire of both parties that the confidentiality of the PHI disclosed hereunder be maintained and treated in accordance with all applicable laws relating to confidentiality, including the Privacy and Security Rules, the HITECH Act and its associated regulations, and the parties do agree to at all times treat the PHI and interpret this Addendum consistent with that desire.

NOW THEREFORE: the parties agree that in consideration of the mutual promises herein, in the Agreement, and of the exchange of PHI hereunder that:

1. **Definitions.** Terms used, but not otherwise defined, in this Addendum shall have the same meaning as those terms in the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164.
 - a. **Agency Procurement Officer** shall mean the appropriate Agency individual listed at: <http://www.state.wv.us/admin/purchase/vrc/agencyli.html>.
 - b. **Agent** shall mean those person(s) who are agent(s) of the Business Associate, in accordance with the Federal common law of agency, as referenced in 45 CFR § 160.402(c).
 - c. **Breach** shall mean the acquisition, access, use or disclosure of protected health information which compromises the security or privacy of such information, except as excluded in the definition of Breach in 45 CFR § 164.402.
 - d. **Business Associate** shall have the meaning given to such term in 45 CFR § 160.103.
 - e. **HITECH Act** shall mean the Health Information Technology for Economic and Clinical Health Act. Public Law No. 111-05. 111th Congress (2009).

- f. **Privacy Rule** means the Standards for Privacy of Individually Identifiable Health Information found at 45 CFR Parts 160 and 164.
- g. **Protected Health Information or PHI** shall have the meaning given to such term in 45 CFR § 160.103, limited to the information created or received by Associate from or on behalf of Agency.
- h. **Security Incident** means any known successful or unsuccessful attempt by an authorized or unauthorized individual to inappropriately use, disclose, modify, access, or destroy any information or interference with system operations in an information system.
- i. **Security Rule** means the Security Standards for the Protection of Electronic Protected Health Information found at 45 CFR Parts 160 and 164.
- j. **Subcontractor** means a person to whom a business associate delegates a function, activity, or service, other than in the capacity of a member of the workforce of such business associate.

2. Permitted Uses and Disclosures.

- a. **PHI Described.** This means PHI created, received, maintained or transmitted on behalf of the Agency by the Associate. This PHI is governed by this Addendum and is limited to the minimum necessary, to complete the tasks or to provide the services associated with the terms of the original Agreement, and is described in Appendix A.
- b. **Purposes.** Except as otherwise limited in this Addendum, Associate may use or disclose the PHI on behalf of, or to provide services to, Agency for the purposes necessary to complete the tasks, or provide the services, associated with, and required by the terms of the original Agreement, or as required by law, if such use or disclosure of the PHI would not violate the Privacy or Security Rules or applicable state law if done by Agency or Associate, or violate the minimum necessary and related Privacy and Security policies and procedures of the Agency. The Associate is directly liable under HIPAA for impermissible uses and disclosures of the PHI it handles on behalf of Agency.
- c. **Further Uses and Disclosures.** Except as otherwise limited in this Addendum, the Associate may disclose PHI to third parties for the purpose of its own proper management and administration, or as required by law, provided that (i) the disclosure is required by law, or (ii) the Associate has obtained from the third party reasonable assurances that the PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party by the Associate; and, (iii) an agreement to notify the Associate and Agency of any instances of which it (the third party) is aware in which the confidentiality of the information has been breached. To the extent practical, the information should be in a limited data set or the minimum necessary information pursuant to 45 CFR § 164.502, or take other measures as necessary to satisfy the Agency's obligations under 45 CFR § 164.502.

3. Obligations of Associate.

- a. **Stated Purposes Only.** The PHI may not be used by the Associate for any purpose other than as stated in this Addendum or as required or permitted by law.
- b. **Limited Disclosure.** The PHI is confidential and will not be disclosed by the Associate other than as stated in this Addendum or as required or permitted by law. Associate is prohibited from directly or indirectly receiving any remuneration in exchange for an individual's PHI unless Agency gives written approval and the individual provides a valid authorization. Associate will refrain from marketing activities that would violate HIPAA, including specifically Section 13406 of the HITECH Act. Associate will report to Agency any use or disclosure of the PHI, including any Security Incident not provided for by this Agreement of which it becomes aware.
- c. **Safeguards.** The Associate will use appropriate safeguards, and comply with Subpart C of 45 CFR Part 164 with respect to electronic protected health information, to prevent use or disclosure of the PHI, except as provided for in this Addendum. This shall include, but not be limited to:
 - i. Limitation of the groups of its workforce and agents, to whom the PHI is disclosed to those reasonably required to accomplish the purposes stated in this Addendum, and the use and disclosure of the minimum PHI necessary or a Limited Data Set;
 - ii. Appropriate notification and training of its workforce and agents in order to protect the PHI from unauthorized use and disclosure;
 - iii. Maintenance of a comprehensive, reasonable and appropriate written PHI privacy and security program that includes administrative, technical and physical safeguards appropriate to the size, nature, scope and complexity of the Associate's operations, in compliance with the Security Rule;
 - iv. In accordance with 45 CFR §§ 164.502(e)(1)(ii) and 164.308(b)(2), if applicable, ensure that any subcontractors that create, receive, maintain, or transmit protected health information on behalf of the business associate agree to the same restrictions, conditions, and requirements that apply to the business associate with respect to such information.
- d. **Compliance With Law.** The Associate will not use or disclose the PHI in a manner in violation of existing law and specifically not in violation of laws relating to confidentiality of PHI, including but not limited to, the Privacy and Security Rules.
- e. **Mitigation.** Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Associate of a use or disclosure of the PHI by Associate in violation of the requirements of this Addendum, and report its mitigation activity back to the Agency.

f. **Support of Individual Rights.**

- i. **Access to PHI.** Associate shall make the PHI maintained by Associate or its agents or subcontractors in Designated Record Sets available to Agency for inspection and copying, and in electronic format, if requested, within ten (10) days of a request by Agency to enable Agency to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 CFR § 164.524 and consistent with Section 13405 of the HITECH Act.
- ii. **Amendment of PHI.** Within ten (10) days of receipt of a request from Agency for an amendment of the PHI or a record about an individual contained in a Designated Record Set, Associate or its agents or subcontractors shall make such PHI available to Agency for amendment and incorporate any such amendment to enable Agency to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 CFR § 164.526.
- iii. **Accounting Rights.** Within ten (10) days of notice of a request for an accounting of disclosures of the PHI, Associate and its agents or subcontractors shall make available to Agency the documentation required to provide an accounting of disclosures to enable Agency to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 CFR § 164.528 and consistent with Section 13405 of the HITECH Act. Associate agrees to document disclosures of the PHI and information related to such disclosures as would be required for Agency to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR § 164.528. This should include a process that allows for an accounting to be collected and maintained by Associate and its agents or subcontractors for at least six (6) years from the date of disclosure, or longer if required by state law. At a minimum, such documentation shall include:
- the date of disclosure;
 - the name of the entity or person who received the PHI, and if known, the address of the entity or person;
 - a brief description of the PHI disclosed; and
 - a brief statement of purposes of the disclosure that reasonably informs the individual of the basis for the disclosure, or a copy of the individual's authorization, or a copy of the written request for disclosure.
- iv. **Request for Restriction.** Under the direction of the Agency, abide by any individual's request to restrict the disclosure of PHI, consistent with the requirements of Section 13405 of the HITECH Act and 45 CFR § 164.522, when the Agency determines to do so (except as required by law) and if the disclosure is to a health plan for payment or health care operations and it pertains to a health care item or service for which the health care provider was paid in full "out-of-pocket."
- v. **Immediate Discontinuance of Use or Disclosure.** The Associate will immediately discontinue use or disclosure of Agency PHI pertaining to any individual when so requested by Agency. This includes, but is not limited to, cases in which an individual has withdrawn or modified an authorization to use or disclose PHI.

- g. **Retention of PHI.** Notwithstanding section 4.a. of this Addendum, Associate and its subcontractors or agents shall retain all PHI pursuant to state and federal law and shall continue to maintain the PHI required under Section 3.f. of this Addendum for a period of six (6) years after termination of the Agreement, or longer if required under state law.
- h. **Agent's, Subcontractor's Compliance.** The Associate shall notify the Agency of all subcontracts and agreements relating to the Agreement, where the subcontractor or agent receives PHI as described in section 2.a. of this Addendum. Such notification shall occur within 30 (thirty) calendar days of the execution of the subcontract and shall be delivered to the Agency Procurement Officer. The Associate will ensure that any of its subcontractors, to whom it provides any of the PHI it receives hereunder, or to whom it provides any PHI which the Associate creates or receives on behalf of the Agency, agree to the restrictions and conditions which apply to the Associate hereunder. The Agency may request copies of downstream subcontracts and agreements to determine whether all restrictions, terms and conditions have been flowed down. Failure to ensure that downstream contracts, subcontracts and agreements contain the required restrictions, terms and conditions may result in termination of the Agreement.
- j. **Federal and Agency Access.** The Associate shall make its internal practices, books, and records relating to the use and disclosure of PHI, as well as the PHI, received from, or created or received by the Associate on behalf of the Agency available to the U.S. Secretary of Health and Human Services consistent with 45 CFR § 164.504. The Associate shall also make these records available to Agency, or Agency's contractor, for periodic audit of Associate's compliance with the Privacy and Security Rules. Upon Agency's request, the Associate shall provide proof of compliance with HIPAA and HITECH data privacy/protection guidelines, certification of a secure network and other assurance relative to compliance with the Privacy and Security Rules. This section shall also apply to Associate's subcontractors, if any.
- k. **Security.** The Associate shall take all steps necessary to ensure the continuous security of all PHI and data systems containing PHI. In addition, compliance with 74 FR 19006 Guidance Specifying the Technologies and Methodologies That Render PHI Unusable, Unreadable, or Indecipherable to Unauthorized Individuals for Purposes of the Breach Notification Requirements under Section 13402 of Title XIII is required, to the extent practicable. If Associate chooses not to adopt such methodologies as defined in 74 FR 19006 to secure the PHI governed by this Addendum, it must submit such written rationale, including its Security Risk Analysis, to the Agency Procurement Officer for review prior to the execution of the Addendum. This review may take up to ten (10) days.
- l. **Notification of Breach.** During the term of this Addendum, the Associate shall notify the Agency and, unless otherwise directed by the Agency in writing, the WV Office of Technology immediately by e-mail or web form upon the discovery of any Breach of unsecured PHI; or within 24 hours by e-mail or web form of any suspected Security Incident, intrusion or unauthorized use or disclosure of PHI in violation of this Agreement and this Addendum, or potential loss of confidential data affecting this Agreement. Notification shall be provided to the Agency Procurement Officer at www.state.wv.us/admin/purchase/vrc/agencyl1.htm and,

unless otherwise directed by the Agency in writing, the Office of Technology at incident@wv.gov or <https://apps.wv.gov/ot/ir/Default.aspx>.

The Associate shall immediately investigate such Security Incident, Breach, or unauthorized use or disclosure of PHI or confidential data. Within 72 hours of the discovery, the Associate shall notify the Agency Procurement Officer, and, unless otherwise directed by the Agency in writing, the Office of Technology of: (a) Date of discovery; (b) What data elements were involved and the extent of the data involved in the Breach; (c) A description of the unauthorized persons known or reasonably believed to have improperly used or disclosed PHI or confidential data; (d) A description of where the PHI or confidential data is believed to have been improperly transmitted, sent, or utilized; (e) A description of the probable causes of the improper use or disclosure; and (f) Whether any federal or state laws requiring individual notifications of Breaches are triggered.

Agency will coordinate with Associate to determine additional specific actions that will be required of the Associate for mitigation of the Breach, which may include notification to the individual or other authorities.

All associated costs shall be borne by the Associate. This may include, but not be limited to costs associated with notifying affected individuals.

If the Associate enters into a subcontract relating to the Agreement where the subcontractor or agent receives PHI as described in section 2.a. of this Addendum, all such subcontracts or downstream agreements shall contain the same incident notification requirements as contained herein, with reporting directly to the Agency Procurement Officer. Failure to include such requirement in any subcontract or agreement may result in the Agency's termination of the Agreement.

- m. **Assistance in Litigation or Administrative Proceedings.** The Associate shall make itself and any subcontractors, workforce or agents assisting Associate in the performance of its obligations under this Agreement, available to the Agency at no cost to the Agency to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against the Agency, its officers or employees based upon claimed violations of HIPAA, the HIPAA regulations or other laws relating to security and privacy, which involves inaction or actions by the Associate, except where Associate or its subcontractor, workforce or agent is a named as an adverse party.

4. Addendum Administration.

- a. **Term.** This Addendum shall terminate on termination of the underlying Agreement or on the date the Agency terminates for cause as authorized in paragraph (c) of this Section, whichever is sooner.
- b. **Duties at Termination.** Upon any termination of the underlying Agreement, the Associate shall return or destroy, at the Agency's option, all PHI received from, or created or received by the Associate on behalf of the Agency that the Associate still maintains in any form and retain no copies of such PHI or, if such return or destruction is not feasible, the Associate shall extend the protections of this Addendum to the PHI and limit further uses and disclosures to the purposes that make the return or destruction of the PHI infeasible. This shall also apply to all agents and subcontractors of Associate. The duty of the Associate and its agents

and subcontractors to assist the Agency with any HIPAA required accounting of disclosures survives the termination of the underlying Agreement.

- c. **Termination for Cause.** Associate authorizes termination of this Agreement by Agency, if Agency determines Associate has violated a material term of the Agreement. Agency may, at its sole discretion, allow Associate a reasonable period of time to cure the material breach before termination.
- d. **Judicial or Administrative Proceedings.** The Agency may terminate this Agreement if the Associate is found guilty of a criminal violation of HIPAA. The Agency may terminate this Agreement if a finding or stipulation that the Associate has violated any standard or requirement of HIPAA/HITECH, or other security or privacy laws is made in any administrative or civil proceeding in which the Associate is a party or has been joined. Associate shall be subject to prosecution by the Department of Justice for violations of HIPAA/HITECH and shall be responsible for any and all costs associated with prosecution.
- e. **Survival.** The respective rights and obligations of Associate under this Addendum shall survive the termination of the underlying Agreement.

5. General Provisions/Ownership of PHI.

- a. **Retention of Ownership.** Ownership of the PHI resides with the Agency and is to be returned on demand or destroyed at the Agency's option, at any time, and subject to the restrictions found within section 4.b. above.
- b. **Secondary PHI.** Any data or PHI generated from the PHI disclosed hereunder which would permit identification of an individual must be held confidential and is also the property of Agency.
- c. **Electronic Transmission.** Except as permitted by law or this Addendum, the PHI or any data generated from the PHI which would permit identification of an individual must not be transmitted to another party by electronic or other means for additional uses or disclosures not authorized by this Addendum or to another contractor, or allied agency, or affiliate without prior written approval of Agency.
- d. **No Sales.** Reports or data containing the PHI may not be sold without Agency's or the affected individual's written consent.
- e. **No Third-Party Beneficiaries.** Nothing express or implied in this Addendum is intended to confer, nor shall anything herein confer, upon any person other than Agency, Associate and their respective successors or assigns, any rights, remedies, obligations or liabilities whatsoever.
- f. **Interpretation.** The provisions of this Addendum shall prevail over any provisions in the Agreement that may conflict or appear inconsistent with any provisions in this Addendum. The interpretation of this Addendum shall be made under the laws of the state of West Virginia.
- g. **Amendment.** The parties agree that to the extent necessary to comply with applicable law they will agree to further amend this Addendum.
- h. **Additional Terms and Conditions.** Additional discretionary terms may be included in the release order or change order process.

AGREED:

FRANK

Name of Agency:

DEI

Name of Associate: _____

Signature:

[Signature]

Signature: _____

Title:

State Comptroller

Title: _____

Date:

4-2-14

Date: _____

Form - WVBA-012004
Amended 06.26.2013

APPROVED AS TO FORM THIS

26th

DAY OF

Jan

20 *13*

Patrick Morrisey
Attorney General

BY _____

Appendix A

(To be completed by the Agency's Procurement Officer prior to the execution of the Addendum, and shall be made a part of the Addendum. PHI not identified prior to execution of the Addendum may only be added by amending Appendix A and the Addendum, via Change Order.)

Name of Associate: _____

Various

Name of Agency: _____

Describe the PHI (do not include any actual PHI). If not applicable, please indicate the same.

Information that identifies, a specific individuals health information: first name (or initial) and last name (current or former); geographical address; electronic address (including an e-mail address); personal cellular phone number; telephone number or fax number dedicated to contacting the individual at his or her physical place of residence; social security account number; driver's license number, even if the name is not included; credit and debit card numbers; financial records, including checking, savings and other financial account numbers, and loan accounts and payment history; consumer report information; mother's maiden name; biometric identifiers, including but not limited to, fingerprints, palm prints, facial recognition, full face image and iris scans; driver identification number; birth date; birth, adoption or death certificate numbers; physical description; genetic information; medical, disability or employment records, including salary information; and criminal records and history. Also, any demographic information, whether oral or recorded in any form or medium that relates to an individual's health, health care services and supplies, or payment for services or supplies, and which identifies the individual or could reasonably be used to identify the individual. This includes information that relates to the past, present, or future physical or mental health condition of an individual; the provision of health care to an individual including, but not limited to, preventive, diagnostic, therapeutic, rehabilitative, maintenance or palliative care as well as counseling, service, assessment, or procedure with respect to the physical or mental condition, or functional status of an individual or that affects the structure or function of the body; or the past, present, or future payment for the provision of health care to an individual.

ADDENDUM ACKNOWLEDGEMENT FORM
SOLICITATION NO.: FAR140001

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

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

Company

Authorized Signature

Date

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

State of West Virginia

VENDOR PREFERENCE CERTIFICATE

Certification and application* is hereby made for Preference in accordance with **West Virginia Code**, §5A-3-37. (Does not apply to construction contracts). **West Virginia Code**, §5A-3-37, provides an opportunity for qualifying vendors to request (at the time of bid) preference for their residency status. Such preference is an evaluation method only and will be applied only to the cost bid in accordance with the **West Virginia Code**. This certificate for application is to be used to request such preference. The Purchasing Division will make the determination of the Resident Vendor Preference, if applicable.

1. **Application is made for 2.5% resident vendor preference for the reason checked:**
 Bidder is an individual resident vendor and has resided continuously in West Virginia for four (4) years immediately preceding the date of this certification; **or**,
 Bidder is a partnership, association or corporation resident vendor and has maintained its headquarters or principal place of business continuously in West Virginia for four (4) years immediately preceding the date of this certification; or 80% of the ownership interest of Bidder is held by another individual, partnership, association or corporation resident vendor who has maintained its headquarters or principal place of business continuously in West Virginia for four (4) years immediately preceding the date of this certification; **or**,
 Bidder is a nonresident vendor which has an affiliate or subsidiary which employs a minimum of one hundred state residents and which has maintained its headquarters or principal place of business within West Virginia continuously for the four (4) years immediately preceding the date of this certification; **or**,
2. **Application is made for 2.5% resident vendor preference for the reason checked:**
 Bidder is a resident vendor who certifies that, during the life of the contract, on average at least 75% of the employees working on the project being bid are residents of West Virginia who have resided in the state continuously for the two years immediately preceding submission of this bid; **or**,
3. **Application is made for 2.5% resident vendor preference for the reason checked:**
 Bidder is a nonresident vendor employing a minimum of one hundred state residents or is a nonresident vendor with an affiliate or subsidiary which maintains its headquarters or principal place of business within West Virginia employing a minimum of one hundred state residents who certifies that, during the life of the contract, on average at least 75% of the employees or Bidder's affiliate's or subsidiary's employees are residents of West Virginia who have resided in the state continuously for the two years immediately preceding submission of this bid; **or**,
4. **Application is made for 5% resident vendor preference for the reason checked:**
 Bidder meets either the requirement of both subdivisions (1) and (2) or subdivision (1) and (3) as stated above; **or**,
5. **Application is made for 3.5% resident vendor preference who is a veteran for the reason checked:**
 Bidder is an individual resident vendor who is a veteran of the United States armed forces, the reserves or the National Guard and has resided in West Virginia continuously for the four years immediately preceding the date on which the bid is submitted; **or**,
6. **Application is made for 3.5% resident vendor preference who is a veteran for the reason checked:**
 Bidder is a resident vendor who is a veteran of the United States armed forces, the reserves or the National Guard, if, for purposes of producing or distributing the commodities or completing the project which is the subject of the vendor's bid and continuously over the entire term of the project, on average at least seventy-five percent of the vendor's employees are residents of West Virginia who have resided in the state continuously for the two immediately preceding years.
7. **Application is made for preference as a non-resident small, women- and minority-owned business, in accordance with West Virginia Code §5A-3-59 and West Virginia Code of State Rules.**
 Bidder has been or expects to be approved prior to contract award by the Purchasing Division as a certified small, women- and minority-owned business.

Bidder understands if the Secretary of Revenue determines that a Bidder receiving preference has failed to continue to meet the requirements for such preference, the Secretary may order the Director of Purchasing to: (a) reject the bid; or (b) assess a penalty against such Bidder in an amount not to exceed 5% of the bid amount and that such penalty will be paid to the contracting agency or deducted from any unpaid balance on the contract or purchase order.

By submission of this certificate, Bidder agrees to disclose any reasonably requested information to the Purchasing Division and authorizes the Department of Revenue to disclose to the Director of Purchasing appropriate information verifying that Bidder has paid the required business taxes, provided that such information does not contain the amounts of taxes paid nor any other information deemed by the Tax Commissioner to be confidential.

Under penalty of law for false swearing (West Virginia Code, §61-5-3), Bidder hereby certifies that this certificate is true and accurate in all respects; and that if a contract is issued to Bidder and if anything contained within this certificate changes during the term of the contract, Bidder will notify the Purchasing Division in writing immediately.

Bidder: _____ Signed: _____
 Date: _____ Title: _____

RFQ No. FAR140001

STATE OF WEST VIRGINIA
Purchasing Division

PURCHASING AFFIDAVIT

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

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

DEFINITIONS:

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

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

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

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

WITNESS THE FOLLOWING SIGNATURE:

Vendor's Name: _____

Authorized Signature: _____ Date: _____

State of _____

County of _____, to-wit:

Taken, subscribed, and sworn to before me this ____ day of _____, 20__.

My Commission expires _____, 20__.

AFFIX SEAL HERE

NOTARY PUBLIC _____

REQUEST FOR PROPOSAL

Finance, DOA and RFP FAR140001

By signing below, I certify that I have reviewed this Request for Proposal in its entirety; understand the requirements, terms and conditions, and other information contained herein; that I am submitting this proposal for review and consideration; that I am authorized by the bidder to execute this bid or any documents related thereto on bidder's behalf; that I am authorized to bind the bidder in a contractual relationship; and that, to the best of my knowledge, the bidder has properly registered with any State agency that may require registration.

(Company)

(Representative Name, Title)

(Contact Phone/Fax Number)

(Date)