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OUR COMMITMENT TO SERVE

WEST VIRGINIA DIVISION OF CORRECTIONS AND REHABILITATION



Certified
Public
Accountants

A Professional Limited Liability Company

Professional Auditing Services for the
West Virginia Division of Corrections and Rehabilitation

Response to Request for Proposal
ARFP 0608 DCR2400000002

Suttle & Stalnaker, PLLC
The Virginia Center
1411 Virginia Street, East, Suite 100
Charleston, West Virginia 25301
(304) 343-4126 / (304) 343-8008

Contact Person:

Chris Lambert, CPA, CGMA, CCIFP, Member
CSLambert@suttlecpas.com

Chris Lambert

January 24, 2024

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SCORING CROSS REFERENCE TABLE

WV DIVISION OF CORRECTIONS AND REHABILITATION FINANCIAL AUDIT TECHNICAL SCORE SHEET		Proposal page number(s)	
Mandatory Requirements and Specifications:		Yes	No
2.2.1	Vendor must provide at a minimum sufficient information to allow the evaluators to judge the competence, experience and capabilities of the firm submitting the bid and the personnel who will be assigned to the WVDCR account.		Pages 11 - 31; 33 - 53
2.2.2	Vendor must submit resumes for all persons proposed to be included on the audit team.		Pages 36 - 53
2.2.3	Vendor shall provide, with its technical proposal, three (3) references of current or former (within 2 years of doing business) customers that are similar in size and scope to the requirements contained herein.		Pages 16 -18
2.2.4.	Vendor must provide detailed information on their expertise in the performance of audits in accordance with the provisions of the following: <ul style="list-style-type: none"> • Government Auditing Standards • Generally Accepted Auditing Standards • Governmental Accounting Standards Board Statements. 		Pages 16 - 18; 36, 39,42,45,49, and 52
2.2.5.	Vendor must demonstrate expertise and experience in the performance of audits of state agencies, including a detailed discussion of the audit approach and the timeline for interim and year-end field work. Any proposal submitted which is insufficient in the regard will be disqualified and excluded from the evaluation.		Pages 16 - 18; 60 -75
2.2.6.	Submission of a proposal indicates by the firm of the conditions contained in this RFP, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between WVDCR/WVDAS and the firm selected.		Suttle & Stalaker, PLLC understands this requirement.
2.2.7.	WVDCR/WVDAS reserves the right without prejudice to reject any and/or all proposals submitted in whole or in part.		Suttle & Stalaker, PLLC understands this requirement.
2.2.8.	During the evaluation process, the selection committee and WVDAS reserves the right, where it may serve the Agency's best interest, to request clarifications from proposers.		Suttle & Stalaker, PLLC understands this requirement.
2.2.9.	Any contacts with WVDCR concerning the award is improper. Any lobbying activity to obtain the contract is grounds for disqualification.		Suttle & Stalaker, PLLC understands this requirement.
2.2.10.	The proposed audits must be made in accordance with generally accepted auditing standards, which require that the firm plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.		Suttle & Stalaker, PLLC understands this requirement.
2.2.11.	Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue a report on the fair presentation of the financial statements in conformity with generally accepted accounting principles.		Suttle & Stalaker, PLLC understands this requirement.
2.2.12.	Vendor shall provide its detailed audit plan and list of schedules to Agency no later than June 30, 2024.		Suttle & Stalaker, PLLC understands this requirement.
2.2.13.	Vendor shall complete all interim work no later than June 30, 2024.		Suttle & Stalaker, PLLC understands this requirement.
2.2.14.	Vendor shall provide its draft audit report and recommendations to management to the Assistant Director – WVDAS Fiscal Section or designee no later than September 30, 2024, which must be submitted to FARS by September 15, 2024.		Suttle & Stalaker, PLLC understands this requirement.

2.2.15. Vendor shall provide its final report for submission to FARS on October 15, 2024.			Suttle & Stalnaker, PLLC understands this requirement.
2.2.16. Auditors shall ensure that the Director of the WVDAS and the Commissioner of the WVDCR are informed of each of the following: 2.2.16.1. The auditor's responsibility under generally accepted auditing standards, 2.2.16.2. Significant accounting policies, 2.2.16.3. Significant disclosures not made, 2.2.16.4. Significant audit adjustments, 2.2.16.5. Other information in documents containing audited financial statements, 2.2.16.6. Disagreements with management, 2.2.16.7. Management consultation with other accountants, 2.2.16.8. Major issues discussed with management prior to retention, 2.2.16.9. Difficulties encountered in performing the audit, and 2.2.16.10. Irregularities and illegal acts.			Suttle & Stalnaker, PLLC understands this requirement.
2.2.17. Vendor must meet Critical Dates: 2.2.17.1. Detailed client assistance packages must be received at least twenty-one (21) days prior to fieldwork for both interim and year-end assistance. 2.2.17.2. A draft audit report and any related reports on reportable conditions or management letter comments must be completed by September 15, 2024. 2.2.17.2.1. The final reports must be completed by October 15, 2024.			Suttle & Stalnaker, PLLC understands this requirement.
TECHNICAL CRITERIA			
	Available Points	Points Awarded	
A. Organization's capacity to perform the audits. This criterion will be based on the size, structure and location of branch offices of firm that are to be utilized in the performance of contract.	20		Pages 11 - 31
B. The firm's personnel. This criterion will be based on the qualifications of staff to be assigned to the audit as determined by resumes submitted.	20		Pages 33 - 53
C. Audit management and administration process. This criterion will be based on the firm's understanding of the work to be performed as demonstrated by its discussion of the overall audit approach, including a detailed description of how the firm will manage the audit's deliverables in conjunction with reporting deadlines.	10		Pages 55 -58; 60 - 75
D. Prior experience of the assigned personnel in auditing State agencies.	20		Pages 36, 39, 42, 45, 49, and 52
Total Technical Score	70		
COST:			
(Lowest Bid of All Proposals / Cost of Bid for This Firm) X 30 Possible Points	<u>30</u>		See separate submission
Technical and Cost - Maximum/Actual Points	100		

TRANSMITTAL LETTER

January 24, 2024

Mr. Mickey Skeens, Purchasing Manager
West Virginia Division of Administrative Services
1124 Smith Street, 2nd Floor, Suite 2100
Charleston, West Virginia 25301

RE: DCR - Auditing Services Proposal

We are pleased to submit our proposal to perform the annual audit of the West Virginia Division of Corrections and Rehabilitation (the WVDCR) for the fiscal year ended June 30, 2024, in accordance with generally accepted government auditing standards. This package is designed to demonstrate the engagement team that is best suited to assist WVDCR. Furthermore, we demonstrate in the attached proposal that we exceed your mandatory qualifications, understand your Request for Proposal and audit needs, and commit to meeting all of your requirements within the specified time periods.

The team we have assembled to serve WVDCR has a long-standing established relationship with WVDCR, as well as other agencies of the State of West Virginia. This means that we know and understand the issues and how to address them. Our team members are located in Charleston, West Virginia, providing WVDCR with **local access** to their professional accounting firm and team members. These team members have extensive technical knowledge of and experience with the State of West Virginia, and will be available at your request.

Our client service team's professional knowledge and understanding of the WVDCR and West Virginia State government, along with the cost effective total client service plan we have developed distinguishes us from the competition.

You want auditors who have a solid understanding of your needs and the technology, knowledge solutions, and resources to help you meet your goals. Selecting the Suttle & Stalaker, PLLC team to serve WVDCR provides you with a number of important advantages:

- **Experience** - Suttle & Stalaker, PLLC has served the State of West Virginia as one of its valued clients for over 50 years, including performing the WVDCR and West Virginia Regional Jail and Correctional Facility Authority annual audits from 2009 through 2023. Suttle & Stalaker, PLLC is widely considered the premier compliance auditing firm in West Virginia. No firm based in West Virginia has more governmental financial audit, consulting, accounting and compliance audit experience. This experience is demonstrated by two Big Four CPA firms who continually use Suttle & Stalaker, PLLC to complete significant governmental financial and compliance audits for them.

The Virginia Center
1411 Virginia Street, East
Suite 100
Charleston, WV 25301

MAIN (304) 343-4126
FAX (304) 343-8008

The Rivers Office Park
200 Star Avenue
Suite 220
Parkersburg, WV 26101

MAIN (304) 485-6584
FAX (304) 485-0971

Suncrest Towne Centre
453 Suncrest Towne Centre Drive
Suite 201
Morgantown, WV 26505

MAIN (304) 554-3371
FAX (304) 554-3410

The Somerville Building
501 5th Avenue
Suite 1
Huntington, WV 25701

MAIN (304) 525-0301
FAX (304) 522-1569

- **Experienced engagement management and team members** - To demonstrate our commitment to the WVDCR, we have assigned two Firm Members to this engagement. Chris Lambert, and Chris Deweese will lead your team. Together they have over 60 years experience serving the State of West Virginia and its Departments, Divisions, and Component Units, providing financial and compliance audit services. Team members have served the WVDCR or West Virginia Regional Jail and Correctional Facility Authority for the prior audits, identifying numerous issues and recommendations for improvements. We have assigned to the engagement team several individuals that have served on prior West Virginia DCR audits as well as several CPA's. **In fact, out of 5 key people planned to be utilized on the engagement, all 5 are CPA's.**
- **Technology** - Suttle & Stalnaker, PLLC uses extensive automated techniques in their audit approach. Our approach will include a review of the information systems of the WVDCR including identification of the related internal controls and testing of the relevant aspects of the information systems. We also use IDEA to perform various automated tests from populations received in electronic formats.
- **Understanding significant issues** - Suttle & Stalnaker, PLLC has demonstrated its ability to identify significant issues and report them to the WVDCR. We have identified findings/comments on each of the prior audits performed by Suttle & Stalnaker, PLLC. Engaging Suttle & Stalnaker, PLLC as auditors would assure that the audit approach includes appropriate follow up on the status of the identified issues and continues to emphasize identifying important issues to ensure that progress continues.
- **Training** - Our commitment to training our staff to effectively serve the governmental market is demonstrated by the fact that all of our audit staff are trained in governmental auditing and accounting. Each year we have training that focuses on new pronouncements, compliance and legislative issues and changes in the governmental environment.
- **Competitive fees** - Our record is one of providing high quality services for a fair fee in order to obtain the best value. Our audit approach, our use of technology, and our people all work together for this goal.
- **Membership in AICPA Audit Quality Centers** - The Firm belongs to the Governmental Audit Quality Center, the Center for Audit Quality, and the Employee Benefit Plans Audit Quality Center, all established by the American Institute of Certified Public Accountants. Membership in the audit quality centers requires specific rigorous policies and procedures regarding quality control, education and training, and provides the Firm with additional resources from the Centers in the form of webcasts, email blasts and technical support from the Centers' websites or telephone access to Center personnel.

- **Unsurpassed commitment to the State of West Virginia** - Suttle & Stalnaker, PLLC has demonstrated our commitment to the State of West Virginia, providing audit services to the State for over 50 years as well as being part of the State's business community for over 50 years. Awarding this contract to Suttle & Stalnaker, PLLC will benefit the taxpayers of West Virginia who, of course, support the State's economy. We are West Virginians serving West Virginia! And, as West Virginians, we are committed to serving West Virginia for many year to come.
- **Commitment to meeting your time frames** - Suttle & Stalnaker, PLLC is committed to meeting all deadlines for draft audit report and any related reports on reportable conditions or management letter comments by September 15 and final reports will be completed by October 15.

We will serve the West Virginia Division of Corrections and Rehabilitation in a dedicated manner and you will be a top priority client of our firm. We would appreciate the opportunity to meet personally to further discuss this written proposal. We possess all of the technical and professional qualifications to serve West Virginia Division of Corrections and Rehabilitation in the most effective manner. Please feel free to contact Chris Lambert in respect to any questions you may have concerning this proposal. This proposal is a firm and irrevocable offer for ninety (90) days.

Very truly yours,



Suttle & Stalnaker, PLLC

SUTTLE & STALNAKER, PLLC

SUTTLE & STALNAKER, PLLC

FIRM QUALIFICATIONS AND EXPERIENCE

Locations. Suttle & Stalnaker, PLLC (S&S), Certified Public Accountants, has offices located at 1411 Virginia Street East, The Virginia Center, Suite 100, Charleston, West Virginia 25301; 501 5th Avenue, The Somerville Building, Suite 1, Huntington, West Virginia 25701; 453 Suncrest Towne Centre Drive, The Suncrest Towne Centre, Suite 201, Morgantown, West Virginia 26505; and at 200 Star Avenue, The Rivers Office Park, Suite 220, PO Box 150, Parkersburg, West Virginia 26102.

Statistics. S&S was founded in 1973 and has approximately 100 professionals, including 17 members (partners). S&S has 47 certified public accountants on staff. S&S is one of the largest accounting firms in the State of West Virginia and has a rich heritage in the West Virginia market. S&S is the largest CPA firm headquartered in West Virginia. S&S for the third time has been included in the Inside Public Accounting Top 300 Firms in the United States based on the amount of revenue. S&S performs a full range of services including financial reporting consulting, SOX consulting and compliance, audit and attest services, tax and tax planning, merger and acquisition consulting, operational consulting, internal audit assistance, audit preparation consulting, business valuations, and outsourcing. The Firm is one of the fastest growing CPA firms in West Virginia which is a result of our high quality services, commitment to clients and competitive fees.

PROFESSIONAL AFFILIATIONS

Our firm and its professionals are members of numerous organizations that conduct educational training and provide educational publications to keep up with the current developments. Some of those organizations include:

American Institute of Certified Public Accountants (AICPA)
 PCPS: The AICPA Alliance for CPA Firms
 AICPA Government Audit Quality Center
 AICPA Employee Benefit Plan Audit Quality Center
 AICPA Center for Audit Quality
 West Virginia Society of CPAs
 Allinial Global
 Government Finance Officers Association (GFOA)
 Public Company Accounting Oversight Board (PCAOB)
 Association of School Business Officials
 Association of Government Accountants (AGA)
 West Virginia Bankers Association (WVBA)
 Community Bankers of West Virginia (CBWV)
 Medical Group Management Association
 National Association of Certified Valuators and Analysts (NACVA)
 National CPA Health Care Advisors Association (HCAA)
 CPA Firm Management Association (CPAFMA)
 Contractors Association of West Virginia (CAWV)
 National Electrical Contractors Association (NECA) West Virginia - Ohio Valley Chapter
 Associated Builders and Contractors, Inc. - West Virginia Chapter (ABCWV)

WEST VIRGINIA DIVISION OF CORRECTIONS AND REHABILITATION AND STATE OF WEST VIRGINIA GOVERNMENTAL EXPERIENCE

Suttle & Stalnaker, PLLC has audited the WVDCR and its predecessor West Virginia Regional Jail and Correctional Facility Authority's financial statements from 2009 through 2023. In addition, Suttle & Stalnaker, PLLC has a long history of serving the State of West Virginia having served virtually every major division and department in some capacity. Suttle & Stalnaker, PLLC has specialized in governmental and nonprofit agency auditing and accounting for over 50 years. This segment currently makes up the largest industry concentration of our audit practice, with our professional staff spending well over 20,000 hours per year on audits of governmental and nonprofit entities and programs. Every member of our audit staff has both training and experience in governmental and nonprofit accounting and auditing.

The State of West Virginia and its departments, divisions, and component units are the cornerstone of our government practice. Through a joint venture, we participate in the audit of the State of West Virginia's financial statements, and perform extensive work related to the requirements of the Single Audit Act, Office of Management and Budget's Circular A-133, Single Audit Act Amendments and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). In addition our Firm has served numerous other governmental clients and similar entities requiring audits in accordance with *Government Auditing Standards*, developing a strong reputation for providing quality services in the West Virginia market.

Other engagements with the State of West Virginia have included auditing component units, divisions or programs to be incorporated into the State of West Virginia's Annual Comprehensive Financial Reports. These engagements include the West Virginia Division of Corrections and Rehabilitation, West Virginia Offices of the Insurance Commissioner, West Virginia Educational Broadcasting Authority, West Virginia Economic Development Authority, Workforce West Virginia, West Virginia Parkways Authority, West Virginia Division of Highways, West Virginia Racing Commission, West Virginia Division of Multimodal Transportation Facilities, Eastern West Virginia Community and Technical College, Fairmont State University, New River Community and Technical College, Pierpont Community and Technical College, Southern West Virginia Community College, and West Virginia School of Osteopathic Medicine. These engagements demonstrate our ability to meet the time parameters required by WVDCR, as well as our ability to effectively and efficiently complete audits in the complex State environment. This preeminence in governmental and nonprofit services is not the result of casual experience acquired through an on-going accounting practice. Rather, it results from the commitment of our Firm to the highest standards of service in the governmental and nonprofit sector.

GFOA CERTIFICATE OF EXCELLENCE EXPERIENCE

Only a few entities in West Virginia have applied for and obtained a GFOA Certificate of Excellence in Financial Reporting. Our current clients, the West Virginia Division of Highways, and West Virginia Parkways Authority, and our former clients including the West Virginia Public Employee's Insurance Agency, the West Virginia Consolidated Public Retirement Board, and the West Virginia Lottery obtained the GFOA Certificate of Excellence. In addition, the State of West Virginia, our client through joint ventures with Ernst & Young, LLP and Deloitte & Touche, LLP, obtained the GFOA Certificate of Excellence. As stated in the Suttle & Stalnaker, PLLC mission statement, we are continually striving to "provide world class professional services to quality clients by utilizing a team of dynamic individuals and advanced technology to achieve success for our clients and ourselves."

ABOUT ALLINIAL GLOBAL



Allinial Global is an accounting firm association of legally independent accounting and consulting firms with offices in North America and throughout the world through international members and partnerships.

Allinial Global firms have the flexibility to find not just a good solution to your business challenges—but the best solution for you.

Working with an Allinial Global firm means that you have access to the experience and knowledge of every firm in our organization through our Transfer of Excellence.

And because the Allinial Global structure is fluid, our reach is broader and our member firms can be more responsive, both locally and globally. There aren't many business challenges that can't be resolved or questions that can't be answered by members of our association or their connections. Put the agility of Allinial Global to work for you.

Quick Stats:

Locations: 688

Member Firms: 256

Countries: 99

Net Fees: 4.5312 billion

The member firms of Allinial Global share education, marketing resources, and technical knowledge in a wide range of services and sectors. They have access to a broad array of resources and support that benefit both our member firms and their clients in eight key impact areas:



Learning & Development

- Become a leader you'd want to follow through progressive leadership development.
- Trust the guidance of an advisor up-to-date on the highest levels of technical training.



Human Resources

- Improve employee retention through the Retaining Employees Through Active Involvement Now (RETAIN©) program and develop talent from hire to retire.
- Collaborate with advisors who are in it for the long haul and dedicated to your continued success.



International Connection

- We'll go wherever we need to secure the highest quality solutions to your business needs, whether in or outside of our association.
- You're covered wherever you do business: get the best solution, not the best available.



Technical Support

- Depend on your Allinial Global Technical Support liaison to connect you directly to an experienced specialist.
- Have confidence that your advisor will provide a tailored solution to all your business needs.



Communities of Practice

- Tap our collective experience in a wide range of industries and service lines through our online portal and both in-person and virtual events.
- When advisors keep abreast of industry trends, you work with leaders who keep you ahead of the competition.



Marketing Resources

- Reduce your learning curve by connecting to peers who've already implemented the marketing projects you're considering.
- An Allinial Global firm won't bombard you with self-congratulatory promotions. Get the educational content that will help you make sound business decisions.



Information Technology

- IT services are like umpires: you shouldn't even notice they're at work. Keep your technology on track with our education and best practices-sharing.
- Rest assured that your personal data is protected by advisors who value your security and keep abreast of security best practices.



Practice Management

- Go through your firm with a fine-toothed comb: learn how you can improve your processes with the Firm Management Review and benchmarking tools.
- Work with a dynamic firm devoted to continuous improvement. Allinial Global firms are proud, but never satisfied.

At Suttle & Stalnaker, PLLC, our goal is to be your most trusted advisors, both locally and globally. Allinial Global helps us deliver. For more information, please visit www.allinialglobal.com.

TECHNOLOGY

Suttle & Stalnaker, PLLC uses technology extensively in its audit engagements, including downloading client files for analysis using IDEA, or other programs, preparing automated workpapers, or reviewing client prepared automated workpapers. Furthermore we have degreed IT Assurance staff available that can provide experience with audits of general computer controls associated with complex and large information systems. Services include information security, application systems, database management, network support, system software support and information security.

Software	Use
CCH®ProSystemfx® Engagement	Software used throughout the audit process. This software manages work papers, trial balances, and work flow. In addition to file management and organization it is used to document electronic sign offs of all work papers and reports.
IDEA® Data Analysis Software	Data analysis solution used for audit analysis and sample selection.
Thomson Reuters Checkpoint	Utilized for up-to-date internal audit programs. The audit programs are a starting point which are tailored to meet the client's needs.
Citrix ShareFile	Used by clients and employees to send and receive files securely.
Webex by Cisco	Used internally and externally for video conferencing.
Cisco Jabber	All phone systems are VOIP providing all staff to receive phone calls through their laptop in any location where internet service is available. This service helps staff to remain connected throughout the audit process.
VMware	An application platform that enables employees to work anytime, anywhere.
Microsoft Products	Microsoft products such as excel, word, outlook, and power point are utilized day to day.
Adobe Acrobat DC	This program is typically used as part of work paper retention and documentation.

Our team of IT Assurance professionals are an integrated part of the financial audit team. Many of these individuals are recognized as the leaders in our use of technology, knowledge sharing, enterprise-resource planning, application skills, and security services. Our methodologies and technology tools used in the IT Assurance not only assist in support of the financial audit process but also provide our clients with value added deliverables.

We have a team of Information Technology Assurance Specialists who can provide an array of services to our clients. The following are some of the information system security services that can be provided:

- IT Risk Assessment
- Information Security Review
- Application Security Review
- Social Engineering
- Network review
- Gramm-Leach Bliley Act preparedness Review
- Business Continuity Plan Review
- General Systems Controls Review
- NIST Cybersecurity preparedness Review
- Vendor Management Review
- Policy and Procedure Development
- SOC 1 and SOC 2 Assurance

SPECIFIC CLIENTS SERVED

The following partial list of clients illustrates Suttle & Stalnaker, PLLC's experience and diversity in serving governmental clients and similar entities:

- West Virginia Division of Corrections and Rehabilitation
- West Virginia Division of Highways
- West Virginia Department of Transportation
- West Virginia Division of Multimodal Transportation Facilities
- West Virginia Offices of the Insurance Commissioner
- West Virginia Racing Commission
- West Virginia Parkways Authority
- Workforce West Virginia
- West Virginia Economic Development Authority
- West Virginia Educational Broadcasting Authority
- Single Audit of State of West Virginia, including the following:
 - Workforce West Virginia
 - Unemployment Insurance Programs
 - Employment Services
 - WIA Cluster Programs
 - West Virginia Department of Economic Development
 - Community Development Block Grant Program
 - West Virginia Department of Health and Human Resources
 - Temporary Assistance for Needy Families
 - Social Services Block Grant
 - Low Income Housing and Emergency Assistance
 - Women's, Infant's and Children's
 - Foster Care - Title IV
 - Child Care Development Fund
 - Substance Abuse
 - Child Support Enforcement

- Medicaid
- Food Stamp Cluster
- Adoption Assistance
- West Virginia Department of Education
 - Child Nutrition Cluster
 - Office of Special Education
 - Child and Adult Care Food Program
 - Title I - Grants to Local Education Agencies
- Division of Environmental Protection
 - Office of Abandoned Mine Lands
 - Office of Surface Mining
 - Capitalization Grants for State Revolving Loan Funds
- West Virginia Department of Transportation
 - Highway Planning and Construction Cluster
 - Disaster Grants - Public Assistance
- West Virginia Lottery - Drawing Auditors
- West Virginia Lottery - Consultant regarding review of Video Lottery Licensees
- Marshall University
- Fairmont State University
- West Virginia State University

REFERENCES
PRIOR ENGAGEMENTS WITH THE STATE OF WEST VIRGINIA

Engagement	Scope of Work	Date	Engagement Member	Avg. Annual Hours	Client Contact	Telephone Number
West Virginia Division of Corrections and Rehabilitation 1124 Smith Street, Suite 2100 Charleston, WV 25301	Annual Financial Statement Audit	2019 thru present	Chris Lambert	600	Bryan D. Arthur	304.558.2350
WorkForce West Virginia 1900 Kanawha Blvd. East Charleston, WV 25305	Annual Financial Statement Audit	2020 thru present	Kelly Shafer	500	Jane Shinn	304.558.2631
Single Audit of the State of WV Building 1, Room E-119 1900 Kanawha Blvd., E. Charleston, WV 25305-0120	Participation in financial and compliance auditing for several departments, including numerous federal award programs	1986 thru present	Chris Deweese	3,500	Stephanie Bailes	304.558.4083
WV Division of Highways Building 5, Room 109 1900 Kanawha Blvd., E. Charleston, WV 25305-0403	Annual Financial Statement Audit including assistance with ACFR and FARS forms, including numerous federal award programs	2001 thru 2006; 2013 - 2014; 2017 - present	Horace Emery / Chris Lambert / Chris Deweese	900	Justin Robinson Legislative Post Audit Div. Building 1, Room 329W 1900 Kanawha Blvd., E. Charleston, WV 25305	304.347.4800
West Virginia State Rail Authority PO Box 470 Moorefield, WV 26836	Annual Financial Statement Audit	2001 thru 2006; 2013 -2022	Chris Deweese	300	Lucinda Butler	304.414.4645
WV Division of Multimodal Transportation Facilities 1900 Kanawha Blvd., East Building 5 - Room 132 Charleston, WV 25305	Annual Financial Statement Audit	2023	Chris Deweese	400	Lucinda Butler	304.414.4645
West Virginia Parkways Authority 3310 Piedmont Road Charleston, WV 25306-6633	Annual Financial Statement Audit including assistance with ACFR	2011 thru present	Chris Lambert	250	Parrish French	304.926.1900
WV Offices of the Insurance Commissioner 1124 Smith Street Charleston, WV 25301	Annual Financial Statement Audit	2000 thru 2011; 2015 - present	Horace Emery / Natalie Luppold	1,250	Melinda Ashworth Kiss	304.558.3029 X1205
West Virginia Racing Commission 900 Pennsylvania Avenue, Suite 533 Charleston, WV 25301	Annual Financial Statement Audit	2012 thru present	Chris Lambert	200	Joe Moore	304.558.2150
West Virginia Educational Broadcasting Authority 124 Industrial Park Road Beckley, WV 25813	Annual Financial Statement Audit	2020 thru present	Kelly Shafer	400	Tammy Treadway	304.254.7842

LICENSE TO PRACTICE IN WEST VIRGINIA

Suttle & Stalnaker, PLLC and all assigned key professional staff are properly licensed by the West Virginia Board of Accountancy to practice in West Virginia. We are in good standing with West Virginia Offices of the Insurance Commissioner regarding Workers Compensation Insurance and the Unemployment Compensation Division of the Workforce West Virginia as required by law.

Suttle & Stalnaker, PLLC meets all requirements imposed by the State of West Virginia and other local laws, rules and regulations, and is a registered resident vendor in compliance (vendor code 000000202390) and authorized to transact business with the State of West Virginia. We are in good standing with the West Virginia Tax Department and all returns are filed and up to date.

INDEPENDENCE STANDARDS

All professional personnel must be familiar with and adhere to the independence rules, regulations, interpretations, and rulings of the AICPA, the State of West Virginia Board of Accountancy, the West Virginia Society of CPAs, the U.S. Government Accountability Office, State statutes, and regulatory agencies under which we practice. In this regard, any transaction, event, or circumstance that would impair the Firm's independence on review, audit, forecast, projection, or attestation engagements is prohibited.

Suttle & Stalnaker, PLLC is independent of the West Virginia Division of Corrections and Rehabilitation, the State of West Virginia, and any other component units of the State of West Virginia as defined by auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States, United States General Accounting Office.

We affirm to the best of our knowledge and belief that neither the Firm, nor any of its members, or employees presently have any interest and shall not acquire any interest, direct or indirect which would conflict or compromise in any manner or degree with the performance of its services hereunder. We further covenant that during the period of the contract, we shall periodically inquire of our members, and employees concerning such interests. Any such interests discovered shall be promptly presented in detail to WVDCR.

CONTINUING PROFESSIONAL EDUCATION

As part of our quality control system, we determine annually that all staff subject to meeting the continuing professional education (CPE) requirements of GAO "Yellow Book" have met the requirements. All such staff are currently in compliance. The 2020, 2021 and 2022 CPE records for the team assembled for this engagement are presented as part of their resumes beginning on page 37.

Professional Development - Continuing Professional Education

It is the firm's policy that all professional personnel comply with the continuing professional education requirements of the AICPA, the West Virginia State Board of Accountancy, the AICPA Governmental Audit Quality Center, the AICPA Employee Benefit Plan Audit Quality Center, The AICPA Audit Quality Center, the U.S. Government Accountability Office, and other regulatory agencies if applicable; that all professional staff maintain an adequate awareness and understanding of current developments in technical literature; and that all professional staff assist in the training and development of staff under their supervision. The firm ensures compliance with this policy by implementing the following procedures:

1. Annually, the members assess the firm's continuing professional education (CPE) needs and plan the firm's professional development program (PD) after considering, among other things, CPE activities that interest each professional; the number of hours and subject matter (which may include industry specific, accounting and auditing, and ethics) needed by each professional to comply with the CPE rules governing our firm; each professional's level of experience, client responsibilities, and prior CPE training; new or emerging professional standards and regulatory and legal requirements; and the firm's needs for specialists or experts in a particular industry or service area.
2. The members monitor employee progress toward meeting the CPE plan. However, individuals are subject to CPE requirements and each individual professional is personally responsible for his/her compliance with the applicable CPE requirements.
3. Only CPE alternatives that qualify for credit under the CPE rules that govern the firm will be considered when planning the firm's PD program. Such alternatives normally include seminars and conferences sponsored by the AICPA, state society, or other professional organizations; video training course; satellite conferences and webcasts; self-study courses, including online and Internet training; in-house seminars and programs; acting as an instructor, speaker or discussion leader; university or college courses; and published books and articles, and CPE courses. Specifically, when CPE hours are to be fulfilled by in-house seminars, workshops, or discussion groups, each in-house program should comply with the following standards:
 - a. The program should maintain and/or increase the professional competence of participants.
 - b. The stated program objectives should specify the level of knowledge the participant should have attained or the level of competence he or she should be able to demonstrate upon completing the program.
 - c. The education and/or experience prerequisites for the program should be stated.
 - d. Participants should be informed in advance of pertinent course information.
 - e. Only those participants with the appropriate level of education and/or experience should attend the program.
 - f. The program should be developed by an individual qualified in the subject matter and knowledgeable in instructional design.
 - g. Program materials should be technically accurate, current, and sufficient to meet the program's learning objectives.

- h. Before program materials are used, they should be reviewed to the extent necessary by a qualified person(s) other than the preparer(s) to ensure the program is technically accurate, based on current professional standards, and sufficient to achieve the stated learning objectives.
 - i. The reviewer's technical competence and knowledge of instructional design should at least equal that of the developer.
 - j. Instructors should be qualified with respect to both program content and teaching methods used.
 - k. The number of participants and physical facilities should be appropriate for the teaching method(s) specified.
 - l. Each program should include an effective means for evaluating quality.
4. Individuals who work on audits or attestation engagements subject to the *Government Auditing Standards*, including planning, directing, performing audit procedures, or reporting, must complete at least 24 hours of CPE every two years that directly relates to government auditing, the government environment, or the specific or unique environment in which the government client(s) operates. In addition, (a) professional staff who do any amount of planning, directing, or reporting on these engagements and (b) professional staff who are not involved in these activities but otherwise charge at least 20% of their time annually to engagements subject to *Government Auditing Standards* are required also to obtain at least another 56 hours (for a total of 80 hours) of CPE that enhances their professional proficiency to perform audits or attestation engagements. Restated, all individuals assigned to engagements subject to *Government Auditing Standards* must meet the 24-hour requirement. However, individuals who do not perform planning, directing, or reporting on these engagements or who do not spend at least 20% of their time annually on these engagements are not required to obtain an additional 56 CPE hours to comply with the 80-hour requirement. Individuals subject to the 80-hour requirement must complete at least 20 CPE hours annually. (Guidance on application of the CPE requirements of *Government Auditing Standards* can be found at www.gao.gov/govaud/ybk01.htm.)
- a. In accordance with the AICPA Governmental Audit Quality Center's membership requirements, the member assigned firm-wide responsibility for the quality of the firm's governmental audit practice must meet both the 24 and 80 hour CPE requirements even if that member would not otherwise be subject to those requirements. The member must also participate in the annual Center-sponsored webcast on recent developments in governmental auditing.

- b. Individuals who sign audit opinions and/or manage ERISA employee benefit plan audit engagements and individuals who work on ERISA employee benefit plan audit engagements must meet the CPE requirements of the AICPA Employee Benefit Plan Audit Quality Center. The firm may delegate significant responsibility in managing ERISA employee benefit plan audit engagements to a non-member senior professional staff; and this individual may be given the authority to sign the firm's name on audit opinions and similar correspondence with respect to the firm's ERISA employee benefit plan audit practice.
 - c. Individuals who sign audit opinions and/or are assigned to public company audit engagements must meet the CPE requirements of the PCAOB and the AICPA Center for Audit Quality.
5. To comply with the documentation requirements of the AICPA, the state board of accountancy, the U.S. Government Accountability Office, and other regulatory agencies for CPE credit, the firm maintains appropriate CPE records, among which are the following:
- a. For each professional for the most recent five years, a record is maintained that contains the following information for each credit hour claimed:
 - 1) Type of CPE activity (seminars, in-house program, independent study, etc.).
 - 2) Sponsor.
 - 3) Title of program and/or description of content.
 - 4) Dates attended or completed.
 - 5) Location of program.
 - 6) CPE credit hours claimed.
 - b. For each in-house CPE program sponsored by the firm, the following records are maintained for the most recent five years:
 - 1) A record of participation, indicating the number of hours of CPE contact hours claimed for each participant.
 - 2) An agenda or outline of the program, and to the extent not obvious in the records maintained, the name(s) and qualifications of the instructor(s), the date(s) and length of the program, learning objectives, prerequisites, level of knowledge of the program, program content, nature and extent of advance preparation, teaching methods, recommended CPE credit, and relevant administrative policies.
 - 3) The location(s) of the program.
 - 4) A copy of the program materials (reading materials, problems, case studies, visual aids, instructors' manuals, etc.).
 - 5) A summary of the participants' evaluations, the instructor's evaluation(s), and the sponsor's evaluation of the instructor(s).
 - 6) If the course was developed in-house, a record of the name(s) and qualification(s) of the developer(s) and reviewer(s).
 - 7) If the course was acquired from another source, evidence that the course was developed and reviewed by qualified individuals (unless obvious based on the source).
 - c. For all other CPE programs or activities, the following records are maintained for the most recent five years:

- 1) For group and independent study programs, a certificate or other verification supplied by the sponsor.
 - 2) For a university or college course that is successfully completed for credit, a record of the grade the person received.
 - 3) For a self-study program, a certificate of satisfactory completion of an examination provided by the sponsor.
 - 4) For a published book, article, or CPE program, evidence of publication (a copy of the book, journal, or course development documentation) that names the individual as author or contributor, the writer's statement supporting the number of CPE hours claimed, and the name and contact information of the independent reviewer(s) or publisher.
6. Each professional in the firm must recognize his or her responsibility to comply with applicable CPE requirements to maintain technical competency. Accordingly, all professionals are encouraged to engage in self-development activities. To assist in this endeavor, the firm maintains a current library and circulates within the firm relevant information about new or emerging changes in professional standards and regulatory and legal requirements or business activities. All professionals are encouraged to bring to the attention of the Director of Audit any news item that they believe should be circulated within our offices.
7. The firm recognizes the importance of on-the-job training and has adopted as a part of the firm's engagement performance quality control system the use of work programs to assist professionals in performing their work. Also, as noted in the firm's quality control system for assigning personnel, professionals are assigned to work on a variety of jobs and under different supervisors (to the extent practical) to maximize on-the-job training. Personnel with supervisory responsibility are reminded to be constantly aware of situations where they can provide on-the-job training.
8. The firm recognizes the benefit of other professional development activities and encourages personnel at each level to participate in PD activities such as completing external professional development programs, becoming members of professional organizations, serving on professional committees, writing for professional publications, and speaking to professional groups.

PEER REVIEW

Our Firm's most recent peer review of our system of quality control performed by an independent CPA Firm in accordance with standards established by the American Institute of Certified Public Accountants was completed in 2020 and 2017, and **we received a pass rating with no deficiencies identified**. In accordance with peer review standards, the peer review included a review of selected specific governmental engagements. A copy of the acceptance letter and that report appears below.



National Peer
Review Committee

March 01, 2021

Robert Newton
Suttle & Stalnaker, PLLC
1411 Virginia St E Ste 100
Charleston, WV 25301

Dear Robert Newton:

It is my pleasure to notify you that on February 24, 2021, the National Peer Review Committee accepted the report on the most recent System Review of your firm. The due date for your next review is November 30, 2023. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Thank you for your cooperation.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Fawley", written in a cursive style.

Michael Fawley
Chair, National PRC
+1.919.402.4502

cc: Phillip Layne, Christopher Deweese

Firm Number: 900010069900

Review Number: 579680

220 Leigh Farm Road, Durham, NC 27707-8110
T: +1.919.402.4502 F: +1.919.419.4713
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Report on the Firm's System of Quality Control

To the Members of Suttle & Stalnaker, PLLC
 and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Suttle and Stalnaker, PLLC (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended May 31, 2020. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

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

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

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

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

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Suttle & Stalnaker, PLLC applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended May 31, 2020, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Suttle & Stalnaker, PLLC has received a peer review rating of *pass*.

Kelley Galloway Smith Goolsby, PSC

Ashland, Kentucky
 December 14, 2020

Pikeville, KY

Cincinnati, OH



American Institute of CPAs
220 Leigh Farm Road
Durham, NC 27707-8110

March 16, 2018

Robert Newton
Suttle & Stalnaker, PLLC
1411 Virginia St E Ste 100
Charleston, WV 25301

Dear Robert Newton:

It is my pleasure to notify you that on March 14, 2018, the National Peer Review Committee accepted the report on the most recent System Review of your firm. The due date for your next review is November 30, 2020. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Thank you for your cooperation and support of the profession's practice-monitoring programs.

Sincerely,



Michael Fawley
Chair - National PRC
nprc@aicpa.org 919-402-4502
National Peer Review Committee

CC: Phillip Layne, Christopher Deweese

Firm Number: 900010069900

Review Number: 551907



**Kelley Galloway
Smith Goolsby, PSC**

Certified Public Accountants and Advisors

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Report on the Firm's System of Quality Control

To the Members of Suttle & Stalnaker, PLLC
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Suttle and Stalnaker, PLLC (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended May 31, 2017. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

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

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The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

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

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

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Suttle & Stalnaker, PLLC applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended May 31, 2017, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Suttle & Stalnaker, PLLC has received a peer review rating of *pass*.

Kelley Galloway Smith Goolsby, PSC

Ashland, Kentucky
December 6, 2017

Pikeville, KY

Cold Spring, KY

Cincinnati, OH

QUALITY CONTROL

Suttle & Stalnaker, PLLC is a member in good standing of Allinial Global and of the PCPS: The AICPA Alliance for CPA Firms, and as such is required to provide a minimum average of 40 hours per year of continuing professional education for each professional on staff, have a complete quality control system in place which encompasses all of the quality control elements established by the AICPA, and have a peer review at least every three years.

In addition we are members of the Public Company Accounting Oversight Board (PCAOB), the Government Audit Quality Center and the Employee Benefit Plan Audit Quality Center of the American Institute of Certified Public Accountants. CPA firms that join the Center demonstrate their commitment to audit quality by agreeing to, and meeting, specific Center membership requirements. They also show their dedication to sharing best practices, learning about emerging issues, and demonstrating their commitment to enhancing quality in their practices.

The following is a brief summary of our policies as they relate to each quality control element.

Leadership Responsibilities For Quality

It is the firm's policy to promote a culture of quality that is pervasive throughout the firm's operations through the development of its system of quality control. Firm management, principally the Director of Audit, assumes responsibility for the firm's system of quality control and designs the system (a) to emphasize the importance of performing work that complies with professional standards and regulatory and legal requirements and (b) to issue reports that are appropriate in the circumstances. In maintaining a culture of quality, the firm emphasizes the importance of ethics and integrity in every decision that personnel make, particularly at the engagement level.

Relevant Ethical Requirements

It is the firm's policy that all professional personnel be familiar with and adhere to the relevant ethical requirements of the AICPA, the State of West Virginia Board of Accountancy, the West Virginia Society of CPAs, and State of West Virginia statutes. Furthermore, it is the firm's policy that, for engagements subject to the Securities and Exchange Commission (SEC), *Government Auditing Standards*, PCAOB, and other applicable regulatory agencies, all professional personnel be familiar with and adhere to the relevant ethical requirements included in those standards and that personnel will always act in the public interest. In this regard, any transaction, event, circumstance or action that would impair independence or violate the firm's relevant ethical requirements policy on an audit, attestation, review or compilation engagement, or other service subject to the applicable standards is prohibited. Additionally, when the firm and its professional personnel encounter situations that raise potential independence threats but such situations are not specifically addressed by the independence rules of the *AICPA Code of Professional Conduct*, the situation will be evaluated by referring to the *Conceptual Framework for AICPA Independence Standards* and applying professional judgment to determine whether an independence breach has occurred. The firm will take appropriate action to eliminate those threats or mitigate them to an acceptable level by applying safeguards. If effective safeguards cannot be applied, the firm will decline to accept or withdraw from the engagement or take other corrective actions as appropriate to eliminate the breach or potential breach.

Acceptance and Continuance of Clients and Engagements

It is the firm's policy that for all compilation, review, audit, and attestation engagements, the acceptability of the client and the engagement be evaluated before the firm agrees to provide professional services and that the firm will accept only engagements that it believes can be completed with professional competence after considering the risk associated with providing professional services in the particular circumstances.

Human Resources

The success of the firm is dependent upon its professional staff. It is the firm's intent to succeed in the marketplace by having members and staff that possess the capabilities, competence, and commitment to ethical principles to assure that engagements performed by the firm are in accordance with professional standards and regulatory and legal requirements and that appropriate reports are issued. Having effective quality control policies and procedures over the human resources element of quality control will help ensure the proficiency of firm personnel. Accordingly, policies and procedures have been established to provide the firm with reasonable assurance that-

- Those hired possess the appropriate characteristics to enable them to perform competently. Professional staff must normally have an accounting degree and a grade point average of at least 3.0 on a 4.0 scale.
- Work is assigned to personnel having the degree of technical training and proficiency required in the circumstances.
- Personnel participate in general and industry-specific continuing professional education (CPE) and other professional development activities that enable them to fulfill responsibilities assigned. All professional personnel must comply with the continuing professional education requirements of the AICPA, the West Virginia State Board of Accountancy, and the U.S. General Accounting Office. Specifically, all professionals must obtain a minimum of 40 hours of continuing professional education per year. For persons involved in governmental auditing, at least 24 hours in any two-year period must be directly related to governmental accounting and auditing. Individuals who sign audit opinion and/or are assigned to public company audit engagements must meet the CPE requirements of the PCAOB and the AICPA Center for Audit Quality. All professional staff must maintain an adequate awareness and understanding of current developments in technical literature, and all professional staff must assist in the training and development of staff members under their supervision.
- Personnel selected for advancement must have the qualifications necessary for fulfillment of the responsibilities they will be called on to assume. These determinations are made based on periodic, objective evaluations of individual performances.

Engagement Performance

Engagement performance encompasses many aspects of performing an engagement, from the initial planning stages to the issuance of the report and assembly of the work papers. Additionally, it is not uncommon for the firm's engagement teams to occasionally encounter complex or contentious issues that result in the need for consultation or that create differences of opinion. The firm believes in a strong quality control system and supports frequent engagement quality control review.

Specific detailed procedures have been developed in regards to the following three components of Engagement Performance.

- Engagement performance and documentation. - Specific policies and procedures include guidance on the use of various practice aids to help ensure that all engagements are properly planned, performed, supervised, reviewed, documented and reported in accordance with professional standards.
- Engagement quality control review. - It is the firm's policy (a) to evaluate all engagements against criteria established by the firm to determine whether an engagement quality control review should be performed, and (b) to perform an engagement quality control review for all engagements that meet these criteria. Engagement quality control reviews are completed before the report is released.
- Consultation and differences of opinion. - It is the firm's policy that personnel refer to authoritative literature or other sources when appropriate. The firm also recognizes the need for a constant exchange of ideas and opinions about technical issues on all professional engagements, and it is the firm's policy that all professional personnel seek consultation, on a timely basis, within or outside the firm whenever differences of opinion occur or uncertainty exists about the answer to a technical question; the application of a professional procedure or standard; the application of a rule, regulation, or procedure of a tax or other regulatory agency; or the application of a firm policy.

Monitoring

It is the firm's policy that the quality control system be monitored on an ongoing basis to provide the firm with reasonable assurance that the policies and procedures established by the firm for each of the elements of quality control are relevant, adequate, operating effectively, and being effectively applied. Monitoring activities may include engagement quality control reviews, inspection, and post-issuance review.

The specific procedures utilized to ensure compliance with the above policies are enumerated in our formal Quality Control Document which is available for inspection upon your request.

AICPA AUDIT QUALITY CENTERS

The AICPA has established the Governmental Audit Quality Center (GAQC), Employee Benefit Plan Audit Quality Center (EBPAQC), and the Center for Audit Quality (CAQ) in order to promote the importance of quality governmental, employee benefit plan and public company audits, and the value of such audits to purchasers of audit services. The GAQC, EBPAQC, and CAQ offer various resources including periodic news alerts, updates, and webcasts to enhance the quality of a firm's governmental and employee benefit plan audits. The GAQC, EBPAQC, and CAQ are voluntary membership centers designed to help CPAs meet the challenges of performing quality audits in the governmental arena.

We demonstrated our commitment to quality governmental and employee benefit plan auditing by joining both the GAQC and EBPAQC within months after they were established. Their news alerts and updates are circulated to all applicable audit staff and many attend various webcasts.

ENGAGEMENT TEAM QUALIFICATION AND EXPERIENCE, INCLUDING RESUMES

ENGAGEMENT TEAM QUALIFICATIONS AND EXPERIENCE

We will bring you a team of individuals that combines in-depth experience and knowledge with a strong commitment to serve WVDCR. The professionals selected to serve WVDCR all have extensive governmental experience, prior State of West Virginia experience and prior experience with WVDCR and the West Virginia Regional Jail and Correctional Facility Authority. We will provide for an organizational structure that ensures ongoing and knowledgeable supervision by management already familiar with numerous WVDCR issues to ensure maximum efficiency. The following individuals will have responsibility to ensure that our services to WVDCR meet your requirements. **As identified below we will utilize a core team of 5 individuals. All of the five team members are CPAs. In addition, all of these team members have previous experience with the West Virginia Division of Corrections and Rehabilitation and all of the team members have extensive governmental experience.** Their resumes are included on the following pages.



Chris Lambert, CPA, CGMA, CCIFF
Member

Chris Lambert will serve as engagement member. He will be responsible for the direct supervision of the engagement, including ensuring that all professional standards are met as well as performing the detail Member review. He has served as engagement member for numerous governmental organizations. He has over 33 years experience in auditing governmental entities, nonprofit organizations, and programs, including serving as engagement member for the West Virginia Division of Corrections and Rehabilitation from 2019 to 2023 and West Virginia Regional Jail and Correctional Facility Authority from 2009 to 2018. He has also served as engagement member for the audits of the West Virginia Racing Commission, the West Virginia Parkways Authority, and

the West Virginia Division of Highways.



Chris Deweese, CPA, CGMA
Member

Chris Deweese, Member, will serve as a consulting member. Chris is an audit and consulting member and will be available to provide technical assistance as requested by the WVDCR. Chris has served on numerous State of West Virginia engagements, including the West Virginia Department of Transportation, the West Virginia Division of Highways, WORKFORCE West Virginia, the West Virginia Lottery, the West Virginia Development Office, the West Virginia Public Employees Insurance Agency, West Virginia Public Defender Services, West Virginia Consolidated Public Retirement Board, and for Suttle & Stalnaker, PLLC's portion of the State of West Virginia Single Audit. Chris also worked closely with the West Virginia Department of Administration regarding

the implementation of GASB 45, *Other Post Employment Benefits*.



Natalie Luppold, CPA, CISA, CITP, CRCM
Member

Natalie Luppold, CPA, CISA, CITP, CRCM, Suttle & Stalnaker, PLLC Member will be responsible for the internal control involving information technology. Natalie has extensive experience with information systems including the State of West Virginia mainframe system. Natalie's recent experience includes auditing West Virginia Offices of the Insurance Commissioner as well as the West Virginia Division of Highways and Department of Transportation's major programs for the West Virginia Single Audit.



Elizabeth Farley, CPA, CGFM
Senior Manager

Elizabeth will be responsible for supervising staff assigned during the course of the engagement and executing the engagement plan. She is a Manager who works primarily in the audit, accounting, and consulting areas of Suttle & Stalnaker, PLLC. Her responsibilities include, but are not limited to, carrying out engagement plans, supervising other staff and senior accountants, communication with clients during the course of the fieldwork, and completion of final reports. Elizabeth's recent experience includes auditing West Virginia Division of Corrections and Rehabilitation as well as the West Virginia Division of Highways and Department of Transportation's major programs for the West Virginia Single Audit. Her experience also includes supervising audits of other State agencies,

including the West Virginia Parkways Authority and the West Virginia Division of Multimodal Transportation Facilities.



Anthony Cornell, CPA
Audit Supervisor

Anthony Cornell, CPA, Suttle & Stalnaker, PLLC Audit Supervisor will be responsible for supervising staff assigned during the course of the engagement and executing the engagement plan. He works primarily in the audit, accounting, and consulting areas of Suttle & Stalnaker, PLLC. His responsibilities include, but are not limited to, carrying out engagement plans, supervising other staff and senior accountants, communication with clients during the course of the fieldwork, and completion of final reports. Anthony's recent experience includes auditing the West Virginia Division of Corrections and Rehabilitation and West Virginia Consolidated Public Retirement Board.

Other Staff

Other staff will include Zane Kerns and Mikayla Ferguson. Additional audit staff will be assigned to the engagement to assist in carrying out the audit plan and completing the detailed testing of transactions and account balances.

ABILITY TO MAINTAIN QUALITY OF STAFF

The team presented in this proposal will be the team assigned to the WVDCR engagement. Furthermore, due to the size of our firm, the resources available and our workload capacity we do not see any current need to reassign staff. However, if we would have to reassign a new mix of staff, due to the size of our firm we could retain the same mix of CPAs on our engagement team without any issues.

Suttle & Stalnaker, PLLC realizes that our number one resource in effectively and efficiently serving our clients begins with our staff. As such, every effort will be taken to provide for staff continuity on your engagement team. In preparing and planning for the future success of Suttle & Stalnaker, PLLC and in an effort to provide our clients with the highest quality professional services, Suttle & Stalnaker, PLLC has established human resources policies that allow each individual the flexibility to establish personal work commitments, continuing education goals, and career goals while ensuring that our commitments to our clients are met. This flexibility in today's work environment has been an instant success in helping to attract dynamic career oriented personnel dedicated to achieving success for our clients. The direct results of this program for Suttle & Stalnaker, PLLC have been a significantly lower turnover than other firms in public accounting. This results in an increased ability to assign a core group of the same individuals to recurring engagements, thus improving client service, and audit effectiveness. However, over the course of the engagement, there may well be a need to change staff assigned to the engagement. We believe our hiring, promotion, and personnel assignment policies and practices will ensure the quality of staff assigned to the engagement.

If any key staff or specialists need to be changed during the engagement, we will provide West Virginia Divisions of Corrections and Rehabilitation a resume similar to the ones included in this proposal, to ensure that West Virginia Divisions of Corrections and Rehabilitation agrees that the new person is suitable for the engagement based on their qualifications, experience and performance. We will also maintain the same mix of credentials throughout the audit engagement. Suttle & Stalnaker, PLLC continually strives to hire the best personnel available to serve our clients. As outlined in the Quality Control Section of this proposal, we are committed to this effort in order to provide our clients with the high quality service they deserve.

CHRISTOPHER S. LAMBERT, CPA, CGMA, CCIFP
Member

Firm Responsibilities

Chris is a member, and is responsible for helping develop and carryout the engagement plans for specific clients. These responsibilities include, but are not limited to, the development of the audit plan and audit program, communication with client during the course of the fieldwork, direct supervision of the audit staff and completion of the final audit report.

Experience

Chris has over 33 years of experience in public accounting. His extensive experience includes audits of governmental entities, employee benefit plans, nonprofit, and construction entities. In addition, he has performed numerous reviews of accounting systems, internal control, and performed other consulting services for various entities. Following is a partial listing of clients he has served:

- West Virginia Division of Corrections and Rehabilitation
- West Virginia Parkways Authority
- West Virginia Department of Transportation - Division of Highways
- West Virginia Racing Commission
- West Virginia Lottery Commission
- West Virginia Consolidated Public Retirement Board
- West Virginia Offices of the Insurance Commissioner
- Kanawha County Commission
- Randolph County Commission
- City of Charleston, West Virginia
- City of Parkersburg, West Virginia
- Seventeen Public Defender Corporation Judicial Circuits
- West Virginia Municipal Pension Oversight Board
- Region VI Planning and Development Council
- West Virginia School of Osteopathic Medicine
- New River Community and Technical College
- Southern West Virginia Community and Technical College

Education

Chris graduated with a Bachelor's degree with a major in accounting from Marshall University. He is a certified public accountant having received certificate number 3212 from the State of West Virginia. He has also achieved the designation of Chartered Global Management Accountant. In April 2018, Chris obtained the Certified Financial Industry Professional (CCIFP) certification. This certification is obtained through the Institute of Certified Construction Industry Financial Professionals.

CHRISTOPHER S. LAMBERT (Continued)**Professional Activities**

Chris is a member of the American Institute of Certified Public Accountants, West Virginia Society of Certified Public Accountants (WVSCPA), the Charleston Chapter of the WVSCPA, and the Association of Government Accountants (AGA). Chris has also been active in the community, currently serving as the President of the Big Green Scholarship Foundation, serving as the Associate Division Chairman of the Contractors Association of West Virginia, and on the Executive Committee of the Marshall University Quarterback Club. Previously serving as the President of the Susan G. Komen Foundation WV Affiliate, and Treasurer of the West Virginia Soccer Club and was a member of the Leadership West Virginia's Class of 2012.

Continuing Professional Education

SPONSOR	DATE	DESCRIPTION	HOURS
2020			
Surgent CPE	02/25/2020	Construction Contractors: Accounting and Financial Reporting Issues	4
Suttle & Stalnaker, PLLC	03/30/2020	A Complete Guide to the New Yellow Book by Surgent	8
Suttle & Stalnaker, PLLC	04/09/2020	Fraud in Not-For-Profit Entities and Governments: Stealing from Everyone by Surgent	8
Suttle & Stalnaker, PLLC	04/17/2020	Examining the New Lease Accounting Standard: More Than Meets the Eye	4
Suttle & Stalnaker, PLLC	04/23/2020	Auditing Not-For-Profit Entities: Superior Skills for an Effective and Efficient Audit	8
AICPA	04/20/2020	2020 Mandatory EBPAQC Designated Audit Quality Partner Audit Planning	2
Suttle & Stalnaker, PLLC	05/04-05/2020	AICPA Employee Benefit Plans Accounting, Auditing, and Tax Update Online Conference	4
Suttle & Stalnaker, PLLC	05/04-05/2020	AICPA Employee Benefit Plans Accounting, Auditing, and Tax Update Online Conference	2
Suttle & Stalnaker, PLLC	05/08/2020	Compilations, Reviews, and Preparations: Engagement Performance and Annual Update (CRAU)	8
Suttle & Stalnaker, PLLC	05/04-05/2020	AICPA Employee Benefit Plans Accounting, Auditing, and Tax Update Online Conference	1
Suttle & Stalnaker, PLLC	06/30/2020	2020 OMB Compliance Supplement and Single Audit Update	2
Suttle & Stalnaker, PLLC	07/29/2020	Effects of PPP Loan Forgiveness on A&E Overhead Rates	1
Suttle & Stalnaker, PLLC	08/6/2020	Seed Session - Pursue Opportunities to Refer Others	2
Huntington National Bank	08/25/2020	Planning Strategies for a New Decade	2
Suttle & Stalnaker, PLLC	08/12/2020	Ethics and Liability: Staying on the Side of the Angels	2
Suttle & Stalnaker, PLLC	11/9-11/2020	Employee Benefit Plans Conference 2020	12
Suttle & Stalnaker, PLLC	12/14/2020	The New Auditor's Reports: SAS134 and the Accompanying Guidance SAS135-SAS140	1
Suttle & Stalnaker, PLLC	12/7-9/2020	AICPA Construction & Real Estate Conference Webinar	19.5
Suttle & Stalnaker, PLLC	12/10/2020	S&S 2020 Tax Update Day #1	8
Phoenix Beach	12/11/2020	Federal Tax Update - Individual & Business Current Developments	8
			106.5

CHRISTOPHER S. LAMBERT (Continued)**Continuing Professional Education**

SPONSOR	DATE	DESCRIPTION	HOURS
2021			
Suttle & Stalnaker, PLLC	01/06/2021	AG: Consolidations Including VIEs	1
Suttle & Stalnaker, PLLC	01/28/2021	AICPA: Single Audit Lightning Round	2
AICPA	01/22/2021	EBPAQC Designated Audit Quality Partner Audit Planning - 2021	2
Suttle & Stalnaker, PLLC	05/20/2021	Financial Reporting Implications of the COVID-19 Pandemic	3
Suttle & Stalnaker, PLLC	05/20/2021	2021 State and Local Government Audit Planning Considerations	2.5
Suttle & Stalnaker, PLLC	05/24/2021	Statement of Cash Flows Preparation, Presentation, and Use	4.5
Suttle & Stalnaker, PLLC	06/18/2021	The Most Critical Challenges in Governmental Accounting Today	3
Suttle & Stalnaker, PLLC	06/10/2021	Checkpoint Technical Accounting - New Edge Technology	1
Suttle & Stalnaker, PLLC	06/14/2021	Annual Accounting & Auditing Update	8
Suttle & Stalnaker, PLLC	07/07/2021	Performing Single Audits Under the UG for Federal Awards	6
Suttle & Stalnaker, PLLC	08/02/2021	Leases - Mastering the new FASB Requirements	6.5
Suttle & Stalnaker, PLLC	08/04/2021	Accounting Ethics: A Risk Management Perspective by CAMICO	2
Suttle & Stalnaker, PLLC	08/25/2021	Accounting for Digital Assets Under GAAP - Part II	1.5
The Garvs, LLC dba The Tax U	12/09/2021	Federal Tax Update - Individual & Business Current Developments	8
Suttle & Stalnaker, PLLC	12/06-08/2021	AICPA Construction Conference	7
Suttle & Stalnaker, PLLC	12/06-08/2021	AICPA Construction Conference	4
Suttle & Stalnaker, PLLC	12/06-08/2021	AICPA Construction Conference	3
Suttle & Stalnaker, PLLC	12/06-08/2021	AICPA Construction Conference	4
Suttle & Stalnaker, PLLC	12/10/2021	S&S Tax Update Day 2	8
			77
2022			
AICPA	01/19/2022	2022 EBPAQC Designated Audit Quality Partner Planning	2
State of WV - FARS	06/08/2022	FARS Closing Books Training	2
Suttle & Stalnaker, PLLC	08/26/2022	Advanced Audits of 401k Plans: Best Practices and Current Developments	8
Suttle & Stalnaker, PLLC	11/29/2022	S&S Tax Update Day 1	7.5
Suttle & Stalnaker, PLLC	11/30/2022	S&S Tax Update Day 2 - Federal Tax Update - Individual & Business Current Developments	8
Suttle & Stalnaker, PLLC	11/23/2022	Quarterly Yellow Book Update Q4 2022 from Checkpoint	1
Suttle & Stalnaker, PLLC	11/10/2022	2022 A&A Update	8
Suttle & Stalnaker, PLLC	12/22/2022	What Federal Agencies Are Finding in Single Audit QCRs Presented by AICPA	2.5
AICPA	12/07-09/2022	2022 AICPA & CIMA Construction & Real Estate Conference	10
AICPA	12/07-09/2022	2022 AICPA & CIMA Construction & Real Estate Conference	4.5
AICPA	12/07-09/2022	2022 AICPA & CIMA Construction & Real Estate Conference	6
AICPA	12/07-09/2022	2022 AICPA & CIMA Construction & Real Estate Conference	4.5
Suttle & Stalnaker, PLLC	12/20/2022	Preparing for Your Governmental Audit Presented by Checkpoint - Lee Ann Watters, CPA, CGFM, CFE	2
Suttle & Stalnaker, PLLC	12/21/2022	Auditing, Assurance and Ethics Update for Governments and NFPs Presented by AICPA - Melisa Galasso, CPA	3
Suttle & Stalnaker, PLLC	12/21/2022	Auditing, Assurance and Ethics Update for Governments and NFPs Presented by AICPA - Melisa Galasso, CPA	0.5
Suttle & Stalnaker, PLLC	12/22/2022	Hot Topics in Auditing Pandemic Funding Presented by AICPA	2
			71.5
			Grand Total 255

CHRISTOPHER D. DEWEESE, CPA, CGMA
Member

Firm Responsibilities

Chris is a member, and is responsible for helping develop and carryout the engagement plans for specific clients. These responsibilities include, but are not limited to, the development of the audit plan and audit program, communication with client during the course of the fieldwork, direct supervision of the audit staff and completion of the final audit report.

Experience

Chris has over 29 years of experience in public accounting. He has served as an engagement member or independent member for the following clients:

- West Virginia Division of Corrections and Rehabilitation
- West Virginia Department of Transportation - Division of Highways
- West Virginia Department of Transportation
- West Virginia Division of Multimodal Transportation Facilities
- WORKFORCE West Virginia
- West Virginia Lottery
- West Virginia Public Employees Insurance Agency
- West Virginia Consolidated Public Retirement Board
- State of West Virginia, Single Audit, including the following:
 - West Virginia Department of Transportation
 - West Virginia Department of Education
 - West Virginia Bureau of Employment Programs
 - West Virginia Department of Environmental Protection
 - West Virginia Department of Health and Human Resources
 - West Virginia Development Office
 - West Virginia Division of Rehabilitative Services
 - West Virginia University
 - Marshall University
- West Virginia Higher Education Policy Commission - Purchasing Performance and Compliance Audits
- West Virginia School of Osteopathic Medicine
- Bluefield State College
- Concord University
- New River Community and Technical College
- Southern West Virginia Community and Technical College
- Tyler County Board of Education
- Roane County Board of Education
- Summers County Board of Education
- Boone County Board of Education
- Doddridge County Board of Education
- RESA III, Regional Education Service Agency

CHRISTOPHER D. DEWEESE (Continued)**Education**

Chris graduated with a Bachelor's degree with a major in accounting from the University of Charleston. He is a certified public accountant having received certificate number 3961 from the State of West Virginia. He has also achieved the designation of Chartered Global Management Accountant.

Professional Activities

Chris is a member of the American Institute of Certified Public Accountants, West Virginia Society of Certified Public Accountants (WVSCPA), and is the Past President of the Board of Directors of the Charleston Chapter, past co-chair of the Accounting and Audit subcommittee of the of the WVSCPA, and President-elect of the executive board of the WVSCPA. Chris also serves on several nonprofit boards in the area. Chris was the 2004 recipient of the WVSCPA Young CPA of the Year Award.

Continuing Professional Education

SPONSOR	DATE	DESCRIPTION	HOURS
2020			
WV Society of CPAs	01/17/2020	Cabinet Meeting	4
Suttle & Stalnaker, PLLC	01/15/2020	Seed Session - Understand the Importance of Business Development	2
WV Society of CPAs	01/27/2020	Legislative Seminar and Reception	4
Suttle & Stalnaker, PLLC	03/30/2020	A Complete Guide to the New Yellow Book by Surgent	8
Suttle & Stalnaker, PLLC	04/09/2020	Fraud in Not-For-Profit Entities and Governments: Stealing from Everyone by Surgent	8
Suttle & Stalnaker, PLLC	04/17/2020	Construction Contractors: Accounting & Financial Reporting Issues	3.5
Suttle & Stalnaker, PLLC	04/17/2020	Examining the New Lease Accounting Standard: More Than Meets the Eye	4
AICPA	05/05/2020	2020 GAQC Annual Update Webcast	2
WV Higher Education Policy Commission	06/04/2020	Spring 2020 Higher Education CFO Conference	3
Suttle & Stalnaker, PLLC	06/30/2020	2020 OMB Compliance Supplement and Single Audit Update	2
WV Society of CPAs	06/18/2020	Accounting & Auditing Update	4
WV Society of CPAs	06/17/2020	Tax Incentives: Issues & Opport. In the Mountain State	3
WV Society of CPAs	06/17/2020	Annual Membership Meeting	1
WV Society of CPAs	06/19/2020	Federal Tax Update	4
WVDE - Office of School Finance	07/14/2020	We're All In This Together Summer Conference Tuesday Afternoon Session	1
Suttle & Stalnaker, PLLC	08/12/2020	Ethics and Liability: Staying on the Side of the Angels	2
AICPA	10/21/2020	2020 AICPA Fall Meeting of Council	1.5
AICPA	10/21/2020	2020 AICPA Fall Meeting of Council	1
WV Society of CPAs	11/3/2020	Chapter President's Meeting Virtual Charleston/Northern Panhandle	1
			59

CHRISTOPHER D. DEWEESE (Continued)**Continuing Professional Education**

SPONSOR	DATE	DESCRIPTION	HOURS
2021			
Suttle & Stalnaker, PLLC	01/06/2021	AG: Consolidations Including VIEs	1
Suttle & Stalnaker, PLLC	01/28/2021	AICPA: Single Audit Lightning Round	1
WV Society of CPAs	01/15/2021	Cabinet Meeting - Virtual	1
WV Society of CPAs	01/27/2021	Legislative Seminar (Virtual)	3
AICPA	05/04/2021	2021 Annual Required GAQC Webcast	2
Florida Institute of CPAs	05/19/2021	Ethics: Protecting the Integrity of Florida CPAs	4
Suttle & Stalnaker, PLLC	05/11/2021	Quarterly Yellow Book Update: Q2 2021	2
Suttle & Stalnaker, PLLC	05/11/2021	Reference Rate Reform (ASC 848)	1
Suttle & Stalnaker, PLLC	05/24/2021	Statement of Cash Flows Preparation, Presentation, and Use	4.5
WV Society of CPAs	05/07/2021	Committee Day Held Virtually via Zoom General Session	2
WV Society of CPAs	06/16-19/2021	Annual Meeting	4
WV Society of CPAs	06/16-19/2021	Annual Meeting	0.5
State of WV - Dept. of Admin - FARS	06/01/2021	FARS Closing Books Training	2
Suttle & Stalnaker, PLLC	06/14/2021	Annual Accounting & Auditing Update	8
Suttle & Stalnaker, PLLC	06/10/2021	Checkpoint Technical Accounting - New Edge Technology	1
Suttle & Stalnaker, PLLC	07/07/2021	Performing Single Audits Under the UG for Federal Awards	7
Suttle & Stalnaker, PLLC	07/12/2021	Internal Control Considerations for the New Remote Employee Work Environment in Governments	2
Suttle & Stalnaker, PLLC	08/24/2021	Accounting for Digital Assets Under GAAP	1.5
Suttle & Stalnaker, PLLC	08/02/2021	Leases - Mastering the new FASB Requirements	8
			55.5
2022			
AICPA	05/03/2022	2022 Annual Required GAQC Webcast	2
WV Society of CPAs	06/15-18/2022	Annual Meeting	4
WV Society of CPAs	06/15-18/2022	Annual Meeting	4.5
Suttle & Stalnaker, PLLC	06/13/2022	Single Audit Update	3
WV Society of CPAs	06/15-18/2022	Annual Meeting	6
WV Society of CPAs	08/31-09/02/2022	2022 WV Chamber of Commerce Annual Meeting & Business Summit	8.5
Suttle & Stalnaker, PLLC	11/10/2022	2022 A&A Update	8
Suttle & Stalnaker, PLLC	11/23/2022	Quarterly Yellow Book Update Q4 2022 from Checkpoint	1
Suttle & Stalnaker, PLLC	11/30/2022	Finding Your Way Through the GASB Codification Presented by Checkpoint - Troy Manning, CPA	2
Suttle & Stalnaker, PLLC	12/22/2022	What Federal Agencies Are Finding in Single Audit QCRs Presented by AICPA	2.5
CAMICO	12/14/2022	Loss Prevention In-Firm Presentation Ethics: A Risk Management Perspective	2
Suttle & Stalnaker, PLLC	12/21/2022	Auditing, Assurance and Ethics Update for Governments and NFPs Presented by AICPA - Melisa Galasso, CPA	3
Suttle & Stalnaker, PLLC	12/21/2022	Auditing, Assurance and Ethics Update for Governments and NFPs Presented by AICPA - Melisa Galasso, CPA	0.5
Suttle & Stalnaker, PLLC	12/22/2022	Hot Topics in Auditing Pandemic Funding Presented by AICPA	1.75
			48.75
			Grand Total 163.25

NATALIE LUPPOLD, CPA, CISA, CITP, CRCM**Member**

Firm Responsibilities

Natalie Luppold is a member who works primarily in the audit and accounting areas of Suttle & Stalnaker, PLLC. Her responsibilities include, but are not limited to, carrying out audit plans, communication with clients during the course of the fieldwork, and completion of final audit reports.

Experience

Natalie has over 17 years of experience during which time she has worked on several audit engagements that are similar to the client being proposed on:

- West Virginia Department of Transportation - Division of Highways
- West Virginia Offices of the Insurance Commissioner
- PRIDE Community Services, Inc.
- Coalfield Community Action Partnership
- Single Audit of West Virginia
- Engagement to evaluate cost sharing compliance with provisions of a federal program. Involved visiting 10 different states
- Engagement to test compliance with a specific new federal program. Involved visiting approximately 20 states and testing a total of 27 State run programs and 1 federally run program

Natalie has worked on several IT specific engagements, including those testing controls, compliance and social engineering.

Education

Natalie graduated from Concord College with a bachelor of science degree in business administration and from West Virginia University with a masters of professional accountancy. She is a certified public accountant having received certificate number 5010 from the State of West Virginia.

Professional Activities

Certified Public Accountant. Certified Information Technology Professional. Member of the American Institute of Certified Public Accountants, West Virginia Society of Certified Public Accountants (WVCPAs), the Charleston Chapter of the WVCPAs, and the AICPA Information Technology Section. She is the current president of the Charleston Chapter of the WVSCPA. Natalie also serves on the Board of Directors of the West Virginia state chapter of a national nonprofit organization.

NATALIE LUPPOLD (Continued)**Continuing Professional Education**

SPONSOR	DATE	DESCRIPTION	HOURS
2020			
WV Society of CPAs	01/17/2020	Cabinet Meeting	4
Deloitte	02/26/2020	Thriving in volatile times: Strategies for a more resilient enterprise	1
True North Group	02/19/2020	Cybersecurity Awareness	1.5
Deloitte LLP	02/25/2020	Tech Trend 2020: A government perspective	1
ISACA	03/03/2020	Meeting the Board's Security, Audit and Compliance Demands	1
WV Bankers Association	03/10/2020	Compliance School	24
Suttle & Stalnaker, PLLC	03/30/2020	A Complete Guide to the New Yellow Book by Surgent	8
Suttle & Stalnaker, PLLC	04/17/2020	Examining the New Lease Accounting Standard: More Than Meets the Eye	4
Suttle & Stalnaker, PLLC	04/23/2020	Auditing Not-For-Profit Entities: Superior Skills for an Effective and Efficient Audit	6
Suttle & Stalnaker, PLLC	04/17/2020	Construction Contractors: Accounting & Financial Reporting Issues	4
Suttle & Stalnaker, PLLC	04/09/2020	Fraud in Not-For-Profit Entities and Governments: Stealing from Everyone by Surgent	7
Suttle & Stalnaker, PLLC	04/01/2020	Preparing the Bank for Economic Downturn	3
Suttle & Stalnaker, PLLC	05/01/2020	5 Strategies for Successful Remote Work	1
Suttle & Stalnaker, PLLC	05/01/2020	Accounting and Financial Reporting Considerations Related to COVID-19	2
Suttle & Stalnaker, PLLC	05/01/2020	Working at Home Without Going Stir Crazy	1
Wolf & Company, PC	06/30/2020	Automated Clearing House Training	2
WV Society of CPAs	06/17/2020	Annual Membership Meeting	1
Suttle & Stalnaker, PLLC	08/12/2020	Ethics and Liability: Staying on the Side of the Angels	2
Suttle & Stalnaker, PLLC	10/13/2020	Call Report Current Matters and Common Questions	2.5
WV Society of CPAs	11/03/2020	Chapter President's Meeting Virtual Charleston/Northern Panhandle	1
Suttle & Stalnaker, PLLC	12/14/2020	The New Auditor's Reports: SAS134 and the Accompanying Guidance SAS135-SAS140	1
Suttle & Stalnaker, PLLC	12/17/2020	Call Report and a Look at 2021 Impacts	2
WV Society of CPAs	12/7/2020	Managing Your Mental Health During These Tumultuous Times	1.5
Suttle & Stalnaker, PLLC	12/15/2020	Financial Institution Internal Audit Update & COVID 19 related considerations	5
			86.5
2021			
WV Society of CPAs	01/15/2021	Cabinet Meeting - Virtual	1
Suttle & Stalnaker, PLLC	01/06/2021	AG: Consolidations Including VIEs	1
Charleston Chapter of the WVSCPA's	01/13/2021	Building Resilience - Charleston Chapter	1
Arnet Carbis Toothman	01/19/2021	PPP2 - Paycheck Protection Program 2.0	1
WV Society of CPAs	01/27/2021	Legislative Seminar (Virtual)	3
ISACA	02/09/2021	Secure Access for 3rd Parties is Broken. Fix it in 2021	1
ISACA	02/11/2021	The 4 Pillars of Active Directory Security	1
Suttle & Stalnaker, PLLC	03/22/2021	Advanced TRID Compliance	2.5
ISACA	03/11/2021	Get Ahead of Your Audits	1
My-CPE LLC	03/12/2021	Employee Retention Credit In-Depth	2
WV Bankers Association	03/08/2021	Compliance School	12
Suttle & Stalnaker, PLLC	05/24/2021	Statement of Cash Flows Preparation, Presentation, and Use	4.5
WV Society of CPAs	05/07/2021	Committee Day Held Virtually via Zoom General Session	2
Charleston Chapter of WVSCPA's	05/20/2021	Mayor Amy Goodwin Charleston Chapter	1
Suttle & Stalnaker, PLLC	05/11/2021	Quarterly Yellow Book Update: Q2 2021	2
Suttle & Stalnaker, PLLC	05/11/2021	Reference Rate Reform (ASC 848)	1
Suttle & Stalnaker, PLLC	05/20/2021	Financial Reporting Implications of the COVID-19 Pandemic	2
Suttle & Stalnaker, PLLC	05/20/2021	2021 State and Local Government Audit Planning Considerations	2.5
Suttle & Stalnaker, PLLC	06/14/2021	Annual Accounting & Auditing Update	8
Suttle & Stalnaker, PLLC	06/18/2021	The Most Critical Challenges in Governmental Accounting Today	4
Suttle & Stalnaker, PLLC	06/23/2021	Internal Banking Update	2
State of WV - Dept. of Admin - FARS	06/01/2021	FARS Closing Books Training	2

NATALIE LUPPOLD (Continued)**Continuing Professional Education**

SPONSOR	DATE	DESCRIPTION	HOURS
Suttle & Stalnaker, PLLC	06/10/2021	Checkpoint Technical Accounting - New Edge Technology	1
Suttle & Stalnaker, PLLC	07/07/2021	Performing Single Audits Under the UG for Federal Awards	5.5
Suttle & Stalnaker, PLLC	07/12/2021	Internal Control Considerations for the New Remote Employee Work Environment in Governments	2
Suttle & Stalnaker, PLLC	08/02/2021	Leases - Mastering the new FASB Requirements	8
Suttle & Stalnaker, PLLC	08/25/2021	Accounting for Digital Assets Under GAAP - Part II	1.5
Suttle & Stalnaker, PLLC	08/04/2021	Accounting Ethics: A Risk Management Perspective by CAMICO	2
Suttle & Stalnaker, PLLC	08/24/2021	Accounting for Digital Assets Under GAAP	1.5
WV Bankers Association	09/21/2021	Asset Liability Management and Investments	6.5
WV Society of CPAs	09/29/2021	Charleston Area Alliance Speaker - Nicole Christian	1
Community Bankers of West Virginia	09/23-24/2021	Annual Convention	6.5
			93
2022			
Suttle & Stalnaker, PLLC	02/01/2022	Accounting and Auditing Considerations GASB's Lease Standard: Are You Ready? By AICPA	2
West Virginia Bankers Association	03/15-16/2022	Compliance School	12
Suttle & Stalnaker, PLLC	04/14/2022	BSA Exam Manual Update: Identifying & Mitigating BSA Risks	4.5
ISACA	05/26/2022	Evaluating the Maturity of Your Privacy Program	1
Deloitte	06/01/2022	2022 Real estate industry M&A outlook: Momentum continues but sector matters	1
State of WV - FARS	06/08/2022	FARS Closing Books Training	2
Suttle & Stalnaker, PLLC	08/26/2022	Advanced Audits of 401k Plans: Best Practices and Current Developments	8
Suttle & Stalnaker, PLLC	08/24/2022	SOC for Service Organizations Deep Dive Part 1	4
Suttle & Stalnaker, PLLC	08/25/2022	SOC for Service Organizations Deep Dive Part 2	4
The Baker Group	10/12/2022	Bank Investment Strategies for 4th Quarter 2022	1.5
Suttle & Stalnaker, PLLC	11/14/2022	SOC for Service Organizations Deep Dive Part 4	3
Suttle & Stalnaker, PLLC	11/30/2022	Finding Your Way Through the GASB Codification Presented by Checkpoint - Troy Manning, CPA	2
Suttle & Stalnaker, PLLC	11/23/2022	Quarterly Yellow Book Update Q4 2022 from Checkpoint	1
ISACA	11/29/2022	It's Time To Enforce Non-Phishable MFA With Passwordless Login	1
Suttle & Stalnaker, PLLC	11/04/2022	SOC for Service Organizations Deep Dive Part 3	4.5
Suttle & Stalnaker, PLLC	11/10/2022	2022 A&A Update	8
Deloitte	11/14/2022	Bolstering the value of data in insurance	1
ISACA	11/14/2022	Modernize Your SOC for the Future	1
ISACA	12/01/2022	Primetime Cybercrime	1
Suttle & Stalnaker, PLLC	12/22/2022	What Federal Agencies Are Finding in Single Audit QCRs Presented by AICPA	2.5
Suttle & Stalnaker, PLLC	12/12/2022	2022 Compliance Supplement Presented by Checkpoint - Troy Manning, CPA	2
Suttle & Stalnaker, PLLC	12/20/2022	Preparing for Your Governmental Audit Presented by Checkpoint - Lee Ann Watters, CPA, CGFM, CFE	2
Suttle & Stalnaker, PLLC	12/21/2022	Auditing, Assurance and Ethics Update for Governments and NFPs Presented by AICPA - Melisa Galasso, CPA	3
Suttle & Stalnaker, PLLC	12/21/2022	Auditing, Assurance and Ethics Update for Governments and NFPs Presented by AICPA - Melisa Galasso, CPA	0.5
Suttle & Stalnaker, PLLC	12/22/2022	Hot Topics in Auditing Pandemic Funding Presented by AICPA	2
			74.5
			Grand Total 254

ELIZABETH FARLEY, CPA, CGFM
Senior Manager

Firm Responsibilities

Elizabeth is a senior manager who works primarily in the audit, accounting, and consulting areas of Suttle & Stalnaker, PLLC. Her responsibilities include, but are not limited to, carrying out engagement plans, supervising other staff and senior accountants, communication with clients during the course of the fieldwork, and completion of final reports.

Experience

Elizabeth has over fifteen years of experience in public accounting during which time she has worked on several audit and consulting engagements of government entities which include:

- West Virginia Division of Corrections and Rehabilitation
- West Virginia Department of Transportation - Division of Highways
- State of West Virginia Single Audit
 - Department of Transportation
 - Adjutant General's Office
 - Department of Education
 - Department of Environmental Protection
 - Department of Homeland Security
 - WORKFORCE West Virginia
- West Virginia Division of Multimodal Transportation Facilities
- West Virginia Parkways Authority
- City of Charleston, West Virginia
- City of Parkersburg, West Virginia
- New River Community and Technical College
- Eastern West Virginia Community and Technical College
- Region VI Planning and Development Council
- Doddridge County Board of Education
- Roane County Board of Education
- Boone County Board of Education
- Tyler County Board of Education
- Mingo County Board of Education
- Summers County Board of Education

Education

Elizabeth graduated from Concord University with a Bachelor of Science in Business Administration with a Concentration in Accounting. She is a certified public accountant having received certificate number 4936 from the State of West Virginia.

ELIZABETH FARLEY (Continued)**Professional Activities**

Elizabeth is a member of the AICPA, the West Virginia Society of Certified Public Accountants, the Charleston Chapter of the West Virginia Society of Certified Public Accountants, the Association of Governmental Accountants, and the Charleston Chapter of the Association of Governmental Accountants.

Elizabeth is the chair for the West Virginia Society of Certified Public Accountants Banking, Industry, and Government Services Committee, she is the treasurer for the Charleston Chapter of the West Virginia Society of Certified Public Accountants, the Community Service Chair of the Charleston Chapter for the Association of Governmental Accountants where she serves as a member of the Board of Directors, and the President of the Board of Directors of The Counseling Connection.

Continuing Professional Education

SPONSOR	DATE	DESCRIPTION	HOURS
2020			
WV Society of CPAs	01/17/2020	Cabinet Meeting	4
Suttle & Stalnaker, PLLC	01/15/2020	Seed Session - Understand the Importance of Business Development	2
Suttle & Stalnaker, PLLC	02/14/2020	Seed Session - Pursue Shadowing Opportunities	2
AICPA	03/20/2020	Applying the COSO Enterprise Risk Management Framework: Not-for-Profit Governance and Assurance	2
AICPA	03/26/2020	Ethical Issues in Not-for-Profits	2
AGA Charleston Chapter	03/11/2020	Analytical Review - Not Just for Audits!	1
Suttle & Stalnaker, PLLC	03/30/2020	A Complete Guide to the New Yellow Book by Surgent	8
Suttle & Stalnaker, PLLC	04/17/2020	Construction Contractors: Accounting & Financial Reporting Issues	4
Suttle & Stalnaker, PLLC	04/17/2020	Examining the New Lease Accounting Standard: More Than Meets the Eye	4
Suttle & Stalnaker, PLLC	04/23/2020	Auditing Not-For-Profit Entities: Superior Skills for an Effective and Efficient Audit	8
Suttle & Stalnaker, PLLC	04/09/2020	Fraud in Not-For-Profit Entities and Governments: Stealing from Everyone by Surgent	8
AICPA	04/29/2020	Budgeting Considerations: Not-for-Profit Governance	2
AICPA	04/10/2020	Statement of Cash Flows: Not-for-Profit Financial Reporting	1.5
AICPA	04/19/2020	Preparing Consolidated Financial Statements: Not-for-Profit Financial Reporting	1.5
AICPA	04/16/2020	Maintaining Tax Exemption: Not-for-Profit Tax Compliance	1.5
AICPA	05/15/2020	Aligning Mission and Strategy: Not-for-Profit Governance	1.5
AICPA	05/05/2020	Statement of Functional Expenses: Not-for-Profit Financial Reporting	1.5
AICPA	05/15/2020	Risk Assessment: Not-for-Profit Governance and Assurance	1
Suttle & Stalnaker, PLLC	05/01/2020	Working at Home Without Going Stir Crazy	1
Suttle & Stalnaker, PLLC	05/01/2020	CARES Act for Small Businesses	1
Suttle & Stalnaker, PLLC	05/01/2020	Accounting and Financial Reporting Considerations Related to COVID-19	2
Suttle & Stalnaker, PLLC	05/01/2020	5 Strategies for Successful Remote Work	1
Suttle & Stalnaker, PLLC	05/08/2020	Compilations, Reviews, and Preparations: Engagement Performance and Annual Update (CRAU)	8
WV Society of CPAs	06/17/2020	Annual Membership Meeting	1
Suttle & Stalnaker, PLLC	06/11/2020	Seed Session - Developing Helping Skills	2
WV Higher Education Policy Commission	06/04/2020	Spring 2020 Higher Education CFO Conference	3
Suttle & Stalnaker, PLLC	06/30/2020	2020 OMB Compliance Supplement and Single Audit Update	2
AICPA	07/06/2020	Statement of Activities: Not-for-profit Financial Reporting	1.5

ELIZABETH FARLEY (Continued)**Continuing Professional Education**

SPONSOR	DATE	DESCRIPTION	HOURS
AICPA	07/06/2020	Statement of Financial Position: Not-for-profit Financial Reporting	1
Suttle & Stalnakar, PLLC	07/9/2020	Seed Session - Commit to Networking	2
Allinial Global	07/27-28/2020	AG -LP3 #3 ('19-'20 Mid-Atlantic): Virtual: July 27-28, 2020	16
EY	08/18/2020	Getting Started - Audit Toolkit - Americas 2019	1.2
Allinial Global	08/11/2020	AG Webinar: Importance of Business Development during Social Distancing	1
Suttle & Stalnakar, PLLC	08/11/2020	Ethics and Liability: Staying on the Side of the Angels	2
EY	08/5/2020	Who We Are - Assurance	0
EY	08/6/2020	Introduction to EY Canvas	0
EY	08/19/2020	GAS and Uniform Guidance: The EY Way (2020)	2.8
EY	08/5/2020	Introduction to EY GAM and EY Atlas - Americas 2019	0.5
Suttle & Stalnakar, PLLC	10/22/2020	Seed Session - Prepare Properly for Meetings	2
Allinial Global	11/05-06/2020	AG- LP3 #4 ('19-'20 Mid-Atlantic Consortium): Leading Through Managing	16
Suttle & Stalnakar, PLLC	11/12/2020	Seed Session - Develop a Personal Business Development Plan	2
AICPA	11/20/2020	Financial Statement Note Disclosures: Not-for-Profit Financial Reporting	2
WV Society of CPAs	11/3/2020	Chapter President's Meeting Virtual Charleston/Northern Panhandle	1
Suttle & Stalnakar, PLLC	12/17/2020	Seed Session - Avoiding the Common Business Development Mistakes	2
WV Society of CPAs	12/7/2020	Managing Your Mental Health During These Tumultuous Times	1.5
Suttle & Stalnakar, PLLC	12/14/2020	The New Auditor's Reports: SAS134 and the Accompanying Guidance SAS135-SAS140	1
			132
2021			
AICPA	01/23/2021	Unrelated Business Income Tax (UBIT) Case Studies: Not-for-Profit Tax Compliance	2
Charleston Chapter of the WVSCPA	01/13/2021	Building Resilience - Charleston Chapter	1
Suttle & Stalnakar, PLLC	01/06/2021	AG: Consolidations Including VIEs	1
Suttle & Stalnakar, PLLC	01/28/2021	AICPA: Single Audit Lightning Round	2
AGA Charleston Chapter	02/23/2021	WV Ethics Act	1
AICPA	02/11/2021	Form 990 Preparation - Core Form: Not-for-Profit Tax Compliance	2
AICPA	02/12/2021	Interpreting and Analyzing Financial Statements: Not-for-Profit Financial Reporting	2
AICPA	02/12/2021	Performance Measurement for Not-for-Profits	2
AICPA	02/09/2021	Form 990 Preparation - Schedules: Not-for-Profit Tax Compliance	2.5
Suttle & Stalnakar, PLLC	05/24/2021	Statement of Cash Flows Preparation, Presentation, and Use	4.5
Suttle & Stalnakar, PLLC	05/20/2021	2021 State and Local Government Audit Planning Considerations	2.5
Suttle & Stalnakar, PLLC	05/20/2021	Financial Reporting Implications of the COVID-19 Pandemic	2
Suttle & Stalnakar, PLLC	05/11/2021	Quarterly Yellow Book Update: Q2 2021	2
Suttle & Stalnakar, PLLC	05/10/2021	Preparation, Compilation, and Review Engagements: Update and Review	4
Charleston Chapter of WVSCPA	05/20/2021	Mayor Amy Goodwin Charleston Chapter	1
AGA Charleston Chapter	05/05/2021	Spring Conference	4
AGA Charleston Chapter	05/05/2021	Spring Conference	4
WV Society of CPAs	05/07/2021	Committee Day Held Virtually via Zoom General Session	2
Suttle & Stalnakar, PLLC	05/11/2021	Reference Rate Reform (ASC 848)	1
Suttle & Stalnakar, PLLC	06/14/2021	Annual Accounting & Auditing Update	8
Suttle & Stalnakar, PLLC	06/18/2021	The Most Critical Challenges in Governmental Accounting Today	4
WV Higher Education Policy Commission	06/08/2021	Chief Financial Officers Conference	3
AGA Charleston Chapter	06/16/2021	The Ethics Guy - The Accountable Accountant	1
State of WV - Dept. of Admin - FARS	06/01/2021	FARS Closing Books Training	2
Suttle & Stalnakar, PLLC	07/07/2021	Performing Single Audits Under the UG for Federal Awards	7

ELIZABETH FARLEY (Continued)**Continuing Professional Education**

SPONSOR	DATE	DESCRIPTION	HOURS
Suttle & Stalnaker, PLLC	07/12/2021	Internal Control Considerations for the New Remote Employee Work Environment in Governments	1.5
Suttle & Stalnaker, PLLC	08/24/2021	Accounting for Digital Assets Under GAAP	1.5
Suttle & Stalnaker, PLLC	08/04/2021	Accounting Ethics: A Risk Management Perspective by CAMICO	2
Matheny & Company, AC	08/02/2021	CGFM Study Group 3	8
Suttle & Stalnaker, PLLC	08/25/2021	Accounting for Digital Assets Under GAAP - Part II	1.5
Government Finance Officers Association	11/16/2021	ARPA Funds: Non-Entitlement Units (JIT Training)	1
			83
2022			
AGA Charleston Chapter	01/12/2022	Leadership: What It Is and What It is Not	1
WV Society of CPAs	01/21/2022	Cabinet Meeting - Virtual	1
Suttle & Stalnaker, PLLC	02/01/2022	Accounting and Auditing Considerations GASB's Lease Standard: Are You Ready? By AICPA	2
AGA Charleston Chapter	05/04/2022	2022 Charleston Chapter AGA/Spring Conference	6.5
AGA Charleston Chapter	05/04/2022	2022 Charleston Chapter AGA/Spring Conference	1
WV Society of CPAs	05/06/2022	Committee Day In-Person Event	3
State of WV - FARS	06/08/2022	FARS Closing Books Training	2
Suttle & Stalnaker, PLLC	06/13/2022	Single Audit Update	3
Suttle & Stalnaker, PLLC	11/10/2022	2022 A&A Update	8
Suttle & Stalnaker, PLLC	11/23/2022	Quarterly Yellow Book Update Q4 2022 from Checkpoint	1
Suttle & Stalnaker, PLLC	11/30/2022	Finding Your Way Through the GASB Codification Presented by Checkpoint - Troy Manning, CPA	2
Suttle & Stalnaker, PLLC	12/22/2022	Hot Topics in Auditing Pandemic Funding Presented by AICPA	2
Suttle & Stalnaker, PLLC	12/12/2022	2022 Compliance Supplement Presented by Checkpoint - Troy Manning, CPA	2
Suttle & Stalnaker, PLLC	12/22/2022	What Federal Agencies Are Finding in Single Audit QCRs Presented by AICPA	2.5
Suttle & Stalnaker, PLLC	12/21/2022	Auditing, Assurance and Ethics Update for Governments and NFPs Presented by AICPA - Melisa Galasso, CPA	0.5
Suttle & Stalnaker, PLLC	12/20/2022	Preparing for Your Governmental Audit Presented by Checkpoint - Lee Ann Watters, CPA, CGFM, CFE	2
CAMICO	12/14/2022	Loss Prevention In-Firm Presentation Ethics: A Risk Management Perspective	2
WV Society of CPAs	12/08/2022	Eldercare: Qualifying for Nursing Facility Medicaid Part One - The Basics of Crisis Planning	1
Suttle & Stalnaker, PLLC	12/21/2022	Auditing, Assurance and Ethics Update for Governments and NFPs Presented by AICPA - Melisa Galasso, CPA	3
			45.5
			Grand Total 260.5

ANTHONY CORNELL, CPA
Audit Supervisor

Firm Responsibilities

Anthony is an audit supervisor who works primarily in the audit and accounting areas of Suttle & Stalnaker, PLLC. His responsibilities include, but are not limited to, carrying out audit plans, communication with clients during the course of the fieldwork, and completion of final reports.

Experience

Anthony has approximately 7 years of experience in public accounting practice in which time he has specialized in auditing governmental entities, nonprofits and other single audit engagements including:

- WV Division of Corrections and Rehabilitation
- WV Consolidate Public Retirement Board Financial Statement Audit & Allocation Schedules
- Kanawha Valley Regional Transportation Authority
- Tyler County Board of Education
- Roane County Board of Education
- Doddridge County Board of Education
- Boone County Board of Education
- Summers County Board of Education
- Metro Emergency Operations Center of Kanawha County

Education

Anthony graduated from Concord University with a business administration degree with an emphasis in accounting and has a masters' of science in accountancy from Marshall University. He is a certified public accountant having received certificate number 5431 from the State of West Virginia.

Professional Activities

Anthony is a member of the American Institute of Certified Public Accountants, West Virginia Society of Certified Public Accountants, and the Charleston Chapter of the West Virginia Society of Certified Public Accountants.

ANTHONY CORNELL (Continued)**Continuing Professional Education**

SPONSOR	DATE	DESCRIPTION	HOURS
2020			
Suttle & Stalnaker, PLLC	03/30/2020	A Complete Guide to the New Yellow Book by Surgent	8
Suttle & Stalnaker, PLLC	04/09/2020	Fraud in Not-For-Profit Entities and Governments: Stealing from Everyone by Surgent	8
Suttle & Stalnaker, PLLC	04/17/2020	Construction Contractors: Accounting & Financial Reporting Issues	4
Suttle & Stalnaker, PLLC	04/17/2020	Examining the New Lease Accounting Standard: More Than Meets the Eye	4
Suttle & Stalnaker, PLLC	04/23/2020	Auditing Not-For-Profit Entities: Superior Skills for an Effective and Efficient Audit	8
Suttle & Stalnaker, PLLC	05/01/2020	5 Strategies for Successful Remote Work	1
Suttle & Stalnaker, PLLC	05/08/2020	Compilations, Reviews, and Preparations: Engagement Performance and Annual Update (CRAU)	8
Suttle & Stalnaker, PLLC	05/01/2020	Accounting and Financial Reporting Considerations Related to COVID-19	2
Suttle & Stalnaker, PLLC	05/01/2020	Working at Home Without Going Stir Crazy	1
Suttle & Stalnaker, PLLC	05/01/2020	CARES Act for Small Businesses	1
Wolf & Company, PC	06/30/2020	Automated Clearing House Training	2
Suttle & Stalnaker, PLLC	06/30/2020	2020 OMB Compliance Supplement and Single Audit Update	2
WVDE - Office of School Finance	07/14/2020	We're All In This Together Summer Conference Tuesday Morning Session	2
WVDE - Office of School Finance	07/14/2020	We're All In This Together Summer Conference Tuesday Afternoon Session	2
WVDE - Office of School Finance	07/15/2020	We're All In This Together Summer Conference Wednesday Afternoon Session	2
WVDE - Office of School Finance	07/15/2020	We're All In This Together Summer Conference Wednesday Morning Session	2
Suttle & Stalnaker, PLLC	08/12/2020	Ethics and Liability: Staying on the Side of the Angels	2
EY	08/16/2020	Introduction to EY GAM and EY Atlas - Americas 2019	0.5
EY	08/16/2020	Getting Started - Audit Toolkit - Americas 2019	1.2
EY	08/18/2020	GAS and Uniform Guidance: The EY Way (2020)	2.8
Allinial Global	08/5-7/2020	AG-LP1: Leading Engagements	18
Suttle & Stalnaker, PLLC	12/14/2020	The New Auditor's Reports: SAS134 and the Accompanying Guidance SAS135-SAS140	1
WV Society of CPAs	12/7/2020	Managing Your Mental Health During These Tumultuous Times	1.5
			84
2021			
Suttle & Stalnaker, PLLC	01/28/2021	AICPA: Single Audit Lightning Round	2
Suttle & Stalnaker, PLLC	01/06/2021	AG: Consolidations Including VIES	1
Suttle & Stalnaker, PLLC	05/20/2021	2021 State and Local Government Audit Planning Considerations	2.5
Suttle & Stalnaker, PLLC	05/24/2021	Statement of Cash Flows Preparation, Presentation, and Use	4.5
WV Society of CPAs	05/07/2021	Committee Day Held Virtually via Zoom General Session	2
Allinial Global	05/10-14/2021	AG-LP2: Leading People - Virtual, May 10-14, 2021	27
Suttle & Stalnaker, PLLC	05/11/2021	Reference Rate Reform (ASC 848)	1
Suttle & Stalnaker, PLLC	05/20/2021	Financial Reporting Implications of the COVID-19 Pandemic	4
State of WV - Dept. of Admin - FARS	06/01/2021	FARS Closing Books Training	2
Suttle & Stalnaker, PLLC	06/14/2021	Annual Accounting & Auditing Update	8
Suttle & Stalnaker, PLLC	06/10/2021	Checkpoint Technical Accounting - New Edge Technology	1
Suttle & Stalnaker, PLLC	06/18/2021	The Most Critical Challenges in Governmental Accounting Today	4
Upstream Academy	06/10/2021	CDS-PMONE1 Become a Great Team Player	1
Suttle & Stalnaker, PLLC	06/29/2021	S&S Incremental Audit Training - Level 3	8
Suttle & Stalnaker, PLLC	07/07/2021	Performing Single Audits Under the UG for Federal Awards	8
Suttle & Stalnaker, PLLC	07/12/2021	Internal Control Considerations for the New Remote Employee Work Environment in Governments	1.5
Upstream Academy	07/08/2021	CDS-PMONE2 WOW Clients with Every Interaction	1
WV Department of Education	07/12-15/2021	The Finance Games: Virtual Summer Conference	8.5

ANTHONY CORNELL (Continued)**Continuing Professional Education**

SPONSOR	DATE	DESCRIPTION	HOURS
WV Department of Education	07/12-15/2021	The Finance Games: Virtual Summer Conference	1
Upstream Academy	08/19/2021	CDS-PMONE3 Intentionally Develop New Skills	1
Suttle & Stalnaker, PLLC	08/25/2021	Accounting for Digital Assets Under GAAP - Part II	1.5
Suttle & Stalnaker, PLLC	08/24/2021	Accounting for Digital Assets Under GAAP	1.5
Suttle & Stalnaker, PLLC	08/02/2021	Leases - Mastering the new FASB Requirements	8
Suttle & Stalnaker, PLLC	08/04/2021	Accounting Ethics: A Risk Management Perspective by CAMICO	2
Ernst & Young LLP	10/27/2021	Compliance with the Health Insurance Portability and Accountability Act - HIPPA - US CPE	1
Upstream Academy	11/16/2021	CDS-PMONE6 Make a Difference on Client Engagements	1
Upstream Academy	12/14/2021	CDS-PMONE7 Effectively Integrate Work and Life	1
			105
2022			
Upstream Academy	01/19/2022	CDS-PMONE8 Discover New Service Opportunities through Client Service	1
WV Society of CPAs	05/06/2022	Committee Day In-Person Event	3
State of WV - FARS	06/08/2022	FARS Closing Books Training	2
Suttle & Stalnaker, PLLC	06/13/2022	Single Audit Update	1
WV Department of Education	07/12-14/2022	County Finances, Take Me Home	13
Upstream Academy	10/27/2022	CDS-PMTW05 Minimize Personal Weaknesses	1
Suttle & Stalnaker, PLLC	11/30/2022	Finding Your Way Through the GASB Codification Presented by Checkpoint - Troy Manning, CPA	2
Upstream Academy	11/14/2022	CDS-PMTW06 Meet Professional Performance Standards	1
Suttle & Stalnaker, PLLC	11/10/2022	2022 A&A Update	8
CAMICO	12/14/2022	Loss Prevention In-Firm Presentation Ethics: A Risk Management Perspective	2
Suttle & Stalnaker, PLLC	12/22/2022	Hot Topics in Auditing Pandemic Funding Presented by AICPA	2
Suttle & Stalnaker, PLLC	12/21/2022	Auditing, Assurance and Ethics Update for Governments and NFPs Presented by AICPA - Melisa Galasso, CPA	0.5
Suttle & Stalnaker, PLLC	12/21/2022	Auditing, Assurance and Ethics Update for Governments and NFPs Presented by AICPA - Melisa Galasso, CPA	3
Suttle & Stalnaker, PLLC	12/20/2022	Preparing for Your Governmental Audit Presented by Checkpoint - Lee Ann Watters, CPA, CGFM, CFE	2
Upstream Academy	12/12/2022	CDS-PMTW07 Understand and Utilize Marketing	1
Suttle & Stalnaker, PLLC	12/22/2022	What Federal Agencies Are Finding in Single Audit QCRs Presented by AICPA	2.5
Suttle & Stalnaker, PLLC	12/12/2022	2022 Compliance Supplement Presented by Checkpoint - Troy Manning, CPA	2
			47
			Grand Total 236

ZANE KERNS
Staff Accountant

Firm Responsibilities

Zane works primarily in the audit and accounting areas of Suttle & Stalnaker, PLLC. His responsibilities include, but are not limited to, carrying out audit plans, communication with clients during the course of the fieldwork, and completion of detailed testing.

Experience

He has approximately two years of experience during which time he has worked on multiple audit engagements including:

- West Virginia Division of Corrections and Rehabilitation
- West Virginia Educational Broadcasting Authority
- West Virginia Economic Development Authority
- Workforce West Virginia
- West Virginia Division of Multimodal Transportation Facilities
- West Virginia Council for Community and Technical College Education
- Kanawha Valley Regional Transportation Authority

Education

Zane graduated from Marshall University with a bachelor of business administration in accounting and a master of science in accountancy. He is presently taking the exams to become a certified public accountant for the State of West Virginia.

Professional Activities

Zane is a member of the West Virginia Society of Certified Public Accountants, and the Charleston Chapter of the West Virginia Society of Certified Public Accountants.

Continuing Professional Education

SPONSOR	DATE	DESCRIPTION	HOURS
SPONSOR	DATE	DESCRIPTION	HOURS
2021			
Suttle & Stalnaker, PLLC	06/18/2021	The Most Critical Challenges in Governmental Accounting Today	4
Suttle & Stalnaker, PLLC	06/14/2021	Annual Accounting & Auditing Update	8
Suttle & Stalnaker, PLLC	07/12/2021	Internal Control Considerations for the New Remote Employee Work Environment in Governments	1
Suttle & Stalnaker, PLLC	07/07/2021	Performing Single Audits Under the UG for Federal Awards	8
			21

ZANE KERNS (Continued)**Continuing Professional Education**

SPONSOR	DATE	DESCRIPTION	HOURS
2022			
Suttle & Stalnaker, PLLC	11/30/2022	Finding Your Way Through the GASB Codification Presented by Checkpoint - Troy Manning, CPA	2
Suttle & Stalnaker, PLLC	11/10/2022	2022 A&A Update	8
Suttle & Stalnaker, PLLC	12/22/2022	What Federal Agencies Are Finding in Single Audit QCRs Presented by AICPA	2.5
Suttle & Stalnaker, PLLC	12/21/2022	Auditing, Assurance and Ethics Update for Governments and NFPs Presented by AICPA - Melisa Galasso, CPA	0.5
Suttle & Stalnaker, PLLC	12/21/2022	Auditing, Assurance and Ethics Update for Governments and NFPs Presented by AICPA - Melisa Galasso, CPA	3
Suttle & Stalnaker, PLLC	12/20/2022	Preparing for Your Governmental Audit Presented by Checkpoint - Lee Ann Watters, CPA, CGFM, CFE	2
Suttle & Stalnaker, PLLC	12/12/2022	2022 Compliance Supplement Presented by Checkpoint - Troy Manning, CPA	2
CAMICO	12/14/2022	Loss Prevention In-Firm Presentation Ethics: A Risk Management Perspective	2
			22
			Grand Total 43

SERVICES TO BE PROVIDED

SCOPE OF SERVICES TO BE PROVIDED

We understand that WVDCR requires an annual audit for the fiscal year ended June 30, 2024 in accordance with generally accepted government auditing standards. We have fully read and understood the scope of services to be provided in the WVDCR request for proposal.

Auditor's Responsibility

We will audit, in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States, WVDCR. The completed audit package will include the following:

- Independent auditor's report
- Complete set of financial statements, including notes to the financial statements
- Independent auditor's report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards*
- Schedule of findings and responses
- Required communications and other communications to those charged with Governance
- Other matters relating to operational or administrative efficiencies or immaterial instances of noncompliance may come to our attention during the course of the audit. Such matters will be communicated to you in a separate letter of comments.

As part of our risk assessment and review of internal controls, we will review, evaluate, and test the effectiveness of the internal control structure, including the information technology systems used by the WVDCR. Any deficiencies in internal controls will be reported to management.

Communication with Management

It is our intent to maintain open communication with management. We will consult with management periodically as to the progress of the audit as well as to learn of management's concerns regarding compliance matters and the attendant level of testing that we will perform and report on. We will also brief management on our final opinion, significant financial statement disclosure issues, findings regarding compliance and internal control and other matters before issuing the final products.

We will also provide management oral and written comments on the following issues:

- Our responsibility under audit standards generally accepted in the United States of America.
- Significant accounting policies
- Accounting estimates
- Audit adjustments
- Disagreements with management (see below)

- Consultation with other independent accountants, if applicable
- Major issues discussed prior to our retention as independent auditors
- Difficulties encountered in performing the audit

WVDCR's Responsibilities

Management of WVDCR is responsible for the financial statements, including adjusting the financial statements to correct material misstatements, and for making all financial records and related information available to us. Management of WVDCR is responsible for providing us with a written management representation letter confirming certain representations made during the course of our audit of the financial statements and affirming to us that it believes the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole and to the opinion units of the financial statements.

Management of WVDCR is responsible for establishing and maintaining effective internal control over financial reporting and for informing us of all significant deficiencies and material weaknesses in the design or operation of such controls of which it has knowledge.

Management of WVDCR is responsible for identifying and ensuring that the entity complies with the laws and regulations applicable to its activities, and for informing us about all known material violations of such laws or regulations. In addition, management of WVDCR is responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the entity involving management employees who have significant roles in internal control and others where the fraud could have a material effect on the financial statements. Management of WVDCR is also responsible for informing us of its knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, analysts, regulators, or others.

Resolving Professional Disagreements

With regard to potential disagreements with management of WVDCR:

- We would first ascertain if the difference is based on a true understanding of the facts and circumstances. We would seek further clarification and documentation from management.
- If management's position is reasonable and is not precluded by the appropriate standards, we accept the position since the financial statements are the responsibility of management.
- If management's position is deemed to be unreasonable or not in accordance with the appropriate standards, we would confer with representatives of management, and/or the Financial Accounting and Reporting Section (FARS) to work toward a solution.
- If still unresolved, we may suggest joint consultation with a knowledgeable independent third-party.
- Ultimately, if the disagreement remains unresolved, we would modify our report(s) as appropriate.

- If significant, management would be apprised of the disagreement, even if it is resolved.

Fraud, Illegal Acts, Violations of Provisions of Contracts or Grant Agreements, or Abuse That Could Have a Material Effect on the Financial Statements

Under both the AICPA standards and *Government Auditing Standards (GAS)*, auditors should plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud. Recognizing the possibility that a material misstatement due to fraud could be present is important for achieving this objective. However, absolute assurance is not attainable and thus even a properly planned and performed audit may not detect a material misstatement resulting from fraud.

Under both the AICPA standards and GAS, auditors should design the audit to provide reasonable assurance of detecting material misstatements resulting from illegal acts that could have a direct and material effect on the financial statements. If specific information comes to the auditors' attention that provides evidence concerning the existence of possible illegal acts that could have a material indirect effect on the financial statements, the auditors should apply audit procedures specifically directed to ascertaining whether an illegal act has occurred. When an illegal act has or is likely to have occurred, auditors should determine the effect on the financial statements as well as the implications for other aspects of the audit.

Avoiding interference with investigations or legal proceedings is important in pursuing indications of fraud, illegal acts, violations of provisions of contracts or grant agreements, or abuse. Laws, regulations, or policies might require auditors to report indications of certain types of fraud, illegal acts, violations of provisions of contracts or grant agreements, or abuse to law enforcement or investigatory authorities before performing additional audit procedures. When investigations or legal proceedings are initiated or in process, auditors should evaluate the impact on the current audit. In some cases, it may be appropriate for the auditors to work with investigators and/or legal authorities, or withdraw from or defer further work on the audit engagement or a portion of the engagement to avoid interfering with an investigation.

Auditors should design the audit to provide reasonable assurance of detecting misstatements that result from violations of provisions of contracts or grant agreements and could have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.

If specific information comes to the auditors' attention that provides evidence concerning the existence of possible violations of provisions of contracts or grant agreements that could have a material indirect effect on the financial statements, the auditors should apply audit procedures specifically directed to ascertaining whether such violations have occurred. When the auditors conclude that a violation of provisions of contracts or grant agreements has or is likely to have occurred, they should determine the effect on the financial statements as well as the implications for other aspects of the audit.

Abuse involves behavior that is deficient or improper when compared with behavior that a prudent person would consider reasonable and necessary business practice given the facts and circumstances. Abuse also includes misuse of authority or position for personal financial interests or those of an immediate or close family member or business associate. Abuse does not necessarily involve fraud, violation of laws, regulations, or provisions of a contract or grant agreement.

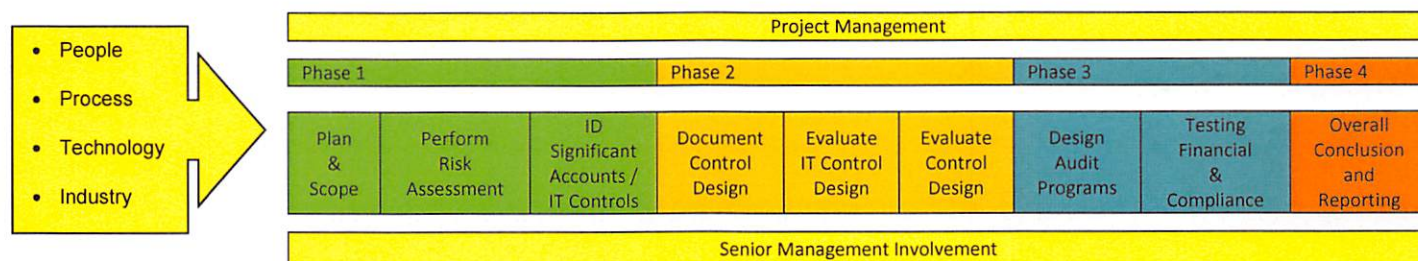
If during the course of the audit, auditors become aware of abuse that could be quantitatively or qualitatively material to the financial statements, auditors should apply audit procedures specifically directed to ascertain the potential effect on the financial statements or other financial data significant to the audit objectives. After performing additional work, auditors may discover that the abuse represents potential fraud or illegal acts. Because the determination of abuse is subjective, auditors are not required to provide reasonable assurance of detecting abuse.

Any issues of fraud; illegal acts, violations of provisions, contracts or grant agreements and abuse which are identified will be immediately reported to FARS and their representatives. Upon identification of these issues we will consult with our appropriate technical resources and will consider the effect and impact of the issue on our nature, timing, and extent of testing. Further, if identified we would follow the guidance as identified in GAS to ensure that the appropriate reporting and communication is made in accordance with all professional standards.

AUDIT APPROACH AND WORK PLAN

AUDIT APPROACH AND WORK PLAN

Our **commitment** to quality is best exemplified by the methodology, engagement team and resources that our firm has committed to this engagement. Understanding WVDCR's business issues, challenges and opportunities is a crucial element of our methodology and process. This understanding along with our comprehensive experience will provide **flexibility** with the implementation of the project. Further, the process is designed to identify problems early in the documentation or testing phase to allow adequate time for modifying our substantive audit approach. The following summarizes the process roadmap to our approach.



The following is a summary of estimated hours by segment. This summary demonstrates our commitment to quality through high commitments of member and manager time to the engagement.

Segment	Hours			
	Members	Managers/ Supervisors	Seniors/ Staff	Total
Planning, including risk assessments	10	30	30	70
Consideration of internal control, including computer controls	5	20	50	75
SAS 99 testing	5	10	15	30
Audit program preparation	5	15	15	35
Testing of account balances and transactions	10	40	225	275
Overall Conclusions and Reporting	10	30	15	55
Exit Conferences	5	5	-	10
Total hours	50	150	350	550

Engagement Timeline

The following outlines the proposed timetable for the engagement.

Proposed Dates	Planned Event
Within 2 weeks from proposal award date	Meetings with key members of the WVDCR to discuss audit plan and finalize the engagement letter
Before May 1, 2024	Audit plan and client assistance package provided to the Agency
June 1 st through June 30 th at a mutually agreeable time	Interim fieldwork
July 1 st through September 1 st at a mutually agreeable time	Year end fieldwork
On or before September 10 th	Issuance of the draft reports and audit management letter
On or before September 15 th	Issuance of the draft reports to FARS
On or before October 15 th	Issuance of the final reports to FARS

Suttle & Stalnaker, PLLC has designed the following preliminary staffing plan in response to our proposal.

<u>Phase 1</u>	<u>Phase 2</u>	<u>Phase 3</u>	<u>Phase 4</u>
Chris Lambert	Chris Lambert	Chris Lambert	Chris Lambert
Chris Deweese	Natalie Luppold	Natalie Luppold	Chris Deweese
Natalie Luppold	Elizabeth Farley	Elizabeth Farley	Natalie Luppold
Elizabeth Farley	Anthony Cornell	Anthony Cornell	Elizabeth Farley
Anthony Cornell	Zane Kerns	Zane Kerns	Anthony Cornell
	Mikayla Ferguson	Mikayla Ferguson	

PHASE 1

PLANNING

During the planning phase of the engagement, we will perform the following activities:

Expand and document our understanding of the WVDCR's operating environments - This understanding will address both internal and external factors which significantly affect the WVDCR, and will include a review of such things as:

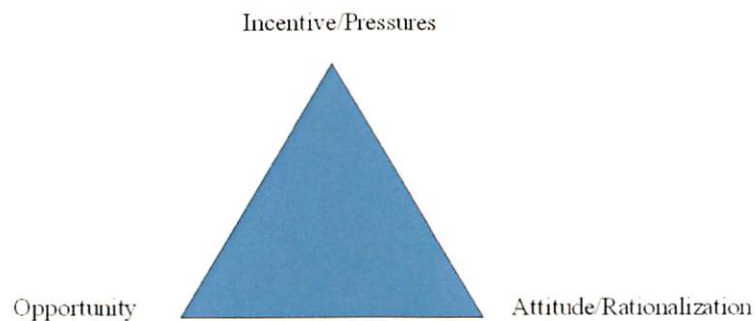
- West Virginia Enabling Legislation
- WV Legislative Rules and Regulations Applicable to the WVDCR
- Other relevant state statutes
- Organizational structure of the WVDCR
- Long range plans of the WVDCR
- WVDCR internal operational and financial reports
- Key operating statistics
- Bond agreements and related Trust Indentures

Risk Assessment - The primary objective of risk assessment standards is to enhance auditor's application of the audit risk model in practice by specifying, among other things: more in-depth understanding of the entity and its environment, including its internal control, improved identification of the risks of material misstatement in the financial statements and what the entity is doing to mitigate them; more rigorous assessment of the risk of material misstatement of the financial statements based on that understanding; improved linkage between the assessed risks and the nature, timing, and extent of audit procedures performed in response to those risks.

Preliminary Analytical Review - Preliminary analytical review is utilized to increase our understanding of the WVDCR's operations and to help focus the audit effort on those areas which are most significant or critical to the fair presentation of the financial statements. Specific analytical procedures will include year to year comparisons, ratio analysis and trend analysis.

Consideration of Fraud - In accordance with professional standards pertaining to Consideration of Fraud in a Financial Statement Audit, we will meet with members of the WVDCR management, the Commission on Special Investigations (if applicable), and other key members of the WVDCR to gain an awareness of fraud. We will hold a brainstorming session with all team members, and will assess fraud risk in accordance with professional standards. This assessment will help with the development of our tests, including identification of those employees to be interviewed and any special tests to be performed. The focus of our meetings will be on the "Fraud Triangle" and information obtained from the meetings will be considered in designing the nature, extent, and timing of our test work.

The "Fraud Triangle"



Approach to laws, regulations, contracts, and grants - Identifying and ensuring that the WVDCR complies with laws and regulations is the responsibility of management. Our procedures will include appropriate inquiries of management of the WVDCR to identify laws and regulations noncompliance with which could have a direct and material effect on financial statement amounts. We will also review relevant portions of the West Virginia Constitution, the West Virginia Code, and relevant regulations, as well as significant grants and awards, including Federal awards programs. We will test the provisions of those laws, regulations, grants and awards for noncompliance which could have a direct and material effect on financial statement amounts. We will use available materials, such as the Office of Management and Budget's Compliance Supplement, the West Virginia State Code, to assist in the determination of provisions to be tested.

Continuous Planning - We believe that planning is an ongoing process throughout the course of the audit. As the audit progresses, time estimates and decisions regarding critical areas and audit emphasis will be adjusted based on the results of procedures as they are performed. This process generally entails frequent communication among the staff, in-charge, manager, and member as the engagement progresses, thus assuring an effectively managed engagement.

PHASE 2

CONSIDERATION OF INTERNAL CONTROL

The consideration of the internal control structure will consist of gaining an understanding of the control environment, evaluating the risk assessments made by management, understanding the information and communication systems (including the financial reporting systems), monitoring activities performed, and control activities, including internal controls over computer processing.



Understanding the Control Environment - Our review of the control environment will encompass the organizational structure; management's philosophy and operating style, particularly regarding their approach to security and internal controls; policies and procedures adopted by the WVDCR; and management and employee consciousness of and attitude toward internal controls.

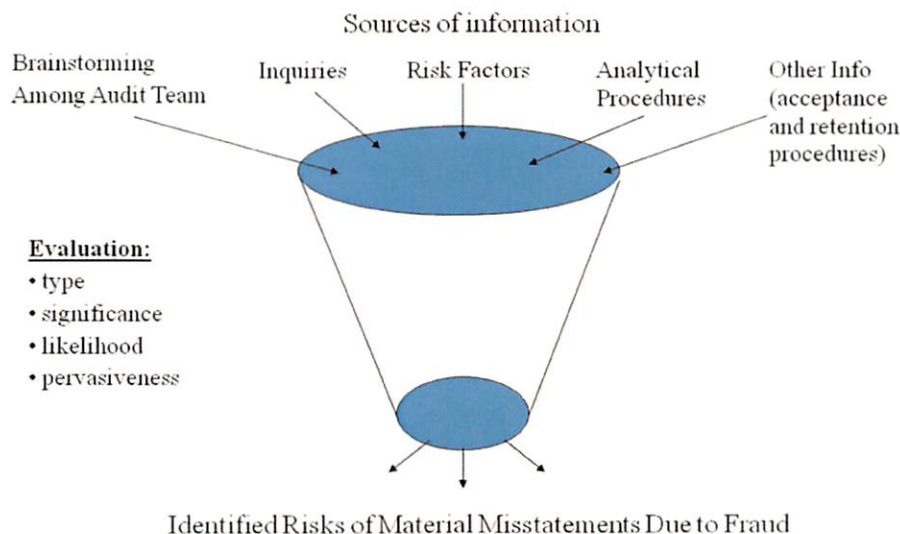
The control environment sets the tone of an organization and influences the control consciousness of its people. The control environment is the foundation for all other components of internal control and provides structure and discipline. The control environment of an organization includes the following factors:

- Integrity and ethical values.
- Commitment to competence.
- Attention and direction provided by the governing body or audit committee.
- Management's philosophy and operating style.
- Organizational structure.
- Manner of assigning authority and responsibility.
- Human resource policies and procedures.

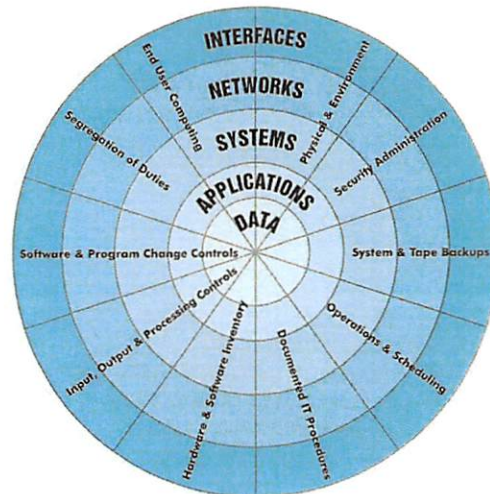
Evaluating Risk Assessment - Risk assessment for financial reporting purposes refers to the client's identification, analysis, and management of risks relevant to the preparation of financial statements that are fairly presented in conformity with generally accepted accounting principles. More simply, it can be described as identifying types of potential misstatements and designing control activities to prevent or promptly detect those misstatements. An entity's risk assessment, on the other hand, is the process of identifying, analyzing, and managing risks that affect the entity's objectives.

A key step in the risk assessment process is identifying changed conditions and taking necessary actions. This involves identifying and communicating both external and internal events or activities that may affect the organization's financial reporting objectives and analyzing the associated risks. Risks relevant to the financial reporting process may arise due to the following:

- Changes in the organization's operating environment.
- New personnel.
- New or revised information systems.
- Rapid growth within the organization.
- New technology.
- Restructuring within the organization.
- New accounting pronouncements.



Understanding of Information and Communication Systems - The information system relevant to financial reporting (the "financial reporting system") consists of methods established to identify, assemble, analyze, classify, record, and report transactions and conditions, and to maintain accountability for the organization's assets, liabilities, and equity. In addition, information systems generate information necessary to carry out many control activities. An information system may be computerized, manual, or a combination of the two, depending on the size and complexity of the entity.



Our review of the financial reporting system will include WVDCR's methods and procedures to:

- Identify and record all valid transactions.
- Provide, on a timely basis, sufficient detailed information about transactions to permit proper classification for financial reporting.
- Allow transactions to be recorded at their proper monetary value in the financial statements.
- Provide sufficient information to permit recording of transactions in the proper accounting period.
- Properly present the transactions and related disclosures in the financial statements.
- Assessment of user controls and physical access controls
- Review of the intrusion test work and other critical system operations, including testing the security of credit card information.

Communication relates to providing a clear understanding of internal control over financial reporting, how it works, and the responsibilities of individuals within the entity related to internal control. We will review the effectiveness of WVDCR's communication tools including policy manuals, memorandums, oral communications, etc.

Communication also relates to the flow of information upstream in an entity. For control activities to be effective, individuals must be able to report exceptions to the appropriate levels of management. For upstream communication to occur, there must be open channels of communication and a willingness by management to deal with problems as they occur. We will also review the effectiveness of WVDCR's upstream communications.

Understanding of Monitoring - Because of changes among personnel and changes within an organization, it is essential that internal controls be monitored over time to determine whether they continue to be relevant and able to address new risks of the organization. Monitoring is a process that assesses the quality of an organization's internal control over time and involves assessing the design and operation of controls on a timely basis and taking corrective actions as necessary. We will evaluate both the ongoing and periodic evaluations performed by staff.

Understanding of Control Activities - Control activities are the policies and procedures established to help ensure that management directives are carried out. Control activities may occur at all levels, and in all functions, of an entity. Control activities cover a range of activities and may include the following:

- *Performance reviews* - such as comparison of actual results to budgets, forecasts, and prior period of performance.
- *Information processing controls* - such as controls to check the accuracy, completeness, and authorization of individual transactions. Information processing controls include automated as well as manual controls.
- *Physical controls* - such as physical security of assets, including adequate safeguards over access to assets and records, authorization for access to computer programs and data files, and periodic counting and comparison with amounts recorded in the accounting records.
- *Segregation of duties* - such as assigning the responsibility for authorizing transactions, recording transactions, and maintaining custody of assets to different people within the organization.

Control activities usually involve two elements: (a) a policy that establishes what should be done and (b) the procedure that implements the policy. Policies may be communicated either orally or in writing. Also critical to control activities are the follow-up actions taken in response to identified discrepancies (for example, investigation by management of unexpected variances noted while comparing the budget to actual results).

Organizational charts, manuals and programs, and financial and other management information systems

As previously indicated, our approach to auditing the financial statements of WVDCR includes our gaining an understanding of the policies and procedures, organizational structure, and other internal and external factors which provide the environment within which WVDCR operates. These are elements of WVDCR's internal control structure which we will evaluate during the planning of the audit. During the planning phase and throughout the engagement, we will update our understanding of changes, if any, to WVDCR's Accounting Policy and Procedure manual(s), and refer to those documents as needed. We will update our understanding of the organizational structure, by reviewing organization charts and other documents which demonstrate adequate segregation of duties and proper lines of communication for reporting significant issues to management. We will also gain an understanding of the requirements, and evaluate the financial implications, of significant contracts entered into by WVDCR.

REVIEW OF COMPUTER CONTROLS

The review of computer controls concentrates on both internal and external factors impacting the WVDCR. Based on these risks, audit procedures to validate the integrity of your computer related internal controls are developed to test the general controls and application controls. The review and evaluation will be designed to test the integrity of financial data and controls designed to prevent fraud and fraudulent financial reporting. Some examples of controls to be tested are summarized as follows:

General Controls

- Management / administrative controls and procedures
- Program / major parameter change control
- Back-up and disaster recovery controls
- IT related costs / budgeting
- Hardware / software acquisition and maintenance
- Controls over computer related forms
- Controls over system to system transfers
- Contingency planning
- Physical security - adequacy of protection of systems from environmental and other physical risks
- Logical security - adequacy of protection of systems from unauthorized access, including intrusion testing
- Operations - adequacy of day to day operating procedures
- Networking - controls over the use of networks
- Controls designed to prevent fraud and fraudulent financial reporting

Controls over Selected Applications

- User input controls ensuring accurate and complete data input
- Processing controls and edit checks ensuring accurate and complete processing
- User output controls, including output distribution controls
- Logical security over selected applications

PHASE 3

PREPARATION OF THE AUDIT PROGRAM

Based on the information gathered in the planning and internal control structure consideration stages, we will prepare an audit program taking into consideration the audit risk assessments developed for various transaction classes and accounts. The program will be tailored to focus on testing of the specific key points in processing and/or controlling financial information. Each audit program step will be designed to specifically achieve certain audit objectives. After completion of the audit program, we will meet with WVDCR personnel to discuss the specific timing of the procedures.

TESTING

Sampling

Sample sizes will be determined based on sound sampling plans. Statistical sampling is used when it is determined to be cost effective. Sampling will include both substantive tests and tests of compliance. Samples for tests of compliance, including compliance with certain laws and regulations are based on attribute principles. Substantive sampling procedures would normally be weighted toward higher dollar items. When statistical sampling is considered to be cost effective, we will use a computer program to determine the samples based on the assessments of inherent/control risk and the evidence provided by other audit procedures.

Extent of use of EDP Audit Software

We anticipate that various financial information and schedules prepared for the auditors will be supplied on disk, which we will load on our computers and perform various tests. We use automated trial balance/workpaper software on virtually all audit engagements. Other use of EDP software will be determined based on the results of the system reviews. We actively use other computer assisted audit techniques utilizing various programs such as IDEA Data Analysis Software (IDEA). Efficiency and effectiveness are often enhanced by computer assisted audit techniques, especially in WVDCR's sophisticated, on-line environment, Examples of EDP audit applications include:

- Analytical review
- Year to year and trend analyses
- Importing general ledger
- Sampling
- Data analysis, extraction, and manipulation
- Edits and computations

We may also use email to communicate with WVDCR, and other professionals assigned to the engagement; Microsoft EXCEL and WORD to perform analyses and document work on the engagement; and Tvalue to perform interest calculations and amortizations.

Substantive Analytical Procedures

Due to the nature of the WVDCR operations, substantive analytical procedures can be powerful tools to anticipate and predict results. Non financial statistics, such as inmate days can be used to analyze revenue. Many expenses, such as wages and benefits, payroll taxes, rent, etc. are also susceptible to strong predictive analytical tests.

Audit Approach by Financial Statement Element

The following are examples of audit procedures which may be used for various financial statement elements. The final audit plan will be determined after other planning activities are completed.

Cash and Cash Equivalents

- Confirmation of balances
- Review of reconciliations and significant reconciling items
- Review of Compliance with restrictions of any applicable trust indenture agreements
- Analytical analysis - comparisons to prior year and balances expectations based on revenues and debt service requirements

Receivables

- Confirmation of balances
- Review reconciliations
- Analysis of grant agreements/contracts
- Test subsequent collections
- Test adequacy of allowance for doubtful accounts
- Analytical analysis - comparisons of days revenue in ending accounts receivable and accounts receivable turnover

Due From/To State/Other Funds

- Obtain and review a detail of all Due From's/Due To's
- Reconcile due from other funds with due to other funds
- Test subsequent collections / subsequent disbursements
- Perform test of unrecorded liabilities by reviewing cash disbursements subsequent to year end

Capital Assets and related Depreciation

- Obtain and review a progression of capital assets
- Review and test physical inventory accounts to verify existence of purchased assets
- Review supporting documentation related to significant additions or disposals
- Inquire and analyze relevant general ledger accounts for major impairments, abandonments, idle property, and retirements
- Analyze repair and maintenance expense accounts for significant components which may need to be capitalized
- Sample a selection of postings for proper recording
- Analytical analysis - comparisons of amounts capitalized versus expensed

- Review the WVDCR policy for calculating depreciation
- Utilizing IDEA we will test the depreciation calculation for reasonableness

Inventories

- Obtain and review a progression of inventories
- Review and test the reconciliation of physical inventory to the applicable general ledger accounts
- Observe selected inventories and test physical inventory counts
- Inquire and analyze for major impairments and loss of inventory
- Test prices of underlying support

Accounts Payable and Accrued Liabilities

- Test controls over the disbursement process
- Obtain a detail listing of liabilities at year end
- Perform a test of unrecorded liabilities by reviewing cash disbursements subsequent to year end
- Recalculate the interest payable at year end
- Obtain and review a copy of the pension plan's audited financial statements, including supplementary schedules.
- Recalculate DCR's calculations of the net pension liability/asset, other payables to the plan, pension expense, and pension-related deferred outflows of resources and deferred inflows of resources.
- Obtain a detailed schedule of deferred outflows of resources and deferred inflows of resources for the pension plan by period and by type and test the mathematical accuracy of the total deferred outflows of resources and deferred inflows of resources by type as of the measurement date and the total amortization for the measurement period.
- Test the completeness and accuracy of census data submitted to the pension plan for the period, as applicable.
- Obtain and review a copy of the OPEB plan's audited financial statements, including supplementary schedules.
- Recalculate DCR's calculations of the net OPEB liability/asset, other payables to the plan, OPEB expense, and OPEB-related deferred outflows of resources and deferred inflows of resources.
- Obtain a detailed schedule of deferred outflows of resources and deferred inflows of resources for the OPEB plan by period and by type and test the mathematical accuracy of the total deferred outflows of resources and deferred inflows of resources by type as of the measurement date and the total amortization for the measurement period.
- Test the completeness and accuracy of census data submitted to the OPEB plan for the period, as applicable.

Long-term Debt

- Obtain and review copies of all bond issues and related debt service schedules, if any
- Consider the bond issue indenture and related compliance requirements, if any
- Review progression of debt service payments for compliance with debt service schedule
- Recalculate the current portion at year end
- Recalculate the interest payable at year end

- Review arbitrage and rebate calculations performed by independent certified public accountant, if any
- Obtain calculations made by the WVDCR for the computation of obligations for compensated absences, including vacations and sick leave
- Test calculations for the obligations of compensated absences with the related payroll records, personnel policies, procedure manual, and actuary calculations
- Analyze and test the actuarial calculation used for conversion of unused sick leave to retirement benefits
- Review detail of claims and judgments against WVDCR
- Confirm with management and attorneys regarding the potential likelihood of claims
- Review subsequent events and claims/judgments history
- Test the clerical accuracy of the analysis of leases, showing the balance of right-to-use assets and lease liabilities at the beginning and end of the period, and the related amortization and interest expense.
- Review leases and determine whether they fall under the scope of and that DCR has identified the separate lease components (or multiple components) and nonlease components, if any, within each lease.
- Test the adequacy of amortization related to right-to-use assets for the period and related accumulated amortization.
- Determine that outflows under subscription-based information technology arrangements have been properly capitalized or expensed under GAAP.

Revenues

- Review and test controls over billing process
- Analytically review amounts recorded based on previous years data and budgeted data
- Test selected revenue to underlying support

Expenditures

- Test controls over the disbursement process
- Analytically compare to prior year and to expectations based on various criteria
- Test selected expenses to underlying support, such as invoices, contracts, etc.

Support and Administrative Expenditures/Wages and Benefits

- Test controls over the disbursement and payroll process
- Test pay rates to approvals
- Analytically compare to prior year and to expectations based on number of personnel and pay scales
- Monthly analytical analysis
- Recalculate benefits based on statutory or contractual rates for certain taxes and benefits
- Test selected expenses to underlying support, such as invoices, contracts, etc.

Other Operating Expenses

- Test controls over disbursement process
- Analytically compare to prior year and to expectations based on various criteria

- Test selected expenses to underlying support, such as invoices, etc.
- Review bond issue and debt service cost and agree to debt service schedules
- Review claims and judgments against the WVDCR

Investment and Miscellaneous Income

- Analytically compare net investment revenue to prior year and recalculate net investment earnings
- Obtain analysis of miscellaneous income and test to supporting documentation
- Analytically compare miscellaneous income by significant sources to prior year amounts and investigate significant fluctuations

Compliance with laws and regulations

- Review applicable WVDCR legislation and other federal and state laws
- Test various requirements of federal and State laws and regulations

IMPLEMENTATION OF NEW STANDARDS

The Governmental Accounting Standards Board (GASB) has issued the following standards which become effective for various fiscal years.

GASB has issued Statement No. 100, *Accounting Changes and Error Corrections- an Amendment of GASB Statement No. 62*, which is effective for fiscal years beginning after June 15, 2023. This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. Those changes include things like: certain changes in accounting principles, certain changes in estimates that result from a justified or preferable change in measurement or new methodology. This statement requires that changes in accounting principles and error corrections be reported retroactively by restating prior periods; changes to or within the reporting entity be reported by adjusting beginning balances of the current period; and changes in accounting estimates be reported prospectively by recognizing the change in the current period. If the change in accounting principle is the result of a new pronouncement the requirements only apply absent specific transition guidance in the pronouncement. Under this standard it is also necessary to display the total adjustment to beginning net position, fund balance, or fund net position on the face of the financial statements, by reporting unit. This statement also specifies both qualitative and quantitative disclosure requirements. Lastly, this statement provides guidance for if and how these changes should be reflected in required supplementary information and supplementary information.

GASB has issued Statement No. 101, *Compensated Absences*, which is effective for fiscal years beginning after December 15, 2023. This statement modifies the criteria requiring a liability for compensated absences to be recognized. Under this statement a liability must be recognized for leave that has not been used, or leave that has been used but not yet paid in cash or settled through noncash means. Furthermore, the liability for leave that has not been used is recognized if the leave is attributed to services already rendered, that accumulates, and the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. If the leave is considered more likely than not to be settled through conversion to a defined benefit post-employment benefit it should not be included in the liability for compensated absences. This statement also specifies certain types of benefits where the liability is not recognized until leave commences or where the liability is not recognized until the leave is used. The statement also provides guidance for measuring the liability and modifies the disclosure requirements

allowing for disclosure of only the net change in the liability, and no longer requiring disclosure of which governmental funds have been used to liquidate the liabilities.

GASB has issued Statement No. 102, *Certain Risk Disclosures*, which is effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Earlier application is encouraged. State and local governments face a variety of risks that could negatively affect the level of service they provide or their ability to meet obligations as they come due. Although governments are required to disclose information about their exposure to some of those risks, essential information about other risks that are prevalent among state and local governments is not routinely disclosed because it is not explicitly required. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This Statement defines a *concentration* as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A *constraint* is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending.

This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. If a government determines that those criteria for disclosure have been met for a concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. The disclosure should include descriptions of the following:

- The concentration or constraint
- Each event associated with the concentration or constraint that could cause a substantial impact if the event had occurred or had begun to occur prior to the issuance of the financial statements
- Actions taken by the government prior to the issuance of the financial statements to mitigate the risk.

The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information that currently is not often provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a government's financial condition.

We would be able to provide routine assistance to the WVDCR to assist them with the implementation process.

PHASE 4**OVERALL CONCLUSION AND REPORTING**

The reporting phase is divided into two distinct phases. The first phase encompasses a review of the financial statement format and presentation, and a review of the significant accounting policies utilized by the WVDCR. This phase is accomplished early in the engagement, so that significant reporting issues can be addressed timely and effectively.

The second phase occurs at the end of the testing, when all information is accumulated and evaluated. Any proposed adjustments are agreed upon and financial statements finalized. At this point we will be in position to prepare our report on the financial statements. If a report other than an unmodified report would be necessary, we would fully discuss the reasons with you prior to issuance of the report.

Beyond the traditional reporting process, we consider the development of a comprehensive practical management letter to be a major by-product of the audit process. Recommendations in the letter may address improvements in reconciliation processes, statutory concerns, inventory controls, security matters, payroll records, capital asset records, purchasing procedures, and related subjects designed to assist the WVDCR in improving controls, improving operations and reducing costs. Our comments and recommendations will be issued in a separate letter.

We will also be available to meet directly with management to present our reports.



Suttle & Stalaker | Certified
Public
Accountants
A Professional Limited Liability Company

January 24, 2024

Mr. Mickey Skeens, Purchasing Manager
West Virginia Division of Administrative Services
1124 Smith Street, 2nd Floor, Suite 2100
Charleston, West Virginia 25301

RE: DCR - Auditing Services Proposal

Req#: ARFP 0608 DCR2400000002
Date: January 25, 2024
Time: 1:00 p.m.

Name of Firm - Suttle & Stalaker, PLLC

As indicated on page 7 of the Request For Proposal For Professional Auditing Services our auditing services cost proposal including the price page follows.

I, Chris Lambert, certify that I am entitled to represent Suttle & Stalaker, PLLC, empowered to submit this bid and authorized to sign a contract with the West Virginia Division of Corrections and Rehabilitation.

Chris Lambert

Chris Lambert, CPA, CGMA, CCIFP
Member

January 24, 2024
Date

The Virginia Center
1411 Virginia Street, East
Suite 100
Charleston, WV 25301

MAIN (304) 343-4126
FAX (304) 343-8008

The Rivers Office Park
200 Star Avenue
Suite 220
Parkersburg, WV 26101

MAIN (304) 485-6584
FAX (304) 485-0971

Suncrest Towne Centre
453 Suncrest Towne Centre Drive
Suite 201
Morgantown, WV 26505

MAIN (304) 554-3371
FAX (304) 554-3410

The Somerville Building
501 5th Avenue
Suite 1
Huntington, WV 25701

MAIN (304) 525-0301
FAX (304) 522-1569

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Request for Proposal
ARFP 0608 DCR240000002
WV Division of Corrections & Rehabilitation
Professional Auditing Services - Exhibit A - Cost Sheet

Item #	Description	Unit of Measure	*Estimated Annual Quantity	Unit Price	Extended Amount
1	Annual Audit	Each	1	\$120,000.00	\$120,000.00
2	Partner	Hour	10	\$430.00	\$4,300.00
3	Staff Accountant	Hour	30	\$210.00	\$6,300.00
4	Accounting Assistant	Hour	45	\$175.00	\$7,875.00

Vendor must complete the pricing page in its entirety, as failure to do so will result in Vendor's bid being disqualified.

Grand Total	\$138,475.00
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Bidder/Vendor Information:

Name: Suttle & Stalnaker, PLLC	
Address: 1411 Virginia Street, East, Suite 100, Charleston, WV 25301	
Phone No.: 304-343-4126	
Fax No.: 304-343-8008	
Email Address: CSLambert@suttlecpas.com	
Authorized Signature	<i>Chris Lambert</i>

NOTES:

* Quantities are estimated for bid evaluation purposes only.

The following is a summary of estimated hours by major audit area. This summary demonstrates our commitment to quality through high commitments of member and manager time to the engagement.

<u>Segment</u>	<u>Hours</u>			<u>Total</u>
	<u>Members</u>	<u>Managers/ Supervisors</u>	<u>Seniors/ Staff</u>	
Planning, including risk assessments	10	30	30	70
Consideration of internal control, including computer controls	5	20	50	75
SAS 99 testing	5	10	15	30
Audit program preparation	5	15	15	35
Testing of account balances and transactions	10	40	225	275
Overall Conclusions and Reporting	10	30	15	55
Exit Conferences	5	5	-	10
Total hours	50	150	350	550

HOURLY RATES

The firm's employees assigned to and who will conduct this audit, their level of audit responsibility, credentials, experience, and hourly rates are as follows:

<u>Audit Member(s)</u>	<u>CPA Yes/No</u>	<u>Years of audit Experience</u>	<u>Hours</u>	<u>x</u>	<u>Rate/hour</u>	<u>=</u>	<u>Total</u>
Chris Lambert	Yes	33	30		\$430	\$	12,900
Chris Deweese	Yes	28	5		430		2,150
Natalie Luppold	Yes	17	15		430		6,450
Senior Manager							
Elizabeth Farley	Yes	15	30		320		9,600
Audit Supervisor							
Anthony Cornell	Yes	7	120		250		30,000
Audit Staff							
Zane Kerns	No	2	175		210		36,750
Mikayla Ferguson	No	1	175		210		36,750
							134,600
					Discount		(14,600)
			Total		June 30, 2024	\$	120,000

<u>Classification</u>	<u>Hourly Rates</u>
Partner/Member	\$430
Senior Manager	\$320
Manager	\$285
Supervisory Staff	\$250
Senior Staff	\$230
Staff	\$210
Other Support	\$175

The above rate table are the fees for services that fall outside the scope of the audit. For example, technical assistance from us in resolving unreconciled differences in accounting records or supporting account balances would fall outside the scope of our audit, as would additional procedures required related to the implementation of significant new technical standards, or related to conversion to new software.

Additionally, our fees are based on the current state of operation. Should significant changes occur (i.e., significant expansion in existing operations or other factors, redefinition of reporting entity, etc.), we will need to reevaluate our scope and audit approach. In the event these types of situations arise, it is our practice to discuss these types of issues with management before we would proceed so as to obtain management's authorization and to develop the best approach to resolve the problem.

We understand that no changes in scope to the project will be implemented by us until such time as an approved change order is received. Formal contract amendments and change orders will be negotiated with WVDCR, whenever necessary, to address changes to the terms and conditions, cost of, or scope of work included under the contract. Such changes may be necessitated by new and amended federal and state regulations and requirements. No changes in scope are to be conducted except at the approval of WVDCR.

We will submit invoices to WVDCR for all services provided pursuant to the terms of the contract. Progress payments will be made on a monthly basis. We will work with WVDCR management to develop a mutually agreeable proposed billing work plan.



**State of West Virginia
Agency Request for Proposals**

Proc Folder: 1330017			Reason for Modification:		
Doc Description: Professional Auditing Services for WDCR			Addendum 3		
Proc Type: Agency Master Agreement					
Date Issued	Solicitation Closes	Solicitation No		Version	Phase
2024-01-09	2024-01-25 13:00	ARFP 0608 DCR2400000002		4	Final

BID RECEIVING LOCATION

VENDOR

Vendor Customer Code: 202390
Vendor Name : Suttle & Stalnaker, PLLC
Address :
Street : 1411 Virginia Street East, Suite 100
City : Charleston
State : WV **Country :** USA **Zip :** 25301
Principal Contact : Chris S. Lambert, CPA, CGMA, CCIFP, Member
Vendor Contact Phone: 304.343.4126 **Extension:**

FOR INFORMATION CONTACT THE BUYER
 Herbert Mickey Skeens
 (304) 558-2350
 herbert.m.skeens@wv.gov

Vendor Signature X *Chris Lambert* **FEIN#** 55-053-8163 **DATE** 01/24/2024

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

INVOICE TO	SHIP TO
DIVISION OF ADMINISTRATIVE SERVICES 1124 SMITH STREET SECOND FLOOR CHARLESTON WV 25301 US	DIVISION OF ADMINISTRATIVE SERVICES 1124 SMITH STREET SECOND FLOOR CHARLESTON WV 25301 US

Line	Comm Ln Desc	Qty	Unit of Measure	Unit Price	Total Price
1	Annual Audit	1.00000	EA		

Comm Code	Manufacturer	Specification	Model #
84111600			

Extended Description:
See Attached Specifications

INVOICE TO	SHIP TO
DIVISION OF ADMINISTRATIVE SERVICES 1124 SMITH STREET SECOND FLOOR CHARLESTON WV 25301 US	DIVISION OF ADMINISTRATIVE SERVICES 1124 SMITH STREET SECOND FLOOR CHARLESTON WV 25301 US

Line	Comm Ln Desc	Qty	Unit of Measure	Unit Price	Total Price
2	Partner - Hourly Service Rate	10.00000	HOUR		

Comm Code	Manufacturer	Specification	Model #
84111600			

Extended Description:
See Attached Specifications

INVOICE TO		SHIP TO	
DIVISION OF ADMINISTRATIVE SERVICES 1124 SMITH STREET SECOND FLOOR CHARLESTON WV 25301 US		DIVISION OF ADMINISTRATIVE SERVICES 1124 SMITH STREET SECOND FLOOR CHARLESTON WV 25301 US	

Line	Comm Ln Desc	Qty	Unit of Measure	Unit Price	Total Price
3	Staff Accountant - Hourly Service Rate	30.00000	HOUR		

Comm Code	Manufacturer	Specification	Model #
84111600			

Extended Description:
See Attached Specifications

INVOICE TO		SHIP TO	
DIVISION OF ADMINISTRATIVE SERVICES 1124 SMITH STREET SECOND FLOOR CHARLESTON WV 25301 US		DIVISION OF ADMINISTRATIVE SERVICES 1124 SMITH STREET SECOND FLOOR CHARLESTON WV 25301 US	

Line	Comm Ln Desc	Qty	Unit of Measure	Unit Price	Total Price
4	Accounting Assistant - Hourly Service Rate	45.00000	HOUR		

Comm Code	Manufacturer	Specification	Model #
84111600			

Extended Description:
See Attached Specifications

SCHEDULE OF EVENTS

Line	Event	Event Date
1	Mandatory Pre-Bid Meeting @ 10:30am EST	2023-12-05
2	Vendor Questions due by 4:00pm EST	2023-12-19
3	2nd Round of Vendor Questions due by 4:00pm EST	2023-12-28
4	Technical Bid Opening @ 1:00pm EST	2024-01-25

	Document Phase	Document Description	Page 4
DCR2400000002	Final	Professional Auditing Services for WVDCR	

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. PREBID 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:

WV Division of Administrative Services
1124 Smith Street, 2nd Floor Conference Room, Charleston, WV 25301

Time: 10:00am EST

Date: Tuesday, December 5, 2023

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 individual is permitted to represent more than one vendor at the pre-bid meeting. Any individual that does attempt to represent two or more vendors will be required to select one vendor to which the individual's attendance will be attributed. The vendors not selected will be deemed to have not attended the pre-bid meeting unless another individual attended on their behalf.

An attendance sheet provided at the pre-bid meeting shall serve as the official document verifying 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 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 WV Division of Administrative Services. 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 nonbinding. Submitted e-mails should have solicitation number in the subject line.

Question Submission Deadline: 4:00pm EST on Thursday, December 28, 2023 **(2nd Round)**
Submit Questions to: ATTN: Mickey Skeens, WV Division of Administrative Services, 1124 Smith Street, Suite 2100, Charleston, WV 25301
Email: Herbert.M.Skeens@wv.gov **(EMAIL IS THE PREFERRED METHOD.)**

5. **VERBAL COMMUNICATION:** Any verbal communication between the Vendor and any State personnel is not binding, including verbal communication at the mandatory pre-bid conference. Only information issued in writing and added to the Solicitation by an official written addendum issued by the WV Division of Administrative Services is binding.
6. **BID SUBMISSION:** All bids must be submitted on or before the date and time of the bid opening listed in section 7 below. No bids should be submitted electronically through wvOASIS. All bids must be mailed or hand delivered in paper form to the WV Division of Administrative Services at the address listed below either in person or by courier. Bids submitted in paper form must contain a signature.

Any bid received by the WV Division of Administrative Services staff is considered to be in the possession of the WV Division of Administrative Services and will not be returned for any reason.

For Request for Proposal (“RFP”) Responses Only: Submission of a response to a Request for Proposal is not permitted in wvOASIS. In the event that Vendor is responding to a Request for Proposal, the Vendor shall submit one (1) original technical proposal and one (1) original cost proposal prior to the bid opening date and time identified in Section 7 below, plus six (6) convenience copies of each to the WV Division of Administrative Services at the address shown below. Additionally, the Vendor should clearly identify and segregate the cost proposal from the technical in a separately sealed envelope.

Bid Delivery Address:

ATTN: Mickey Skeens
WV Division of Division of Administrative Services
1124 Smith Street, Suite 2100
Charleston, WV 25301

A bid submitted in paper form should contain the information listed below on the face of the envelope or the bid may be rejected by the WV Division of Administrative Services:

SEALED BID FOR: Professional Auditing Services
VENDOR NAME:
BUYER: Mickey Skeens
SOLICITATION NO.: ARFP 0608 DCR2400000002
BID OPENING DATE: Thursday, January 18, 2024
BID OPENING TIME: 1:00pm EST

Submission of a response to an Request for Proposal is not permitted in wvOASIS.

- 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 the bid is time stamped by the official WV Division of Administrative Services time clock (in the case of hand delivery).

Bid Opening Date and Time: Thursday, January 18, 2024, at 1:00pm EST
(TECHNICAL BID ONLY. Bid Opening for Cost - TBD)

Bid Opening Location:
WV Division of Division of Administrative Services
1124 Smith Street, 2nd Floor Conference Room
Charleston, WV 25301

8. **ADDENDUM ACKNOWLEDGEMENT:** Changes or revisions to this Solicitation will be made by an official written addendum issued by the WV Division of Administrative Services. Vendor should acknowledge receipt of all addenda issued with this Solicitation by completing an Addendum Acknowledgment Form, a copy of which is included herewith. Failure to acknowledge addenda may result in bid disqualification. The addendum acknowledgment should be submitted with the bid to expedite document processing.
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.
10. **ALTERNATE MODEL OR BRAND:** Unless the box below is checked, any model, brand, or specification listed in this Solicitation 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. **COMMUNICATION LIMITATIONS:** 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 WV Division of Administrative Services, is strictly prohibited without prior WV Division of Administrative Services approval. WV Division of Administrative Services approval for such communication is implied for all agency delegated and exempt purchases.
13. **REGISTRATION:** Prior to Contract award, the apparent successful Vendor must be properly registered with the Purchasing Division and must have paid the \$125 fee, if applicable.
14. **UNIT PRICE:** Unit prices shall prevail in cases of a discrepancy in the Vendor's bid.

15. **WAIVER OF MINOR IRREGULARITIES:** The Director of WV Division of Administrative Services reserves the right to waive minor irregularities in bids or specifications in accordance with West Virginia Code of State Rules §90-10-4.1.7.
16. **ELECTRONIC FILE ACCESS RESTRICTIONS:** Vendor must ensure that any flash drives or other electronic files can be accessed and viewed by the Agency staff immediately upon bid opening. The Agency will consider any file that cannot be immediately accessed and viewed at the time of the bid opening (such as, encrypted files, password protected files, or incompatible files) to be blank or incomplete as context requires and are therefore unacceptable. A vendor will not be permitted to unencrypt files, remove password protections, or resubmit documents after bid opening to make a file viewable if those documents are required with the bid. A vendor may be required to provide document passwords or remove access restrictions to allow the Agency to print or electronically save documents provided that those documents are viewable by the Agency staff prior to obtaining the password or removing the access restriction.
17. **NON-RESPONSIBLE:** The Director of the WV Division of Administrative Services reserves the right to reject the bid of any vendor as Non-Responsible, when the Director determines that the vendor submitting the bid does not have the capability to fully perform or lacks the integrity and reliability to assure good-faith performance.
18. **ACCEPTANCE/REJECTION:** The State may accept or reject any bid in whole, or in part.
19. **YOUR SUBMISSION IS A PUBLIC DOCUMENT:** Vendor's entire response to the Solicitation and the resulting Contract are public documents. As public documents, they will be disclosed to the public following the bid/proposal opening or award of the contract, as required by the competitive bidding laws of West Virginia Code § 5-22-1 et seq., and § 5G-1-1 et seq. and the Freedom of Information Act West Virginia Code §§ 29B-1-1 et seq. **DO NOT SUBMIT MATERIAL YOU CONSIDER TO BE CONFIDENTIAL, A TRADE SECRET, OR OTHERWISE NOT SUBJECT TO PUBLIC DISCLOSURE.** Submission of any bid, proposal, or other document to the Agency constitutes your explicit consent to the subsequent public disclosure of the bid, proposal, or document. The Agency will disclose any document labeled "confidential," "proprietary," "trade secret," "private," or labeled with any other claim against public disclosure of the documents, to include any "trade secrets" as defined by West Virginia Code § 47-22-1 et seq. All submissions are subject to public disclosure without notice.

20. **WITH THE BID REQUIREMENTS:** In instances where these specifications require documentation or other information with the bid, and a vendor fails to provide it with the bid, the Agency reserves the right to request those items after bid opening and prior to contract award pursuant to the authority to waive minor irregularities in bids or specifications. This authority does not apply to instances where state law mandates receipt with the bid.

GENERAL TERMS AND CONDITIONS:

1. **CONTRACTUAL AGREEMENT:** Issuance of a Award Document signed by the Agency, or 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. **"Bid" or "Proposal"** means the vendors submitted response to this solicitation.
 - 2.3. **"Contract"** means the binding agreement that is entered into between the State and the Vendor to provide the goods or services requested in the Solicitation.
 - 2.4. **"Award Document"** means the document signed by the Agency and approved as to form by the Attorney General, that identifies the Vendor as the contract holder.
 - 2.5. **"Director"** means the Director of the WV Division of Administrative Services.
 - 2.6. **"Solicitation"** means the official notice of an opportunity to supply the State with goods or services.
 - 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.

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: The Initial Contract Term will be for a period of three (3) years. The Initial Contract Term becomes effective on the effective start date listed on the first page of this Contract and the Initial Contract Term ends on the effective end date also shown on the first page of this Contract.

Renewal Term: This Contract may be renewed upon the mutual written consent of the Agency, and the Vendor, with approval of the Agency and the Attorney General's office (Attorney General approval is as to form only). Any request for renewal should be delivered to the WV Division of Administrative Services 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. Unless otherwise specified below, renewal of this Contract is limited to two (2) successive one (1) year periods or multiple renewal periods of less than one year, provided that the multiple renewal periods do not exceed the total number of months available in all renewal years combined. Automatic renewal of this Contract is prohibited. Renewals must be approved by the Vendor, Agency, and Attorney General's office (Attorney General approval is as to form only).

Alternate Renewal Term – This contract may be renewed for _____ successive _____ year periods or shorter periods provided that they do not exceed the total number of months contained in all available renewals. Automatic renewal of this Contract is prohibited. Renewals must be approved by the Vendor, Agency, and Attorney General's office (Attorney General approval is as to form only)

Delivery Order Limitations: In the event that this contract permits delivery orders, a delivery order may only be issued during the time this Contract is in effect. Any delivery order issued within one year of the expiration of this Contract shall be effective for one year from the date the delivery order is issued. No delivery 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 ____ calendar days.

Fixed Period Contract with Renewals: This Contract becomes effective upon Vendor's receipt of the notice to proceed and part of the Contract more fully described in the attached specifications must be completed within _____ days. Upon completion of the work

covered by the preceding sentence, the vendor agrees that:

the contract will continue for _____ years;

the contract may be renewed for _____ successive _____ year periods or shorter periods provided that they do not exceed the total number of months contained in all available renewals. Automatic renewal of this Contract is prohibited. Renewals must be approved by the Vendor, Agency, and Attorney General's office (Attorney General approval is as to form only).

One Time Purchase: The term of this Contract shall run from the issuance of the Award Document until all of the goods contracted for have been delivered, but in no event will this Contract extend for more than one fiscal year.

Other: Contract Term specified in the _____.

4. AUTHORIZATION TO PROCEED: Vendor is authorized to begin performance of this contract on the date of encumbrance listed on the front page of the Award Document unless either the box for "Fixed Period Contract" or "Fixed Period Contract with Renewals" has been checked in Section 3 above. If either "Fixed Period Contract" or "Fixed Period Contract with Renewals" has been checked, Vendor must not begin work until it receives a separate notice to proceed from the State. The notice to proceed will then be incorporated into the Contract via change order to memorialize the official date that work commenced.

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 and Attorney General's office.

6. EMERGENCY PURCHASES: The Agency 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 Agency, shall not constitute of breach of this

Contract and shall not entitle the Vendor to any form of compensation or damages. This provision does not excuse the State from fulfilling its obligations under a One Time Purchase contract.

7. **REQUIRED DOCUMENTS:** All of the items checked below must be provided to the Agency by the Vendor as specified below.

BID BOND (Construction Only): Pursuant to the requirements contained in W. Va. Code 5-22-1(c), All Vendors submitting a bid on a construction project shall furnish a valid bid bond in the amount of five percent (5%) of the total amount of the bid protecting the State of West Virginia. **Do NOT submit with the Technical Proposal. The bid bond must be submitted in the sealed Cost Bid envelope with the vendor's Cost Bid.**

PERFORMANCE BOND: The apparent successful Vendor shall provide a performance bond in the amount of 100% of the contract. The performance bond must be received by the Agency prior to Contract award.

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 delivered to the Agency 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. Notwithstanding the foregoing, West Virginia Code § 5-22-1 (d) mandates that a vendor provide a performance and labor/material payment bond for construction projects. Accordingly, substitutions for the performance and labor/material payment bonds for construction projects is not permitted.

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 Agency prior to Contract award.

LICENSE(S) / CERTIFICATIONS / PERMITS: In addition to anything required under the Section of the General Terms and Conditions entitled Licensing, 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 Agency.

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

8. **INSURANCE:** The apparent successful Vendor shall furnish proof of the insurance identified by a checkmark below and must include the State as an additional insured on each policy prior to Contract award. The insurance coverages identified below must be maintained throughout the life of this contract. Thirty (30) days prior to the expiration of the insurance policies, Vendor shall provide the Agency with proof that the insurance mandated herein has been continued. Vendor must also provide Agency with immediate notice of any changes in its insurance policies, including but not limited to, policy cancelation, policy reduction, or change in insurers. 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 in this section.

Vendor must maintain:

Commercial General Liability Insurance in at least an amount of: \$ 1,000,000.00 per occurrence.

Automobile Liability Insurance in at least an amount of: \$ 1,000,000.00 per occurrence.

Professional/Malpractice/Errors and Omission Insurance in at least an amount of: _____ per occurrence.

Commercial Crime and Third Party Fidelity Insurance in an amount of: _____ per occurrence.

Cyber Liability Insurance in an amount of: _____ per occurrence.

Builders Risk Insurance in an amount equal to 100% of the amount of the Contract.

Pollution Insurance in an amount of: _____ per occurrence.

Aircraft Liability in an amount of: _____ per occurrence.

Notwithstanding anything contained in this section to the contrary, the Agency reserves the right to waive the requirement that the State be named as an additional insured on one or more of the Vendor's insurance policies if the Director finds that doing so is in the State's best interest.

9. **WORKERS' COMPENSATION INSURANCE:** The apparent successful Vendor shall comply with laws relating to workers compensation, shall maintain workers' compensation insurance when required, and shall furnish proof of workers' compensation insurance upon request.

10. **LIQUIDATED DAMAGES:** 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. Vendor shall pay liquidated damages in the amount specified below or as described in the specifications:

_____ for _____

Liquidated Damages Contained in the Specifications.

Liquidated Damages Are Not Included in this Contract.

11. **ACCEPTANCE:** Vendor's signature on its bid, or on the certification and signature page, constitutes an offer to the State that cannot be unilaterally withdrawn, signifies that the product or service proposed by vendor meets the mandatory requirements contained in the Solicitation for that product or service, unless otherwise indicated, and signifies acceptance of the terms and conditions contained in the Solicitation unless otherwise indicated.

12. **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. Notwithstanding the foregoing, Vendor must extend any publicly advertised sale price to the State and invoice at the lower of the contract price or the publicly advertised sale price.

13. **PAYMENT IN ARREARS:** Payments for goods/services will be made in arrears only upon receipt of a proper invoice, detailing the goods/services provided or receipt of the goods/services, whichever is later. Notwithstanding the foregoing, payments for software maintenance, licenses, or subscriptions may be paid annually in advance.

14. **PAYMENT METHODS:** Vendor must accept payment by electronic funds transfer and P-Card. (The State of West Virginia's Purchasing Card program, administered under contract by a banking institution, processes payment for goods and services through state designated credit cards.)

15. **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.

16. **ADDITIONAL FEES:** Vendor is not permitted to charge additional fees or assess additional charges that were not either expressly provided for in the solicitation published by the State of West Virginia, included in the Contract, or included in the unit price or lump sum bid amount that Vendor is required by the solicitation to provide. Including such fees or charges as notes to the solicitation may result in rejection of vendor's bid. Requesting such fees or charges be paid after the contract has been awarded may result in cancellation of the contract.

17. **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. If that occurs, the State may notify the Vendor that an alternative source of funding has been obtained and thereby avoid the automatic termination. Non-appropriation or non-funding shall not be considered an event of default.

18. **CANCELLATION:** The Agency 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 Agency may also cancel any purchase or Contract upon 30 days written notice to the Vendor.

19. **TIME:** Time is of the essence regarding all matters of time and performance in this Contract.

20. **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.

21. **COMPLIANCE WITH LAWS:** Vendor shall comply with all applicable federal, state, and local laws, regulations and ordinances. By submitting a bid, Vendor acknowledges that it has reviewed, understands, and will comply with all applicable laws, regulations, and ordinances.

SUBCONTRACTOR COMPLIANCE: Vendor shall notify all subcontractors providing commodities or services related to this Contract that as subcontractors, they too are required to comply with all applicable laws, regulations, and ordinances. Notification under this provision must occur prior to the performance of any work under the contract by the subcontractor.

22. **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.

23. **Section has been left blank intentionally**
24. **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 Agency, and the Attorney General's office (Attorney General approval is as to form only). Any change to existing contracts that adds work or changes contract cost, and were not included in the original contract, must be approved by the Agency, and the Attorney General's Office (as to form) prior to the implementation of the change or commencement of work affected by the change.
25. **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.
26. **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 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.
27. **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 Attorney General's office (as to form only), and any other government agency or office that may be required to approve such assignments.
28. **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.
29. **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.
30. **PRIVACY, SECURITY, AND 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.
31. **YOUR SUBMISSION IS A PUBLIC DOCUMENT:** Vendor's entire response to the Solicitation and the resulting Contract are public documents. As public documents, they will be disclosed to the public following the bid/proposal opening or award of the contract, as

required by the competitive bidding laws of West Virginia Code §§ 5-22-1 et seq., and 5G-1-1 et seq. and the Freedom of Information Act West Virginia Code §§ 29B-1-1 et seq.

DO NOT SUBMIT MATERIAL YOU CONSIDER TO BE CONFIDENTIAL, A TRADE SECRET, OR OTHERWISE NOT SUBJECT TO PUBLIC DISCLOSURE.

Submission of any bid, proposal, or other document to the Agency constitutes your explicit consent to the subsequent public disclosure of the bid, proposal, or document. The Agency will disclose any document labeled “confidential,” “proprietary,” “trade secret,” “private,” or labeled with any other claim against public disclosure of the documents, to include any “trade secrets” as defined by West Virginia Code § 47-22-1 et seq. All submissions are subject to public disclosure without notice.

32. LICENSING: 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. Obligations related to political subdivisions may include, but are not limited to, business licensing, business and occupation taxes, inspection compliance, permitting, etc. Upon request, the Vendor must provide all necessary releases to obtain information to enable the Agency to verify that the Vendor is licensed and in good standing with the above entities.

SUBCONTRACTOR COMPLIANCE: Vendor shall notify all subcontractors providing commodities or services related to this Contract that as subcontractors, they too are required to be licensed, in good standing, and up-to-date on all state and local obligations as described in this section. Obligations related to political subdivisions may include, but are not limited to, business licensing, business and occupation taxes, inspection compliance, permitting, etc. Notification under this provision must occur prior to the performance of any work under the contract by the subcontractor.

33. ANTITRUST: In submitting a bid to, signing a contract with, or accepting a Award Document 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 Agency tenders the initial payment to Vendor.

34. VENDOR CERTIFICATIONS: By signing its bid or entering into this Contract, Vendor certifies (1) that its bid or offer was made without prior understanding, agreement, or connection with any corporation, firm, limited liability company, partnership, person or entity submitting a bid or offer for the same material, supplies, equipment or services; (2) that its bid or offer 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 Solicitation in its entirety; understands the requirements, terms and conditions, and other information contained herein.

Vendor's signature on its bid or offer 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 interests shall be promptly presented in detail to the Agency. The individual signing this bid or offer on behalf of Vendor certifies that he or she is authorized by the Vendor to execute this bid or offer 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.

35. **VENDOR RELATIONSHIP:** The relationship of the Vendor to the State shall be that of an independent contractor and no principal-agent 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 the 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.

36. **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 publication, 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.

37. **NO DEBT CERTIFICATION:** In accordance with West Virginia Code § 5-22-1(i), the State is prohibited from awarding a contract to any bidder that owes a debt to the State or a political subdivision of the State. By submitting a bid, or entering into a contract with the State, Vendor is affirming that (1) for construction contracts, the vendor is not in default on

any monetary obligation owed to the state or a political subdivision of the state, and (2) for all other contracts, that neither vendor nor any related party owe a debt as defined above and that neither vendor nor any related party are in employer default as defined in the statute cited above unless the debt or employer default is permitted under the statute.

38. **CONFLICT OF INTEREST:** Vendor, its officers or members or employees, shall not presently have or acquire an 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 ensure that a conflict of interest does not arise. Any conflict of interest discovered shall be promptly presented in detail to the Agency.
39. **REPORTS:** Vendor shall provide the Agency with the following reports identified by a checked box below:
- Such reports as the Agency 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 Agency.
40. **BACKGROUND CHECK:** In accordance with W. Va. Code § 15-2D-3, the State reserves the right to prohibit a service provider's employees from accessing sensitive or critical information or to be present at the Agency facilities based upon results addressed from a criminal background check.
41. **PREFERENCE FOR USE OF DOMESTIC ALUMINUM, GLASS, AND STEEL:** In Accordance with W. Va. Code § 5-19-1 et seq., for every contract or subcontract, subject to the limitations contained herein, for the construction, reconstruction, alteration, repair, improvement or maintenance of public works or for the purchase of any item of 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 products 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 public works project. 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.

42. **INTERESTED PARTY SUPPLEMENTAL DISCLOSURE:** W. Va. Code § 6D-1-2 requires that for contracts with an actual or estimated value of at least \$1 million, the vendor must submit to the Agency a disclosure of interested parties prior to beginning work under this Contract. Additionally, the vendor must submit a supplemental disclosure of interested parties reflecting any new or differing interested parties to the contract, which were not included in the original pre-work interested party disclosure, within 30 days following the completion or termination of the contract. A copy of that form is included with this solicitation or can be obtained from the WV Ethics Commission. This requirement does not apply to publicly traded companies listed on a national or international stock exchange. A more detailed definition of interested parties can be obtained from the form referenced above.
43. **PROHIBITION AGAINST USED OR REFURBISHED:** Unless expressly permitted in the solicitation published by the State, Vendor must provide new, unused commodities, and is prohibited from supplying used or refurbished commodities, in fulfilling its responsibilities under this Contract.
44. **REQUIREMENTS PER W. VA. CODE § 15A-3-14:** The commissioner, or division, shall not award a contract or renew a contract 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:
 - a. The debt owed is an amount greater than \$1,000 in the aggregate; or
 - b. The debtor is in employer default.

The division has the authority to run criminal background checks, financial background checks, a licensing check, and a credit check, and any vendor, or any and all principals in a company or corporation, must submit to said checks to be eligible to be awarded a contract for the division. The commissioner, or division, shall not award a contract to a vendor if any of the following are present:

- a. Conviction of an offense involving fraud or a felony offense in connection with obtaining or attempting to obtain a public contract or subcontract;
- b. Conviction of any federal or state antitrust statute relating to the submission of offers;
- c. Conviction of an offense involving embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property in connection with the performance of a contract;
- d. Conviction of a felony offense demonstrating a lack of business integrity or business honesty that affects the present responsibility of the vendor or subcontractor;
- e. Default on obligations owed to the state, including, but not limited to, obligations owed to the Workers' Compensation Fund, as defined in §23-2C-1 et seq. of this code, and obligations under the West Virginia Unemployment Compensation Act and West Virginia state tax and revenue laws. For purposes of this subsection, a vendor is in default when, after due notice, the vendor fails to submit a required payment, interest thereon, or penalty, and has not entered into a repayment agreement with the appropriate agency of the state or has entered into a repayment agreement but does not remain in compliance with its obligations under the repayment agreement. In the case of a vendor granted protection by order of a federal bankruptcy court or a vendor granted an exemption under any rule of the Bureau of Employment Programs or the Insurance Commission, the commissioner may award a contract: *Provided*, That in no event may the contract be awarded to any vendor who has not paid all current state obligations for at least the four most recent calendar quarters, excluding the current calendar quarter, or with respect to any vendor who is in default on a repayment agreement with an agency of the state;
- f. The vendor is not in good standing with a licensing board, in that the vendor is not licensed when licensure is required by the law of this state, or the vendor has been found to be in violation of an applicable licensing law after notice, opportunity to be heard, and other due process required by law;
- g. The vendor is an active and knowing participant in dividing or planning procurements to circumvent the \$25,000 threshold requiring a sealed bid or otherwise avoid the use of a sealed bid; or
- h. Violation of the terms of public contracts or subcontracts for:
 - 1) Willful failure to substantially perform in accordance with the terms of one or more public contracts;
 - 2) Performance in violation of standards established by law or generally accepted standards of the trade or profession amounting to intentionally deficient or grossly negligent performance on one or more public contracts;
 - 3) Use of substandard materials on one or more public contracts or defects in construction in one or more public construction projects amounting to intentionally deficient or grossly

negligent performance, even if discovery of the defect is subsequent to acceptance of a construction project and expiration of any warranty thereunder;

- 4) A repeated pattern or practice of failure to perform so serious and compelling as to justify disqualification; or
- 5) Any other cause of a serious and compelling nature amounting to knowing and willful misconduct of the vendor that demonstrates a wanton indifference to the interests of the public and that caused, or that had a substantial likelihood of causing, serious harm to the public.

Unless the context clearly requires a different meaning, for the purposes of this section, the term:

- a. "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, amounts owed to the Workers' Compensation Fund as defined in §23-2C-1 et seq. of this code, penalty, or other assessment or surcharge 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;
- b. "Debtor" means any individual, corporation, partnership, association, limited liability company, or any other form of business association owing a debt to the state or any of its political subdivisions, and includes any person or entity that is in employer default;
- c. "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 §23-2C-2 of this code, 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;
- d. "Political subdivision" means any county commission; municipality; county board of education; any instrumentality established by a county or municipality; any separate corporation or instrumentality established by one or more counties or municipalities, as permitted by law; or any public body charged by law with the performance of a government function and whose jurisdiction is coextensive with one or more counties or municipalities; and
- e. "Related party" means a party, whether an individual, corporation, partnership, association, limited liability company, or any other form of business association or other entity whatever, 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.

The prohibitions of subdivision (5), subsection (f) of this section do not apply where a vendor has contested any tax administered pursuant to chapter 11 of this code, amount owed to the Workers' Compensation Fund as defined in §23-2C-1 *et seq.* of this code, 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.

The division may disqualify a vendor if award to the vendor would jeopardize the safe, secure, and orderly operations of the division.

All bids, contract proposals, or contracts with the state or any of its political subdivisions submitted or approved under the provisions of this code shall include an affidavit that the vendor, prospective vendor, or a related party to the vendor or prospective vendor is not in employer default and does not owe any debt in an amount in excess of \$1,000 or, if a debt is owed, that the provisions of subsection (h) of this section apply.

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

Chris S. Lambert, CPA, CGMA, CCIFP, Member

(Name, Title)

Chris S. Lambert, CPA, CGMA, CCIFP, Member

(Printed Name and Title)

1411 Virginia Street East, Suite 100, Charleston, WV 25301

(Address)

304-343-4126 / 304-343-8008

(Phone Number) / (Fax Number)

CSLambert@suttlecpas.com

(Email address)

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

Suttle & Stalnakar, PLLC

(Company)

Chris Lambert

(Authorized Signature) (Representative Name, Title)

Chris S. Lambert, CPA, CGMA, CCIFP, Member

01/24/2024

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

01/24/2024

(Date)

304-343-4126 / 304-343-8008

(Phone Number) (Fax Number)

CSLambert@suttlecpas.com

(Email Address)

ADDENDUM ACKNOWLEDGEMENT FORM
SOLICITATION NO.:

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

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

Addendum Numbers Received:

(Check the box next to each addendum received)

<input checked="" type="checkbox"/> Addendum No. 1	<input type="checkbox"/> Addendum No. 6	<input type="checkbox"/> Addendum No. 11
<input checked="" type="checkbox"/> Addendum No. 2	<input type="checkbox"/> Addendum No. 7	<input type="checkbox"/> Addendum No. 12
<input checked="" type="checkbox"/> Addendum No. 3	<input type="checkbox"/> Addendum No. 8	<input type="checkbox"/> Addendum No. 13
<input type="checkbox"/> Addendum No. 4	<input type="checkbox"/> Addendum No. 9	<input type="checkbox"/> Addendum No. 14
<input type="checkbox"/> Addendum No. 5	<input type="checkbox"/> Addendum No. 10	<input type="checkbox"/> Addendum No. 15

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.

Suttle & Stalnaker, PLLC

Company

Chris Lambert

Authorized Signature

01/24/2024

Date

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

REQUEST FOR PROPOSAL
ARFP 0608 DCR2400000002
WV Division of Corrections & Rehabilitation
Professional Auditing Services

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SECTION 1: GENERAL INFORMATION & INSTRUCTIONS

1.1. General Information & Instructions:

1.1.1. Purpose:

The purpose of this Request for Proposal (RFP) is for the West Virginia Department of Homeland Security – Division of Administrative Services (WVDAS) to solicit proposals to perform the West Virginia Division of Corrections and Rehabilitation (WVDCR) or (Agency) annual financial statements audit for the fiscal year ending June 30, 2024, and subsequent years pursuant to the terms of the contract contemplated herein.

1.1.2. Background:

The WV Division of Corrections and Rehabilitation results from the consolidation legislation (HB4338) that became law on July 1, 2018. WVDCR is comprised of three (3) former agencies, WV Division of Corrections (the prison/felon offender system); WV Regional Jail Authority (the Jail offender system); and the WV Division of Juvenile Services (the juvenile offender system).

WVDCR is an enterprise agency of the State of West Virginia that maintains the custody and care of approximately 12,000 inmates housed at various locations. In addition, the Agency is responsible for approximately 3,500 paroled offenders. The WVDCR houses adult and juvenile populations. The Agency’s funding consists of both general and special revenue. Total annual general revenue budget is approximately two-hundred sixty million dollars (\$260,000,000.00), in addition to special revenue funds and granting funding, of approximately one hundred thirty-five million dollars (\$135,000,000.00).

WVDCR employs approximately three thousand eight hundred (3,800) employees throughout the State of West Virginia.

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Professional Auditing Services

The jail section, formerly known as the WV Regional Jail Authority, is entirely special revenue, receiving per diem payments from local government and the prison section of the Agency to house inmates. The jail section has always been an enterprise agency.

The prison section, formerly known as the WV Division of Corrections, is combined general and special revenue. The prison section was formerly classified as a government agency that was exempt from external audits. Effective fiscal year 2019, prisons are now subject to external audits as the entire agency is an enterprise component. Please note, all general revenue funds have a thirteenth month in each fiscal year.

The juvenile section, formerly known as the WV Division of Juvenile Services, is combined general and special revenue. The juvenile section was formerly classified as a government agency that was exempt from external audits. Effective fiscal year 2019, the juvenile section is now subject to external audits as the entire agency is an enterprise component. Please note, all general revenue funds have a thirteenth month in each fiscal year.

1.1.3. Issuing Agent:

The issuing agent for this RFP is the WVDAS. All communications, inquiries, and final proposals regarding this RFP **must** be submitted in writing to the following individual and address. No electronic proposals into the wvOasis system will be accepted, Vendors must submit technical and costs proposals (bids) as paper documents, in two (2) separate sealed envelopes clearly marked "Technical Bid" and "Cost Proposal/Bid":

Mickey Skeens, Purchasing Manager
WV Division of Administrative Services
1124 Smith Street, 2nd Floor, Suite 2100
Charleston, WV 25301
Email: Herbert.M.Skeens@wv.gov

All correspondence **must** be clearly marked "DCR – Auditing Services Proposal".

1.1.4. Instructions:

By signing and submitting its proposal, the successful Vendor agrees to be bound by all the terms contained in the 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 costs and technical factors (Best Value). Through its proposal, the bidder offers a solution to the objectives, problems, or needs specified in the RFP, and defines how it intends to meet (or exceed) the RFP requirements.

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1.1.5. RFP Schedule of Events:

RFP released to the Public.....See wvOasis
Mandatory Pre-Bid Conference.....December 5, 2023 at 10:30am EST
Vendor's Written Questions Submission Deadline...December 19, 2023 at 4:00pm EST
Addendum Issued.....TBD
Technical Bid Opening Date.....January 9, 2024 at 1:00pm EST
 Cost Bids are due the same day, but will remain sealed until Technical is scored.
Oral Presentation.....TBD
Cost Bid Opening.....TBD
Contract Award Date.....TBD

1.1.6. Term of Contract:

The contract shall be for an initial term of three (3) years and may be renewed upon mutual written consent by both parties for two (2) additional one (1) year renewals. Automatic renewals are prohibited. Vendor and Agency must mutually agree in writing to the renewal of said contract. There shall be no contract price increases within the first year of the contract from the date of the award of the contract.

After the first year of the contract term, Vendor may, no less than thirty (30) days prior to the contract anniversary date, request a price adjustment in writing. Said price adjustment will be considered based on the prior year Consumer Price Index compared to the current year Consumer Price Index, or 3%, whichever is less. All price adjustments must be approved by the Agency prior to implementation, at the Agency's sole discretion. Approval of price adjustment is not guaranteed. Agency will issue a Change Order to said contract for any approved price adjustments.

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SECTION 2: PROJECT SPECIFICATIONS

The terms “must”, “will”, “shall”, “minimum”, “maximum”, “only”, and “is/are required” identify a mandatory requirement throughout the entire RFP. Vendor’s failure to meet any mandatory specification shall result in disqualification. Decisions regarding compliance with mandatory requirements shall be at the sole discretion of the Agency. Agency reserves the right to require documentation detailing how each mandatory requirement is met at its discretion.

2.1. Scope of Work:

2.1.1. WVDAS is now accepting proposals to perform the annual audit for the fiscal year ending June 30, 2023. These audits are to be performed in accordance with generally accepted government auditing standards.

2.1.2. WVDCR financial statements are also included as part of the State of West Virginia’s Comprehensive Annual Financial Statements. As such, the financial reports required under the terms of this proposal must comply fully with parameters set by the State of West Virginia’s Department of Administration, Financial Accounting and Reporting Sections (FARS).

2.1.3. This will include, by way of example and not exclusively, responding to specific requests for information, preparing closing book forms, and attending conferences, meetings, or seminars held or presented by FARS regarding their requirements for report preparations, presentation, deadlines, etc.

2.1.4. The financial statements of the WVDCR for the fiscal year ended June 30, 2023:

WV Division of Corrections & Rehabilitation: (Audited)	Total Assets:	\$301,174,000
	Total Liabilities:	\$ 92,675,000
	Net Assets:	\$208,499,000

2.2. Mandatory Requirements and Specifications:

2.2.1. Vendor must provide at a minimum sufficient information to allow the evaluators to judge the competence, experience and capabilities of the firm submitting the bid and the personnel who will be assigned to the WVDCR account.

2.2.2. Vendor must submit resumes for all persons proposed to be included on the audit team.

2.2.3. Vendor shall provide, with its technical proposal, three (3) references of current or former (within 2 years of doing business) customers that are similar in size and scope to the requirements contained herein.

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- 2.2.4.** Vendor must provide detailed information on their expertise in the performance of audits in accordance with the provisions of the following:
- 2.2.4.1.** Government Auditing Standards
 - 2.2.4.2.** Generally Accepted Auditing Standards
 - 2.2.4.3.** Governmental Accounting Standards Board Statements
- 2.2.5.** Vendor must demonstrate expertise and experience in the performance of audits of state agencies, including a detailed discussion of the audit approach and the timeline for interim and year-end field work. Any proposal submitted which is insufficient in the regard will be disqualified and excluded from the evaluation.
- 2.2.6.** Submission of a proposal indicates by the firm of the conditions contained in this RFP, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between WVDCR/WVDAS and the firm selected.
- 2.2.7.** WVDCR/WVDAS reserves the right without prejudice to reject any and/or all proposals submitted in whole or in part.
- 2.2.8.** During the evaluation process, the selection committee and WVDAS reserves the right, where it may serve the Agency's best interest, to request clarifications from proposers.
- 2.2.9.** Any contacts with WVDCR concerning the award is improper. Any lobbying activity to obtain the contract is grounds for disqualification.
- 2.2.10.** The proposed audits must be made in accordance with generally accepted auditing standards, which require that the firm plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.
- 2.2.11.** Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue a report on the fair presentation of the financial statements in conformity with generally accepted accounting principles.
- 2.2.12.** Vendor shall provide its detailed audit plan and list of schedules to Agency no later than June 30, 2024.
- 2.2.13.** Vendor shall complete all interim work no later than June 30, 2024.
- 2.2.14.** Vendor shall provide its draft audit report and recommendations to management to the Assistant Director – WVDAS Fiscal Section or designee no later than September 30, 2024, which must be submitted to FARS by September 15, 2024.
- 2.2.15.** Vendor shall provide its final report for submission to FARS on October 15, 2024.

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- 2.2.16.** Auditors shall ensure that the Director of the WVDAS and the Commissioner of the WVDCR are informed of each of the following:
- 2.2.16.1.** The auditor's responsibility under generally accepted auditing standards,
 - 2.2.16.2.** Significant accounting policies,
 - 2.2.16.3.** Significant disclosures not made,
 - 2.2.16.4.** Significant audit adjustments,
 - 2.2.16.5.** Other information in documents containing audited financial statements,
 - 2.2.16.6.** Disagreements with management,
 - 2.2.16.7.** Management consultation with other accountants,
 - 2.2.16.8.** Major issues discussed with management prior to retention,
 - 2.2.16.9.** Difficulties encountered in performing the audit, and
 - 2.2.16.10.** Irregularities and illegal acts.
- 2.2.17.** Vendor must meet Critical Dates:
- 2.2.17.1.** Detailed client assistance packages must be received at least twenty-one (21) days prior to fieldwork for both interim and year-end assistance.
 - 2.2.17.2.** A draft audit report and any related reports on reportable conditions or management letter comments must be completed by September 15, 2024.
 - 2.2.17.2.1.** The final reports must be completed by October 15, 2024.

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SECTION 3: VENDOR PROPOSAL

- 3.1. Economy of Preparation:** Proposals should be prepared simply and economically providing a concise description of the items requested in Section 2. Emphasis should be placed on completeness and clarity of the content.
- 3.2. 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.
- 3.3. Proposal Format:** Vendors should provide responses in the format listed below:
- 3.3.1. Two-Part Submission:** Vendors must submit proposals in two distinct parts: technical and cost. Technical proposals must not contain any cost information relating to the project. **Cost proposal must contain all cost information and must be sealed in a separate envelope from the technical proposal to facilitate a secondary cost proposal opening.**
- 3.3.2. Title Page:** State the RFP subject, number, Vendor's name, business address, telephone number, fax number, name of contact person, e-mail address, and Vendor signature and date.
- 3.3.3. Table of Contents:** Clearly identify the material by section and page number.
- 3.3.4. Attachment A: Vendor must complete Attachment A: Cost Sheet included with this RFP and submit in a separate sealed envelope. "Cost" must be clearly marked on the sealed envelope.**
- 3.3.5. Oral Presentations:** If established by the Agency in the Schedule of Events (Section 1.1.5), all Vendors participating in this RFP will be required to provide an oral presentation. During oral presentations, Vendors may not alter or add to its submitted proposal, but only to clarify information. Materials and information to be included, but not limited to, at the presentation are provided below:
- 3.3.5.1.** In person presentation outlining Vendor's proposal.
- 3.3.5.2.** Vendor shall be prepared to discuss its qualifications, experience, and references pertaining to the services in this RFP.
- 3.3.5.3.** Vendor shall be prepared to answer questions with respect to its technical proposal.
- 3.3.5.4.** Vendor shall describe any dependent relationships with any other company as a partner, co-bidder, subcontractor, or any other business relationship in order to provide the services included in this RFP. If such a relationship exists, please explain.
- 3.3.5.5.** Vendor shall explain what differentiates its services from the other providers.
- 3.3.5.6.** Vendor shall provide a description of the services it proposed in this RFP. If possible, explain how each function/service will benefit the WVDCR.

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3.3.6. Proposal Submission: Proposals must be received in two (2) distinct parts: technical and cost.

3.3.6.1. Technical proposals must not contain any cost information relating to the project.

3.3.6.2. Cost proposals shall be sealed in a separate envelope and will not be opened initially.

All proposals must be submitted to WVDAS **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 the Instructions to Bidders Submitting Bids.

3.3.7. Technical Bid Opening: WVDAS will open and announce only the technical proposals received prior to the date and time specified in the RFP Proposal. The technical proposals shall then be provided to the Agency evaluation committee. Vendor shall submit an additional six (6) copies of the technical bid proposal as courtesy copies for the evaluation committee. In addition, Vendor shall submit at least one (1) copy of (**TECHNICAL PORTION ONLY**) on electronic media, UBS Drive, etc.

3.3.8. Cost Bid Opening: WVDAS shall schedule a date and time to publicly open and announce cost proposals when WVDAS has approved the technical recommendation of the evaluation committee. Only cost bids for qualifying proposals will be opened. Cost bids for non-qualifying proposals will not be opened or 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 proposals, technical scores, cost proposals, cost scores, and reasons for disqualification, will not be available until after the contract award.

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SECTION 4: EVALUATION AND AWARD

- 4.1. 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 its written response and/or during the oral demonstration (if applicable) 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 consensus of the evaluation committee.
- 4.2. 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:

- Organization's capacity to perform audits.
This criterion will be based on the size, structure, and location of branch offices of the firm that are to be utilized in the performance of the contract. 20 Points Possible

- The firm's personnel. This criterion will be based on the qualifications of staff that will be assigned to the audit as determined by resumes submitted. 20 Points Possible

- Audit management and administration process.
This criterion will be based on the firm's understanding of the work to be performed as demonstrated by its discussion of the overall audit approach, including a detailed description of how the firm will manage the audit's deliverables in conjunction with reporting deadlines. 10 Points Possible

- Prior experience of the assigned personnel in auditing State agencies. 20 Points Possible
 - Total Technical Score: 70 Points Possible
 - Total Cost Score: 30 Points Possible
 - Total Proposal Score: 100 Points Possible

- 4.3. Technical Evaluation:** The Agency evaluation committee will review the technical proposals, deduct points where appropriate, and make a final recommendation to WVDAS. WVDAS reserves the right to disqualify based upon deficiencies in the technical proposal even after the cost evaluation.

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- 4.4. Minimum Acceptable Score:** Vendors must score a minimum of seventy (70%) percent, forty-nine (49) points of the total technical points possible. All Vendors not attaining the minimum acceptable score shall be considered as non-qualifying; therefore, those Vendors' cost proposal will not be opened. 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 proposals, technical scores, cost proposals, cost scores, and reasons for disqualification, will not be available until after the contract award.
- 4.5. Cost Evaluation:** The Agency evaluation committee will review the cost proposals of Vendors who meet the minimum acceptable score, assign appropriate points in accordance with the cost evaluation formula contained herein, and make a final recommendation to WVDAS.
- 4.6. Cost Evaluation Formula:** Each cost proposal will have points assigned using the following formula for all Vendors not disqualified during the technical evaluation. The lowest cost of all proposals is divided by the cost of the proposal being evaluated to generate a cost score percentage. That percentage is then multiplied by the points attributable to the cost proposal to determine the number of points allocated to the cost proposal being evaluated.
- **Step 1:** Lowest Cost of All Proposals/Cost of Proposal Being Evaluated = Cost Score Percentage.
 - **Step 2:** Cost Score Percentage X Points Allocated to Cost Proposal = Total Cost Score.
 - **Example:**
 - Proposal 1 Cost is \$1,000,000.00
 - Proposal 2 Cost is \$1,100,000.00
 - Points Allocated to Cost Proposal is 30

Proposal 1:

- Step 1: \$1,000,000.00 divided by \$1,000,000.00 = Cost Score Percentage of 1 (100%).
- Step 2: 1 X 30 = Total Cost Score of 30.

Proposal 2:

- Step 1: \$1,000,000.00 divided by \$1,100,000.00 = Cost Score Percentage of 0.909091 (90.9091%).
- Step 2: 0.909091 X 30 = Total Cost Score of 27.27273

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SECTION 5: CERTIFICATION AND SIGNATURE PAGE

- 5.1. 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.

Suttle & Stalnaker, PLLC
(Company)

Chris Lambert
(Representative Name, Title)
Chris S. Lambert, CPA, CGMA, CCIFP, Member

304-343-4126 / 304-343-8008
(Contact Phone/Fax Number)

CSLambert@suttlecpas.com
(Email)

01/24/2024
(Date)

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Attachment A: Cost Sheet

Request for Proposal
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Professional Auditing Services - Exhibit A - Cost Sheet

Item #	Description	Unit of Measure	*Estimated Annual Quantity	Unit Price	Extended Amount
1	Annual Audit	Each	1	\$0.00	\$0.00
2	Partner	Hour	10	\$0.00	\$0.00
3	Staff Accountant	Hour	30	\$0.00	\$0.00
4	Accounting Assistant	Hour	45	\$0.00	\$0.00

Vendor must complete the pricing page in its entirety, as failure to do so will result in Vendor's bid being disqualified.

Grand Total	\$0.00
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Bidder/Vendor Information:
Name:
Address:
Phone No.:
Fax No.:
Email Address:
Authorized Signature

NOTES:
 Quantities are estimated for bid evaluation purposes only.
 * only.

ADDENDUM ACKNOWLEDGEMENT FORM
SOLICITATION NO.: ARFP DCR24*02

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

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

Addendum Numbers Received:

(Check the box next to each addendum received)

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

Suttle & Stalnaker, PLLC

Company

Chris Lambert

Authorized Signature

01/24/2024

Date

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

Revised 6/8/2012

STATE OF WEST VIRGINIA
PURCHASING AFFIDAVIT

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

ALL CONTRACTS: Under W. Va. Code §15A-3-14, no contract or renewal of any contract may be awarded by the state or any of its political subdivisions to any vendor or prospective vendor when the vendor or prospective vendor or a related party to the vendor or prospective vendor is a debtor and: (1) the debt owed is an amount greater than one thousand dollars in the aggregate; or (2) the debtor is in employer default.

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

DEFINITIONS:

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

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

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

AFFIRMATION: By signing this form, the vendor's authorized signer affirms and acknowledges under penalty of law for false swearing (W. Va. Code §61-5-3) that: (1) for construction contracts, the vendor is not in default on any monetary obligation owed to the state or a political subdivision of the state, and (2) for all other contracts, that neither vendor nor any related party owe a debt as defined above and that neither vendor nor any related party are in employer default as defined above, unless the debt or employer default is permitted under the exception above.

WITNESS THE FOLLOWING SIGNATURE:

Vendor's Name: Suttle & Stalnaker, PLLC

Authorized Signature: Chris Lambert Date: 01/24/2024

State of West Virginia

County of Kanawha, to-wit:

Taken, subscribed, and sworn to before me this 24 day of January, 2024.

My Commission expires Oct. 4, 2026

AFFIX SEAL HERE

NOTARY PUBLIC

Diane D. Flint



Purchasing Affidavit (Revised 03/09/2019)