



FULLY EXECUTED - REPRINT
Purchase Order No: 4300316489
Original PO Effective Date: 12/27/2011
PO Issue Date: 12/27/2011

Your SAP Vendor #: 176022

Please Deliver To:
Secretary's Office
625 Forster Street Rm 333 H&W Building
Harrisburg PA 17120 US

Supplier Name/Address:
MAHER DUESSEL
401 Liberty Ave
PITTSBURGH PA 15222-1015 US

Please Bill To:
Commonwealth of Pennsylvania - PO Invoice
PO Box 69180
Harrisburg, Pennsylvania 17106

Supplier Phone Number: 412-471-5500
Supplier Fax Number: 412-471-5508

Purchasing Agent

Name: David Kern
Phone: 717-783-9281
Fax: 717-787-3560

Purchase Order Description:
8411 Audit Services-DPW-BFO

This Purchase Order is issued pursuant to the referenced Contract and constitutes the Suppliers authority to deliver the item(s) referenced below at the prices stated below to the location(s) identified above in accordance with the Contract terms and conditions.

Suppliers must provide four mandatory elements on PO invoices: PO Number, Invoice Date, Invoice Number, and Invoice Gross Amount. Failure to comply will result in the return of the invoice. Additional optional information such as supplier name, address, remit to information and PO Line Item information will improve invoice processing.

Item	Material/Service Desc	Qty	UOM	Delivery Date	Net Price	Price Unit	Total
1	LOT 1 ODP EXAMS >>> Rel. ord. against contract 4400008108 Item 1	14.000	Each	01/02/2012	3,200.00	1	44,800.00
2	LOT 1 ODP AUP's >>> Rel. ord. against contract 4400008108 Item 1	1.000	Each	01/02/2012	2,150.00	1	2,150.00
3	LOT 2 OMHSAS, OCDEL, OLTL EXAMS >>> Rel. ord. against contract 4400008108 Item 1	4.000	Each	01/02/2012	4,000.00	1	16,000.00

Information:

Total Amount:
SEE LAST PAGE FOR TOTAL OF ALL ITEMS

Currency: USD

Supplier's Signature _____
Printed Name _____

Title _____
Date _____



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Supplier Name:
MAHER DUESSEL

Item	Material/Service Desc	Qty	UOM	Delivery Date	Net Price	Price Unit	Total
4	LOT 2 OMHSAS, OCDEL, OLTL AUP's >>> Rel. ord. against contract 4400008108	9.000	Each	01/02/2012	2,700.00	1	24,300.00
5	LOT 3 OCYF EXAMS >>> Rel. ord. against contract 4400008108	12.000	Each	01/02/2012	3,200.00	1	38,400.00
6	LOT 3 OCYF AUP's >>> Rel. ord. against contract 4400008108	1.000	Each	01/02/2012	2,150.00	1	2,150.00
7	LOT 4 OCYF EXAMS >>> Rel. ord. against contract 4400008108	11.000	Each	01/02/2012	3,200.00	1	35,200.00
8	LOT 4 OCYF AUP's >>> Rel. ord. against contract 4400008108	1.000	Each	01/02/2012	2,110.00	1	2,110.00

General Requirements for all Items:

Header Text

The Department of Public Welfare, Purchase Order for services from the DGS ITQ Consulting Contract under the Auditing - General category for SSAE-10 Compliance Attestation Services / SSAE-10/SSAE-11 Agreed-Upon Procedures Engagements for DPW Providers

The anticipated Term of the project is from January 1, 2012 until June 30, 2012.

ATTACHMENTS:

1. RFQ Solicitation
2. Attachment A Statement of Work
3. Attachment B Cost Matrix
4. Attachment C Domestic Workforce Utilization Form
5. Attachment D Lobbying Certification Form (Bids over \$100,000.00)

Line Items on this bid must agree with the Cost Matrix Form Attachment B.

Information:

Total Amount:

165,110.00

Currency: USD



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Original PO Effective Date: **12/27/2011**
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Supplier Name:
MAHER DUESSEL

No further information for this PO.

Information:

Total Amount:

165,110.00

Currency: USD

REQUEST FOR QUOTATIONS FOR

**Commonwealth of Pennsylvania
Department of Public Welfare, Bureau of Financial Operations
Consulting Services ITQ #4400007410**

RFQ FOR SSAE-10 Compliance Attestation Services / SSAE-10/SSAE-11 Agreed-Upon Procedures Engagements for DPW Providers

Solicitation Number: 6100020508

11/23/2011

Dear Vendor:

The attached Statement of Work (SOW) **Attachment A** and all attached Appendices are provided for you to develop your proposal for the referenced Consulting Project. The successful contractor will be selected based on Best Value. The Best Value Criteria specified below defines the criteria that will be used to determine the successful contractor to be issued a purchase order. It is imperative that you expound in writing on each of the best value criteria listed. You may complete your proposal on-line at the PA Supplier Portal: <https://www.pasupplierportal.state.pa.us/irj/portal/anonymous> . Submissions must be entered by the date and time on the solicitation form designated on line.

Best Value Criteria:

1. **Understanding the Problem:** Provide a detailed Work Statement that accurately assesses the problem to be solved based on your understanding of the project requirements stated in the SOW. Incorporate or append your Work Statement onto the attached Statement of Work (**Attachment A**).

2. **Contractor Prior Experience:** On the included Contractor Prior Experience Submittal, detail three (3) projects your company performed that are similar in nature and scope to the requirements stated in the SOW. Include reference company name and address, contact person with phone number, e-mail address and best time to call, project name, project start and end dates and a brief description of the project.
3. **Contractor Personnel and Qualifications:** Provide resumes with names of individuals that will be assigned and demonstrate the qualifications and skills required to successfully develop and implement the project as defined in the SOW. It is very important that the proposed individuals meet the minimum levels of experience and have all proper certifications, if requested. The proposed project manager must have demonstrated project management skills and technical background and experience to appropriately manage the project. Ensure resumes contain no personal information as these may become public documents.
4. **Project Work Plan:** Utilizing a GANTT or PERT chart, include a high-level summary that shows all the tasks and deliverables to complete the project. Explain your approach to deliverables. Append your Project Work Plan onto the attached Statement of Work (Attachment A).
5. **Cost:** Complete the attached Cost Matrix (**Attachment B**) and must be entered into the online solicitation form to be found responsive.
6. **Disadvantaged Business Participation:** To maximize DGS-certified Minority Business Enterprise (“MBE”) and Women-Business Enterprise (“WBE”) participation in the project, the greatest consideration will be given to a MBE or WBE quoting as a prime contractor, followed by an MBE/WBE participating as a joint venture partner. For all other prime contractors subcontracting to an MBE or WBE, briefly explain what your company’s approach will be to maximize MBE and WBE participation in the project if you are selected for award. This should include detail on which portions of the contract will be performed by the MBE/WBE. Include specific percentage commitments to be paid to MBEs/WBEs based upon the total contract value. The more definitive the commitment and the greater the percentage commitment, the greater consideration that your company will receive for this best value selection factor.
7. **Domestic Workforce Utilization:** Complete and sign the attached Domestic Workforce Utilization Form (**Attachment C**).
8. **Enterprise Zone Small Business Participation:** The greatest consideration will be given to an Enterprise Zone Small Business (EZSB) quoting as a prime contractor, followed by an EZSB participating as a joint venture partner. For all other prime contractors subcontracting to an EZSB, briefly describe what, if any, commitment your company is making to an EZSB for this project if you are selected for award. This should include detail on which portions of the contract will be performed by the EZSB, and the specific percentage commitments to be paid to EZSBs based upon the total contract value. The greater the percentage commitment, the greater consideration that your company will receive for this best value selection factor.
9. **Other** – Lobbying Certification Form for all bids over \$100,000.00 must be completed and attached to the online solicitation
Any questions on this RFQ may be sent to: David E. Kern, DPW Division of Procurement, 625 Forster St. Room 525 Health and Welfare Building, Harrisburg, PA 17120; Phone: 717-783-9281, email: dakern@pa.gov .

Note: This Request for Quotations **(6100020508)** is a restricted solicitation. Only those contractors qualified in the designated categories under Contract #4400007410, known as the Commonwealth of Pennsylvania's Consulting Services Invitation to Qualify (ITQ), may submit a proposal in response to this RFQ.

For more information about the Consulting Services ITQ, please click the following link.
http://www.portal.state.pa.us/portal/server.pt/community/invitation_to_qualify/4641/where_to_start/495422

The following documents must be returned with your RFQ response:

- Attachment A – Statement of Work (include Contractor Work Statement, Project Work Plan, Contractor Prior Experience Submittal and Resumes of proposed personnel)
- Attachment B – Cost Matrix
- Attachment C – Domestic Workforce Utilization Form
- Attachment D – Lobbying Form

Contractor Prior Experience Submittal

	Company Name and Address	Contact Information	Project Name	Project Start and End Dates	Brief Description of the Project
1					
2					
3					

ATTACHMENT A
WORK STATEMENT

IV-1. Objectives.

- a. **General.** The Department of Public Welfare's various program offices contract with various independent organizations to provide services to the citizens of the Commonwealth. To assist the Department of Welfare in its monitoring of these contracts.

- b. **Specific.** To have an appropriate independent examination performed in accordance with the American Institute of Certified Public Accountants' Statement on Standards for Attestation Engagements (SSAE) No. 10, Compliance Attestations, for a sample of these organizations as identified in **Appendix F** "DPW List of Providers". Also to have an appropriate independent agreed-upon procedures engagement performed in accordance with the American Institute of Certified Public Accountants' Statement on Standards for Attestation Engagements (SSAE) No. 10 and 11, Agreed-Upon Procedures Engagements, for a sample of these organizations as identified in **Appendix F** "DPW List of Providers". Please note that DPW may replace individual providers identified in **Appendix F** "DPW List of Providers" with similar sized providers for the same engagement type (i.e. either an examination or an AUP). In addition, a representative(s) of the contractor will be required to provide testimony at any hearings, which are the result of a provider's appeal. Work related to any such appeals are to be billed by the contractor using hourly rates. Accordingly, the response to this RFQ should include the proposed hourly rates related to any such appeals.

IV-2. Nature and Scope of the Project.

The project is to include examinations performed in accordance with the American Institute of Certified Public Accountants' Statement on Standards for Attestation Engagements (SSAE) No. 10, Compliance Attestations, for a sample of the organizations the Department of Public Welfare's various program offices contract with to provide services to the citizens of the Commonwealth.

The project is also to include agreed-upon procedures engagements performed in accordance with the American Institute of Certified Public Accountants' Statement on Standards for Attestation Engagements (SSAE) No. 10 and 11, Agreed-Upon Procedures Engagements, for a sample of the organizations the Department of Public Welfare's (DPW) various program offices contract with to provide services to the citizens of the Commonwealth (Providers). Specifically, DPW selected a sample of 50 Providers, as noted in **Appendix F** "DPW List of Providers", of which **18** will be subject to a Compliance Attestation and **32** will be subject to an Agreed-Upon Procedures engagement. The "List of Providers" also includes information related to the DPW's and/or county funding of each Provider and the type of engagement to which each Provider will be subject. These providers have been split into four (4) Lots, as noted on **Appendix F**. The bidding contractors may bid on any or all of the Lots. Please note that DPW may replace individual providers identified in **Appendix F** "DPW List of Providers" with similar sized providers for the same engagement type (i.e. either an examination or an AUP). The assertions for the compliance attestation and related requirements are included in **Appendix G** "Commonwealth of Pennsylvania, Department of Public Welfare Compliance Attestation for Program Funded Services". The procedures to be performed for the agreed-upon procedures engagements are included in **Appendix H** "Commonwealth of Pennsylvania, Department of Public Welfare Agreed-Upon Procedures for Fee-for-Service Programs".

IV-3. Requirements.

- a. Be a CPA firm licensed in Pennsylvania with no disciplinary actions taken by the Pennsylvania Department of State in the 5 years previous to the quote submission date.
- b. Be able to perform an examination in accordance with SSAE 10.
- c. Be able to perform an agreed-upon procedures engagement in accordance with SSAE 10 and 11.
- d. Have received an unqualified peer review report for the most recent peer review. (A copy of the most recent peer review report must be submitted with the proposal.)
 - a. Issue all reports no later than June 30, 2012.
 - b. Be available to provide testimony at any appeals hearings arising from this engagement.

IV-4. Tasks.

The contractor will perform examinations in accordance with the American Institute of Certified Public Accountants' Statement on Standards for Attestation Engagements (SSAE) No. 10, Compliance Attestations. These examinations will be performed on the Providers identified in **Appendix F** "DPW List of Providers". The specific requirements are described in **Appendix G** "Commonwealth of Pennsylvania, Department of Public Welfare Compliance Attestation for Program Funded Services". The contractor will also perform agreed-upon procedures engagements in accordance with the American Institute of Certified Public Accountants' Statement on Standards for Attestation Engagements (SSAE) No. 10 and 11, Agreed-Upon Procedures Engagements. These agreed-upon procedures engagements will be performed on the Providers identified in **Appendix F** "DPW List of Providers". The specific requirements are described in **Appendix H** "Commonwealth of Pennsylvania, Department of Public Welfare Agreed-Upon Procedures for Fee-for-Service Programs". A separate report will be provided for each of these independent organizations that have been selected by the Department of Public Welfare.

IV-5. Reports and Project Control.

- a. **Task Plan.** A work plan for each task that identifies the work elements of each task, the resources assigned to the task and the time allotted to each element, and dates by when the examination and/or AUP reports will be issued. Please note that all reports must be issued no later than June 30, 2012. Where appropriate, a PERT or GANTT chart display should be used to show project, task, and time relationship.
- b. **Status Report.** A periodic monthly progress report covering activities, problems and recommendations. This report should be keyed to the work plan the Contractor developed in its proposal, as amended or approved by the Issuing Office.
- c. **Problem Identification Report.** An "as required" report, identifying problem areas. The report should describe the problem and its impact on the overall project and on each affected task. It should list possible courses of action with advantages and disadvantages of each, and include Contractor recommendations with supporting rationale.

d. **Final Report.**

Each examination will include an accountant's report that

- i. Expresses an opinion on management's assertions.

Each agreed-upon procedures engagement will include an accountant's report that

- i. Lists the procedures performed and the results of those procedures

All reports are due to the Commonwealth no later than June 30, 2012. Copies of the reports should be sent to the following location:

Department of Public Welfare
Bureau of Financial Operations
Audit Resolution Section
Forum Place, First Floor
555 Walnut Street
Harrisburg, PA 17101

ATTACHMENT B COST MATRIX

ITEM	Quantity	Unit of Measure	Price
LOT 1 ODP EXAMS	14	EA	
LOT 1 ODP AUP's	1	EA	
LOT 2 OMHSAS, OCDEL and OLTL EXAMS	4	EA	
LOT 2 OMHSAS, OCDEL and OLTL AUP's	9	EA	
LOT 3 OCYF EXAMS	12	EA	
LOT 3 OCYF AUP's	1	EA	
LOT 4 OCYF EXAMS	11	EA	
LOT 4 OCYF AUP's	1	EA	
TOTAL			

APPENDIX F
DPW LIST OF PROVIDERS

	Provider	Program Office	Type	SAP	7/1/10-6/30/11 PROMISE	County
1	Montgomery County ARC	OCDEL	Fee-for-Service	\$ -	\$ 1,103,159	
2	Skills	ODP	Program Funded	-	1,792,610	
3	Community Services Group	ODP	Program Funded	2,827	37,563,138	
4	Person Directed Supports	ODP	Program Funded	-	37,613,630	
5	Keystone Human Services	ODP	Program Funded	-	7,488,361	
6	Sharp Vision	ODP	Program Funded	-	44,132,902	
7	United Cerebral Palsy of Central PA	ODP	Program Funded	-	13,564,791	
8	Impact Systems (P)	ODP	Program Funded	-	18,710,263	
9	Kelsch Associates (P)	ODP	Program Funded	-	5,342,432	
10	Lynch Community Homes - Chester County (P)	ODP	Program Funded	-	10,845,280	
11	M-5, Inc.	ODP	Program Funded	-	2,177,417	
12	The Melmark Home, Inc.	ODP	Program Funded	2,805	12,267,140	
13	Woods Services	ODP	Program Funded	-	4,561,478	
14	John Paul II	ODP	Program Funded	-	478,303	
15	The Tomestead, Inc.	ODP	Program Funded	-	332,826	
16	Three Rivers Center for Independent Living	OLTL	Fee-for-Service	-	17,581,274	
17	JEVS	OLTL	Fee-for-Service	-	66,169,457	
18	Allied Health Care Services	OLTL	Fee-for-Service	-	22,915,964	
19	Asociacion Puertorriquenos En Marcha	OMHSAS	Program Funded	-	-	*Encounter data only
20	COMHAR	OMHSAS	Fee-for-Service	-	12,528,549	
21	Congreso De Latinos Unidos	OMHSAS	Program Funded	-	25,293	
22	Dr. Warren E Smith MH MR Substance Abuse Center Inc.	OMHSAS	Program Funded	-	1,462,002	
23	Horizon House Rehabilitation Services	OMHSAS	Fee-for-Service	-	25,400	
24	Empowerment Resource Associates Inc. (P)	OMHSAS	Fee-for-Service	-	-	*Encounter data only
25	Mednet Health Care Systems (P)	OMHSAS	Program Funded	-	-	*Encounter data only
26	Child Guidance Resource Centers	OMHSAS	Fee-for-Service	-	87,437	
27	Warwick Family Based Program	OMHSAS	Fee-for-Service	-	-	*Encounter data only
28	Caring People Alliance	OCYF	Fee-for-Service	95,866,657	-	*No PROMISE payment data
29	Wordsworth Academy	OCYF	Fee-for-Service	-	-	*Payments offset by credits
30	LIFESPAN Day Care, Inc.	OCYF	Fee-for-Service	-	-	*No PROMISE payment data
31	Thomas Foster Care	OCYF	Fee-for-Service	-	-	1,102,468 ^ County funded
32	ClearVision	OCYF	Fee-for-Service	-	-	1,563,880 ^ County funded
33	Summit School/Community Specialists	OCYF	Fee-for-Service	-	-	^ County funded
34	Mel Blount	OCYF	Fee-for-Service	-	-	822,680 ^ County funded
35	Mid-Atlantic Youth Services (Western PA Child Care and PA Child Care)	OCYF	Fee-for-Service	-	-	1,987,132 ^ County funded
36	North Penn Comprehensive Health Services Inc (Laurel Youth Services)	OCYF	Fee-for-Service	-	2,494,691	
37	Northwestern Human Services/NHS of PA	OCYF	Fee-for-Service	-	38,395,809	
38	Resources for Human Development	OCYF	Fee-for-Service	-	46,924,383	
39	Wood Services (Brian's House)	OCYF	Fee-for-Service	-	12,026,731	
40	A Second Chance	OCYF	Fee-for-Service	-	-	*No PROMISE payment data
41	Adelphoi Village	OCYF	Fee-for-Service	-	25,098	
42	Alliance Human Services	OCYF	Fee-for-Service	-	-	^ County funded
43	Catholic Social Services of the Diocese of Scranton, Inc.	OCYF	Fee-for-Service	56,053	712	
44	Cornell Abraxas	OCYF	Fee-for-Service	-	-	*Encounter data only
45	Elwyn	OCYF	Fee-for-Service	415,587	69,810,213	
46	Family Care for Children and Youth Inc	OCYF	Fee-for-Service	-	-	3,030,726 ^ County funded
47	George Junior Republic	OCYF	Fee-for-Service	-	930	
48	Holy Family Institute	OCYF	Fee-for-Service	-	-	416,894 ^ County funded
49	Carson Valley Childrens Aid	OCYF	Fee-for-Service	40,000	-	295,576 *Encounter data only ^ County funded
50	Juvenile Justice Center	OCYF	Fee-for-Service	-	-	18,276 *Encounter data only ^ County funded

* Thirteen (13) providers had \$0.00 paid through PROMISE.

^ Please note that the County funding includes only 60 of the 67 counties. Data was not available for the remaining 7 counties which include:

\$ 96,383,929 \$ 488,447,673 \$ 9,237,632

APPENDIX F
DPW LIST OF PROVIDERS

Provider	Program Office	Type	SAP	7/1/10-6/30/11 PROMISe	County
Bradford					
Chester					
Fayette					
Jefferson					
Monroe					
Philadelphia					
Union					

ODP	14	Program Funded
OMHSAS	9	4 Program Funded; 5 Fee-for-Service
OCDEL	1	Fee-for-Service
OCYF	23	Fee-for-Service
OMAP	0	
OLTL	3	Fee-for-Service
	<u>50</u>	

Program Funded (subject to a Compliance Attestation)	18
Fee-for-Service (subject to an AUP engagement)	32
	<u>50</u>

<u>Lot Descriptions</u>	<u>Numbers from above list</u>
Lot 1: ODP - Program Funded (14 providers)	2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, and 15
Lot 2: OMHSAS, OCDEL, and OLTL - Program Funded and Fee-for Service (13 providers)	1, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27
Lot 3: OCYF - Fee-for-Service (12 providers)	28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39
Lot 4: OCYF - Fee-for-Service (11 providers)	40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50

APPENDIX G
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF PUBLIC WELFARE

COMPLIANCE ATTESTATION FOR
PROGRAM FUNDED SERVICES

NOTE: MANAGEMENT'S ASSERTIONS SHOULD BE PREPARED AND REPORTED ON A SEPARATE DOCUMENT AND INCLUDED WITH THE CPA'S COMPLIANCE ATTESTATION REPORT. MANAGEMENT'S ASSERTIONS SHOULD BE PRESENTED ON MANAGEMENT'S LETTERHEAD, SIGNED BY A RESPONSIBLE, AUTHORIZED OFFICIAL, AND DATED. (SEE GAGAS ¶6.30 THROUGH ¶6.56, AND STATEMENT ON STANDARDS FOR ATTESTATION ENGAGEMENTS (SSAE) NUMBER 10, COMPLIANCE ATTESTATION [AT§601]).

NOTE: THE FOLLOWING IS SUGGESTED LANGUAGE FOR MANAGEMENT'S REPORT ON COMPLIANCE AND SHOULD BE MODIFIED, AS CIRCUMSTANCES REQUIRE.

Report of Management on Compliance

We, as members of management of [Provider], are responsible for (a) identifying applicable compliance requirements, (b) establishing and maintaining internal controls over compliance and complying with the requirements specified in the appropriate Federal Regulations (including OMB Circular A-122) and the appropriate Sections of the PA Code, as appropriate, for the period July 1, 2010 to June 30, 2011, (c) monitoring and evaluating compliance with these requirements, and (d) specifying reports that satisfy requirements. We have performed an evaluation of our compliance with the aforementioned requirements. Based on this evaluation, we assert that during the year ended June 30, 2011, the [Provider Name] (has/has not) complied in all material respects as described in the following:

1. Cost Allocation Plan

- The Cost Allocation Plan allocates costs in a manner that is based on a legitimate plan that is consistent with the PA Code, and does not allocate based on revenues or available funding. In addition, all costs have been allocated in accordance with the Cost Allocation Plan.

2. Real Estate Rentals

- We have prepared an analysis of lease vs. purchase option for each real estate property leased at the time of lease execution. The rental was the best option for all real estate leases, based on this lease vs. purchase analysis.
- If any real estate leases are with related parties, as defined in the Cost Report Instructions for MR waiver services, Ch. 4300 Regulations for MR base services, MH, and EI, and any other appropriate Regulations, the rent does not exceed the related party's costs.

3. Real Estate Owned

- We have prepared an analysis of lease vs. purchase option for each real estate property owned at the time of purchase. The purchase was the best option for all owned real estate properties, based on this lease vs. purchase analysis.
- We are recognizing the costs for new administrative and non-residential real estate acquired on or after July 1, 2009 through depreciation, using the straight line method (MR Waiver services only).
- We are recognizing the costs of administrative and non-residential real estate currently in use with an outstanding original loan as of June 30, 2009 through principal and interest payments (MR Waiver services only).
- We are recognizing the costs for residential real estate with a loan having a term of 15 years or more through the actual costs of principal and interest payments (MR Waiver services, MR Base, MH).
- We are recognizing the costs for residential real estate with a loan having a term of less than 15 years through the actual costs of principal and interest payments, reduced by the amount that the actual cost of principal, interest, and major renovations and improvements exceeds the fair rental of the property (as defined in the Cost Report instructions, and/or Ch. 4300, as appropriate) (MR Waiver services, MR Base, MH).
- Effective July 1, 2006, we are recognizing the costs of real estate through depreciation, as applied in a method which conforms to Internal Revenue Service Regulations (EI).
- We have calculated the real estate costs included in the continuing participation allowance in accordance with the Cost Report Instructions for MR waiver services and Ch. 4300 Regulations for MR base services, MH, and EI.
- Any real estate improvements that we have included in the continuing participation allowance are properly classified as such, and should not have been expensed when incurred as repairs and/or maintenance expenses, in accordance with the Cost Report Instructions for MR waiver services and Ch. 4300 for MR base services, MH, and EI.
- If we sold any residential properties during the year that had been purchased within the five (5) year period prior to the sale, we have researched to verify whether DPW had participated in the cost of the down payment. For any such properties, we have correctly calculated the refund to DPW in accordance with the Cost Report Instructions and/or Ch. 4300, as appropriate.

4. Motor Vehicles

- We have prepared an analysis of lease vs. purchase option for each motor vehicle in our possession at the time of the lease execution / purchase. The lease or purchase, as appropriate, was the best option for each of the vehicles in our possession, based on this lease vs. purchase analysis.
- If we have acquired any luxury vehicles, as defined below, only the cost of a base, “no-frills” vehicle was charged to the program. Luxury vehicles, for this purpose, are defined as those from a luxury manufacturer (e.g. Acura, Audi, Infinity, Cadillac, Lincoln, Lexus, Mercedes, and similar manufacturers), or with luxury options (e.g. leather seats, heated seats, sunroof/moonroof, XM/Sirius satellite radio, and similar items that are not necessities and add to the price of the vehicle).

5. Related Party Transactions

- We have disclosed all related party transactions, as defined in the Cost Report Instructions for MR waiver services, Ch. 4300 Regulations for MR base services, MH, and EI, and any other appropriate Regulations. Each of these related party transactions have a legitimate business purpose, and have been properly accounted for and properly reported in accordance with the Cost Report Instructions for MR waiver services, Ch. 4300 for MR base services, MH, and EI, and any other appropriate Regulations.

6. Other Expenses

- We have charged no expenses to the program that are non-allowable pursuant to the Cost Report Instructions and/or Ch. 4300, or other appropriate Regulations, as appropriate. Further, there were no expenses charged to the program that are not consistent with that of a cost-conscious organization, as defined in 55 Pa. Code § 4300.28, relating to Reimbursable Costs.

7. Certain Family Relationships

- There are no consumer’s relatives, as defined below, who are owners, officers, and/or employees of the provider that have not been listed below. For this purpose, relatives include: the consumer’s parents, grandparents, siblings, aunts, uncles, nieces, nephews, children, grandchildren, and first cousins, or the spouses of any of these individuals. Also included in this definition is the consumer’s spouse, and the spouse’s parents, grandparents, siblings, aunts, uncles, nieces, nephews, children, grandchildren, and first cousins, or the spouses of any of these individuals.

- The list of the consumer’s relatives, as defined above, who are owners, officers, and/or employees of the provider is as follows:

<u>Name of owner/officer/employee</u>	<u>Relationship to the consumer</u>	<u>Position held</u>
---------------------------------------	-------------------------------------	----------------------

- The compensation paid to each of the consumer’s relatives is properly supported by our payroll records, and those records are properly supported by time sheets, or other similar supporting documentation.
- There were no weeks in which any of the consumer’s relatives were compensated for more than 70 hours, nor any weeks in which any of the consumer’s relatives and such relative’s spouse were compensated for more than 100 hours combined that have not been disclosed below.

<u>Beginning and ending dates of week</u>	<u>Name of owner/ officer/employee/ spouse</u>	<u>Hours worked by relative</u>	<u>Hours worked by relative’s spouse</u>
---	--	-------------------------------------	--

- There are no items (e.g. assets) that we have acquired that are for the benefit of the consumer’s relative(s), and not the consumer. We understand that this includes the use of an item in addition to its acquisition (e.g. the personal use of a vehicle by the relative).

8. Units of Service

- We have billed units of service to DPW for which authorized services were provided, and we have adequate supporting documentation for such units of service.

[Signature]

[Date]

[Printed Name]

[Title]

NOTE: The following is suggested language for the Independent Accountant's Compliance Attestation Examination Report.

Independent Accountant's Report

To the Board of Directors
Provider Name
Anywhere, PA

We have examined management's assertions*, included in the accompanying [insert title of management's report] that [Provider Name] complied with [list specified compliance requirements] during the year ended June 30, 2011. Management is responsible for [Provider Name's] compliance with these requirements. Our responsibility is to express an opinion on [Provider Name's] compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in Government Auditing Standards issued by the Comptroller General of the United States, and, accordingly, included examining, on a test basis, evidence about [Provider Name's] compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on [Provider Name's] compliance with specified requirements.

In our opinion, management's assertion that [Provider Name] complied with the aforementioned requirements during the year ended June 30, 2011 is fairly stated, in all material respects.

[When any of the matters set forth in paragraph 6.31 of GAGAS have been identified the following paragraph would be added.]

In accordance with Government Auditing Standards, we are required to report findings of deficiencies in internal control, identifying those considered to be material weaknesses, violations of provisions of contracts or grant agreements, and abuse that could have a material effect on [Provider Name's] compliance with the above requirements, and any fraud and illegal acts that are more than inconsequential that come to our attention during our examination. We are also required to obtain the views of management on those matters. We performed our examination to express an opinion on management's assertion that [Provider Name] complied with the above requirements and not for the purpose of expressing an opinion on the internal control over [Provider Name's] compliance with those requirements or on other matters; accordingly, we express no such opinions. Our examination disclosed certain findings that are required to be reported under Government Auditing Standards and those findings, along with the views of management, are described in the attached Schedule of Findings.

[If a management letter has been issued, the following paragraph should be included.]

In accordance with Government Auditing Standards, we also noted other matters which we have reported to management of [Provider Name] in a separate letter dated Month Day, 20XX.

This report is intended solely for the information and use of [Provider Name] and the Pennsylvania Department of Public Welfare (DPW) and is not intended to be and should not be used by anyone other than these specified parties.

[Signature]

[Date]

If a management letter has been issued as a result of the independent CPA's examination, copies of this letter must be submitted with, but not necessarily part of the bound report on the CPA's examination.

* Management's assertions should be prepared and reported on as a separate document and included with this report. Management's assertions should be presented on management's letterhead, signed by a responsible primary contractor official, and dated. See AT §601, Compliance Attestation.

NOTE: The CPA should refer to GAGAS ¶6.30 through ¶6.56 and AT §601.57, .58, .61, and .64 and AT §9101.56 through §9101.58 for guidance on the issuance of this report.

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF PUBLIC WELFARE

APPENDIX H
AGREED-UPON PROCEDURES FOR
FEE-FOR-SERVICE PROGRAMS

- I. These procedures are to be performed based on the most recent June 30 fiscal year end (i.e. July 1, 2010 – June 30, 2011), regardless of the provider’s actual fiscal year-end.

- II. Units of Service
 1. Obtain a list of all fee-for-service claims paid by the Pennsylvania Department of Public Welfare (DPW) and/or the counties/Administrative Entities from the Provider during the period of these procedures.
 2. Reconcile the Provider’s list of paid claims to the Provider’s cash receipts journal and note any reconciling items and/or differences.
 3. Select a random sample of 60 of the paid claims described in Procedure II,1, above.
 4. For each of the sample of paid claims described in Procedure II,3, above:
 - a. Obtain supporting documentation from the Provider.
 - b. Inspect the supporting documentation described in Procedure II,4,a, above, as follows:
 1. Verify that the supporting documentation includes evidence that the services were authorized. Include in the report a description of the Provider’s methodology of documenting this authorization.
 2. Verify that the supporting documentation includes evidence that the services were provided. Include in the report a description of the Provider’s methodology of documenting this existence/occurrence.

- III. Cost Allocation Plan:
 1. Inquire if the Provider has a written cost allocation plan. If so, obtain the Provider’s cost allocation plan and include a copy in the report. If not, obtain an understanding of the Provider’s cost allocation plan, document that understanding, and include that documentation in the report.

- IV. Direct and Indirect/Administrative Costs:
 1. Select a random sample of 60 cash disbursements from a Provider-prepared list. This list should include both direct and indirect/administrative costs.
 2. Vouch each of the 60 cash disbursements described in Procedure IV,1, above, to supporting documentation (invoices, etc.) and verify that the date paid, amount, and description included in the Provider-prepared list of disbursements agrees to the supporting documentation.
 3. For any indirect/administrative costs included in the sample described in Procedure IV, 2 above, verify that each of these costs are allocated in accordance with the cost allocation plan. Note the total number of indirect/administrative costs tested and the number of exceptions.

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF PUBLIC WELFARE

APPENDIX H
AGREED-UPON PROCEDURES FOR
FEE-FOR-SERVICE PROGRAMS

V. Cost of Services Provided:

1. Obtain a schedule from the Provider of the total costs incurred for each service code that was paid by DPW and/or the counties / Administrative Entities during the period of these procedures. This schedule should also include the total units provided for each service code.
2. Compare the total units of service for each service code provided, as obtained in Procedure V,1, above to the list obtained from the Provider in Procedure II,1, above and note any differences.
3. Obtain the data used to prepare the schedule in Procedure V,1, above, and trace each of the 60 cash disbursements described in Procedure IV,2, above, to this data and verify that these costs are included and that indirect/administrative costs are charged in accordance with the Provider's cost allocation plan, described in Procedure III,1, above.
4. Include in the report a copy of the schedule obtained in Procedure V,1, above.

VI. Other:

1. Include in the report any other information that comes to the attention of the accountant, in accordance with the American Institute of Certified Public Accountants' Statements on Standards for Attestation Engagements Section 201, Agreed-Upon Procedures Engagements (AT§201.40).



A Proposal to Provide Professional Audit Services

Pennsylvania Department of Public Welfare
Solicitation No. 6100020508

Submitted: December 9, 2011

Contact:
Lisa A. Ritter, CPA, CFE
Partner
lritter@md-cpas.com
717.232.1230

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Pennsylvania
Department of
Public Welfare,
Solicitation No.
6100020508

Best Value Criteria.

1. Understanding the Problem. As requested, we have incorporated our detailed Work Statement into the Statement of Work in **Appendix A**.

We understand that the Department of Public Welfare's (DPW) various program offices contract with various independent organizations to provide services to the citizens of the Commonwealth. The purpose of our engagement will be to attest to provider compliance with specified contractual requirements for a sample of providers and to report on the findings of Agreed-Upon Procedures for a separate sample of providers. The Commonwealth will then be able to utilize the results of this engagement to gain an understanding of the rate of noncompliance among providers with the specific requirements/procedures tested.

2. Contractor Prior Experience. Maher Duessel currently serves more than 175 governmental audit clients and 240 non-profit audit clients for which the majority we perform attest services. As requested, we have included our Contractor Prior Experience Submittal as part of the Statement of Work in **Appendix A**.

3. Contractor Personnel and Qualifications. As requested, we have included resumes of the partners, senior manager, and senior who will be assigned to this engagement as part of the Statement of Work in **Appendix A**.

All Maher Duessel professionals assigned to this engagement will have a background performing this type of work and are highly-experienced in non-profit and government accounting services. Our firm is designed to provide superior service with the expertise of highly-experienced professionals. Maher Duessel is distinguished from other firms in that **all** of our professionals have chosen to serve non-profits and governments and have significant experience and education in both markets.

Furthermore, all Maher Duessel professionals meet or exceed the continuing education requirements stipulated by the American Institute of Certified Public Accountants (AICPA) and the Commonwealth of Pennsylvania. Furthermore, federal *Government Auditing Standards* mandate additional educational requirements for CPA firms that conduct government audits. All of our professionals meet or exceed these standards as well.

Our professionals benefit from regular in-house training and from national and state-wide seminars geared to topics of interest to governmental and non-profit entities. We design 16-32 Continuing Professional Education (CPE) credits for our professionals each year to address the unique needs of our practice.

Finally, the accounting and auditing strength of our professionals is evidenced by their current service to the AICPA and the Pennsylvania Institute of Certified Public Accountants (PICPA) and by their current roles as educators to other certified public accountants, non-profit groups, and government groups. Our professionals teach certified public accountants on the local, state, and national levels on a frequent basis and specialize in non-profit and governmental topics.

4. Project Work Plan. As requested, we have appended our Project Work Plan to the Statement of Work in **Appendix A**.

5. Cost. As requested, we have included the Cost Matrix in **Appendix B**.

6. Disadvantaged Business Participation. Maher Duessel will subcontract 15% of our engagement to Monbo Group International, a Pennsylvania MBE and WBE firm that has Agreed-Upon Procedures reporting and performance experience related to state contracts under SSAE 10 and 11. Monbo Group International has performed Agreed-Upon Procedures engagements for several public universities in Maryland.

Maher Duessel frequently utilizes DBE firms, and we can seamlessly coordinate our efforts and ensure that multiple-firm participation does not translate into inefficiency for you.

Furthermore, Maher Duessel embraces the goal of promoting women and minorities in the accounting industry, as more than 66% of the firm's personnel are women, including four of our seven partners, all four senior managers, and seven of ten managers.

7. Domestic Workforce Utilization. As requested, our Domestic Workforce Utilization form can be found in **Appendix C**.

8. Enterprise Zone Small Business Participation. Maher Duessel is not an enterprise business zone participant.

9. Other. As requested, we have included our Lobbying Form in **Appendix D**.



Appendix A: Statement of Work

Maher Duessel Work Statement.

IV-1. Objectives.

a. General. We understand that the Department of Public Welfare's (DPW) various program offices contract with various independent organizations to provide services to the citizens of the Commonwealth and that the general objectives are to assist the Department of Welfare in its monitoring of these contracts.

b. Specific. We further understand that the specific objectives are to have an appropriate independent examination performed in accordance with the American Institute of Certified Public Accountants' (AICPA) Statement on Standards for Attestation Engagements (SSAE) No. 10, Compliance Attestations, for a sample of these organizations as identified in Appendix F "DPW List of Providers" of the Request for Qualifications (RFQ). We understand that another specific objective is to have an appropriate independent agreed-upon procedures engagement performed in accordance with the AICPA's SSAE No. 10 and 11, Agreed-Upon Procedures Engagements, for a sample of these organizations as identified in Appendix F "DPW List of Providers" of the RFQ. We understand that DPW may replace individual providers identified in Appendix F "DPW List of Providers" with similar sized providers for the same engagement type (i.e. either an examination or an Agreed-Upon Procedures). In addition, we understand that a representative(s) of our firm will be required to provide testimony at any hearings that are the result of a provider's appeal. Work related to any such appeals are to be billed by the contractor using hourly rates. Accordingly, our response to the RFQ includes the proposed hourly rates related to any such appeals:

Professional Class	Proposed Hourly Rates
Partner	\$250
Senior Manager	\$175
Senior	\$100

IV-2. Nature and Scope of the Project. We understand that the project is to include examinations performed in accordance with the AICPA's SSAE No. 10, Compliance Attestations, for a sample of the organizations the DPW's various program offices contract with to provide services to the citizens of the Commonwealth.

We also understand that the project is to include Agreed-Upon Procedures engagements performed in accordance with the AICPA's SSAE No. 10 and 11, Agreed-Upon Procedures Engagements, for a sample of the organizations the DPW various program offices contract with to provide services to the citizens of the Commonwealth (Providers). Specifically, DPW selected a sample of 50 Providers, as

noted in Appendix F “DPW List of Providers” of the RFQ, of which 18 will be subject to a Compliance Attestation and 32 will be subject to an Agreed-Upon Procedures engagement. We also understand that the “List of Providers” includes information related to the DPW’s and/or county funding of each Provider and the type of engagement to which each Provider will be subject. These providers have been split into four Lots, as noted on Appendix F. The bidding contractors may bid on any or all of the Lots. We have noted that DPW may replace individual providers identified in Appendix F “DPW List of Providers” with similarly-sized providers for the same engagement type (i.e. either an examination or an Agreed-Upon Procedures). The assertions for the compliance attestation and related requirements are included in Appendix G “Commonwealth of Pennsylvania, Department of Public Welfare Compliance Attestation for Program Funded Services” of the RFQ. The procedures to be performed for the agreed-upon procedures engagements are included in Appendix H “Commonwealth of Pennsylvania, Department of Public Welfare Agreed-Upon Procedures for Fee-for-Service Programs” of the RFQ.

IV-3. Requirements.

a. License to Practice and No Disciplinary Action. Maher Duessel is a certified public accounting firm licensed by the Commonwealth of Pennsylvania (License AF-001482-L). Our partners and all CPAs are members of both the AICPA and the Pennsylvania Institute of Certified Public Accountants (PICPA). All certified public accountants are certified by the Commonwealth of Pennsylvania.

Neither Maher Duessel nor any of its professionals have ever been subject to any disciplinary complaint, proceeding, or action by any state regulatory bodies or professional organizations. Similarly, Maher Duessel has never been the subject of any complaint filed in court or before any arbitration or other quasi-judiciary body.

b. Ability to Perform Engagements in Accordance with SSAE 10 and 11. Maher Duessel is able to perform an Examination in Accordance with SSAE 10 and an Agreed-Upon Procedures engagement in accordance with SSAE 10 and 11. Maher Duessel has twenty years of experience performing engagements in accordance with attestation standards. Maher Duessel's client base is made up of almost exclusively non-profit and government clients, and we perform more than 100 Single Audits each year. Almost all of these clients include attest procedures required by various counties and the DPW Single Audit Compliance Supplement, and many fall under regulations such as the MH/MR 4300 regulations that require the type of compliance testing included in the RFQ. We also perform separate attest engagements for a number of non-audit clients that require assurance on compliance or other matters.

c. Peer Review. Maher Duessel underwent a peer review for the year ended May 31, 2010, which was conducted by Goff Backa Alfera & Company, LLC. We are required

to undergo such a review every three years and are proud that Maher Duessel earned the highest possible peer review opinion, which is “passed.” Furthermore, **all** of our peer review opinions since our inception have been unqualified, attesting to our commitment to quality. **A copy of our peer review is included in Appendix E.**

d. Ability to Issue Reports No Later than June 30, 2012. Maher Duessel is able to issue reports no later than June 30, 2012. As we perform services for governments and non-profits year-round, we are exceptionally well-prepared to meet all deadlines, as our expertise in these markets enables us to perform our services efficiently.

Furthermore, because our main focus does not include tax returns, we do not have a “tax season” as many other firms do from January through April when a large portion of this work will be completed.

e. Availability to Provide Testimony at Any Appeals Hearings Arising from this Engagement. Maher Duessel understands that a representative from our firm must be available to provide testimony at any appeals hearings that arise from this engagement, and we will have a representative available to provide this testimony. Specifically, Lisa Ritter the partner in charge of this engagement, is a CPA and CFE. She has prior experience testifying at hearings as well as trials including federal court and will provide any testimony that is needed.

IV-4. Tasks. We will perform examinations in accordance with the AICPA’s SSAE No. 10, Compliance Attestations. These examinations will be performed on the Providers identified in Appendix F “DPW List of Providers” of the RFQ. The specific requirements are described in Appendix G “Commonwealth of Pennsylvania, Department of Public Welfare Compliance Attestation for Program Funded Services” of the RFQ. We will also perform Agreed-Upon Procedures engagements in accordance with the AICPA’s SSAE No. 10 and 11, Agreed-Upon Procedures Engagements. These agreed-upon procedures engagements will be performed on the Providers identified in Appendix F “DPW List of Providers” of the RFQ. The specific requirements are described in Appendix H “Commonwealth of Pennsylvania, Department of Public Welfare Agreed-Upon Procedures for Fee-for-Service Programs” of the RFQ. We understand that a separate report will be provided for each of these independent organizations that have been selected by the DPW.

IV-5. Reports and Project Control.

a. Task Plan. Please see our GANTT chart and approach to deliverables in our Project Work Plan.

b. Status Report. We will issue a periodic monthly progress report, keyed to the work plan that we develop in this proposal, covering activities, problems, and recommendations. Please see Approach to Deliverables in our Project Work Plan.

c. Problem Identification Report. Maher Duessel will issue an “as required” report that identifies problem areas, describes the problem and its impact on the overall project, describes the impact on each affected tasks, lists possible courses of action and their advantages and disadvantages, and includes our recommendations with supporting rationale. Please see Approach to Deliverables in our Project Work Plan.

d. Final Report. We understand that each examination will include an Accountant's Report that expresses an opinion on management's assertions. Please see Approach to Deliverables in our Project Work Plan.

We also understand that each Agreed-Upon Procedures engagement will include an Accountant's Report that lists the procedures performed and the results of those procedures.

We will issues reports to the Commonwealth no later than June 30, 2012 and send copies of the report to:

Department of Public Welfare
Bureau of Financial Operations
Audit Resolution Section
Forum Place, First Floor
555 Walnut Street
Harrisburg, PA 17101

Maher Duessel Prior Experience Submittal

	Company Name and Address	Contact Information	Project Name	Project Start and End Dates	Brief Description of the Project
1	Lifesteps, Inc. 383 New Castle Road Butler, PA 16001	John Eyth, CFO 724.283.1010 jeyth@lifesteps.net Best time to call: daytime	Financial Audit Services	Annually for 10+ years	Financial Statement Audit, Single Audit/ ODP Funding
2	Alternative Rehabilitation Facilities 2743 North Front Street Harrisburg, PA 17105	Paulette Matthews, Director of Financial Services 717.238.7101 paulette.matthews@arcfamily.com Best time to call: daytime	Financial Audit Services	Annually for 10+ years	Financial Statement Audit, Single Audit/ OCYF Funding
3	United Cerebral Palsy of Pittsburgh 4638 Centre Avenue, Pittsburgh PA, 15213	Al Condeluci, CEO 412.683.7100 info@ucppittsburgh.org Best time to call: daytime	Financial Audit Services	Annually from 2009 – 2011	Financial Statement Audit, Single Audit/ OLTL Funding

Project Work Plan.

1. Summary of Tasks and Deliverables.

Lot 1: ODP 14 Exams

	January (or upon award)	February	March	April
Develop standardized request for documents, questionnaire and reporting format. Issue requests to providers	20 hours			
Onsite risk assessment, sample selection and fieldwork for 7 providers		140 staff hours		
Onsite fieldwork for 7 providers			140 staff hours	
Drafting of all reports and completion of partner and 2nd partner review for 14 ODP engagements.				100 hours
Monthly status report	4 hours	4 hours	4 hours	4 hours
Problem identification report	1 hour	1 hour	1 hour	1 hour

NOTE: Appendix F of the RFQ did not include providers for which Agreed-Upon Procedures were required. As a result, such an engagement was not charted.

**Lot 2: OMHSAS, OCDEL, and
 OLTL, 4 Examinations, 4 Agreed-
 Upon Procedures**

	January (or upon award)	February	March	April	May
Develop standardized request for documents and reporting format. Issue requests to providers.	16 hours				
Onsite risk assessment, sample selection, and fieldwork		135 staff hours	135 staff hours	100 hours	
Drafting of all reports and completion of partner and 2nd partner review					50 hours
Monthly status report	3 hours	3 hours	3 hours	3 hours	3 hours
Problem identification report	1 hour	1 hour	1 hour	1 hour	1 hour

Lots 3 and 4: OCYF - 23 Providers

	January (or upon award)	February	March	April	May through June 15, 2011
Develop standardized request for documents and reporting format. Issue requests to providers.	20 hours				
Onsite testing for 4 providers	56 hours				
Onsite fieldwork for 6 providers in the Pittsburgh area		84 staff hours			
Onsite fieldwork for 13 providers			60 hours	60 hours	60 hours
Drafting of all reports and completion of partner and 2nd partner review for OCYF engagements					120 hours
Monthly status report	3 hours	3 hours	3 hours	3 hours	3 hours
Problem identification report	1 hour	1 hour	1 hour	1 hour	1 hour

NOTE: Appendix F did not included providers for which Examinations were required. Charted above is 23 providers for Agreed-Upon Procedures; however, the timing would be the same for Examination engagements.

We will utilize a Pittsburgh and a Harrisburg team for this engagement based on proximity to the provider. All will be supervised by the senior manager and partner. Furthermore, all DBE participation will be supervised directly by Maher Duessel. We will obtain standardized reports and billing records we have previously established from the DBE in support of this project.

Where samples will be selected as part of fieldwork, Maher Duessel will utilize an internally-developed risk-based approach that complies with AICPA auditing standards. Lisa Ritter served on the Auditing Standards Board during the development of the current risk based approach to auditing and updating of the current Statements on Attest Standards. She is uniquely qualified for this type of engagement.

Furthermore, to ensure the quality of each report issued, Diane Edelstein will perform an independent review of each report. Diane's qualifications are included in this proposal.

2. Approach to Deliverables. Status Reports will be submitted to the designated party at the end of each month including activities, problems and recommendations. Typical information might include number of providers for which fieldwork has been completed in order for the Department of Public Welfare (DPW) to monitor Maher Duessel's progress.

A Problem Identification Report will be submitted as appropriate to the designated party as issues are identified. We would suggest that this report be cumulative with recent issues highlighted. The types of items included in this report cannot be determined at this time, but each item in the report will include recommendations and advantages and disadvantages of those recommendations as requested.

Drafts of final reports will be made available to appropriate DPW personnel as completed based on the included GANTT charts. We will make ourselves available for discussing draft reports if requested by DPW.

Lisa A. Ritter, CPA, CFE

Engagement Partner
lritter@md-cpas.com

Profile

Ms. Ritter began her public accounting career in 1987 and joined Maher Duessel in 2009. She is a member of the firm's Accounting and Auditing Committee that is charged with implementing new standards throughout the firm.

Her clients include non-profit and government organizations throughout the Commonwealth of Pennsylvania and the State of Maryland. The nature of her client base is diverse and includes entities who receive federal and state funding, including a significant number who receive Department of Public Welfare funding, as well as those who are reliant on dues or contributions for funding streams. Services performed for these clients include audit, review, compilation, agreed-upon procedures, fraud investigation, consulting, and tax return preparation. She also specializes in litigation support.

Professional Activities

- AICPA – Member
- AICPA Auditing Standards Board – Past Member
- PICPA – Member
- PICPA Accounting and Auditing Procedures Committee – Member
- PICPA Non-Profit Committee – Member
- FASB Not-for-Profit Resource Group – Member
- Association of Certified Fraud Examiners – Member
- Association of Governmental Accountants (AGA) Central Pennsylvania Chapter – Member

Ms. Ritter is the winner of *Pennsylvania's Best 50 Women in Business Award* and was a past recipient of the *40 under 40 Award* presented by the *Central Pennsylvania Business Journal*. She also frequently speaks at continuing education programs, and she has presented as an approved sponsor by the Pennsylvania State Board of Accountancy.

Community/Civic Involvement

- Harrisburg Symphony Association – Member of Audit Committee/Investment Committee
- Bellevue Park Homeowners Association – Past Member of Board
- Leadership Harrisburg – Class of 2011
- Pennsylvania Association of Nonprofit Organizations (PANO) – Treasurer and Board Member

Education

B.S. of Business Administration (with Distinction), Pennsylvania State University

Diane E. Edelstein, CPA

Concurring Partner
dedelstein@md-cpas.com

Profile

Ms. Edelstein began her public accounting career in 1990 and joined Maher Duessel in 1996. She is the Director of Education for the firm and is responsible for quality controls that are required by our participation in the AICPA Governmental Audit Quality Center and the AICPA Employee Benefit Plan Quality Center.

Her clients include: UCP/CLASS, Human Services Center, Lifesteps, McGuire Memorial and McGuire Memorial Foundation, Chartiers MH/MR Center, Mainstay Life Services, Evangelical Lutheran Church in America – Southwestern Pennsylvania Synod, the Presbyterian Church of Sewickley, West Central Job Partnership, Soldiers and Sailors Memorial Hall, Southwinds, Housing Authority of the City of Pittsburgh, Allegheny County Housing Authority, Venango County Housing Authority, Edgewood Borough, Borough of Braddock Hills, and Lawrence County.

Professional Activities

- AICPA – Member
- PICPA – Member
- AICPA Governmental Audit Quality Center – Member of Executive Committee, 2007-2011
- 2012 AICPA National Not-for-Profit Industry Conference – Member of Steering Committee

In addition to speaking at in-house seminars, Ms. Edelstein has spoken at various PICPA conferences and for the AICPA in Alabama, Louisiana, and Florida about such topics as Single Audits, IRS Form 990, and reporting practices for non-profits. She is considered by PICPA to be a state expert in regard to Single Audits.

Community/Civic Involvement

- Dave Ramsey's Financial Peace University – Volunteer Coordinator
- Trinity Church, Beaver – Former Vestry Member and Former Treasurer; Received Bishop's Award from the Anglican Diocese of Pittsburgh for Exemplary Service in 2010
- Girl Scouts – Leader for seven years
- Soccer Association – Former Coach and Registrar

Education

B.A. in Accounting (with Distinction), George Mason University

Peggy Jo Campbell, CPA

Senior Manager
pcampbell@md-cpas.com

Profile

Ms. Campbell began her public accounting career in 1998 with Maher Duessel after serving as a Fiscal Officer and a Finance Director at local non-profits.

Her clients include: Holy Family Institute, Arc of Butler County, Community Care Connections, Human Services Center, Dance Alloy, Gateway to the Arts, Mechling-Shakley Veterans Center, Irene Stacy Community Mental Health Center, Community Development Corporation of Butler County, Blind and Vision Rehabilitative Services, Butler Family YMCA, Armstrong Indiana Drug and Alcohol Commission, Allegheny County, Indiana Township, Ford City Borough, Harmar Water Authority, Buffalo Township Municipal Authority, Armstrong-Indiana MHMR Program, Trafford Borough, and the HealthChoices Programs for Armstrong, Butler, Cambria, Crawford, Erie, Fayette, Indiana, Lawrence, Mercer, Venango, and Washington Counties.

Professional Activities

- AICPA – Member
- PICPA – Member
- PICPA Employee Benefit Plans Committee – Member
- PICPA Non-Profit Committee – Past Member

Ms. Campbell has attended the annual PICPA Non-Profit Conference, the annual AICPA Non-Profit Conference, the PICPA Employee Benefits Plan Conference, and PICPA-sponsored fraud training. She frequently speaks at seminars sponsored by Maher Duessel on topics such as: Single Audit, fraud, sampling, and cost allocation.

Community/Civic Involvement

- accessAbilities – Member of Board and Finance Committee

Education

B.S. in Accounting, Indiana University of Pennsylvania

Andrew D. Kehl, CPA

Senior Auditor
akehl@md-cpas.com

Profile

Mr. Kehl began his public accounting career in 2008.

His experience includes providing audit services to non-profit, health care, and governmental organizations, including nursing homes, retirement communities, federally qualified health centers, assisted living facilities, counties, and local municipalities. Some of the organizations Mr. Kehl has worked on include:

- Berks County
- City of Harrisburg
- City of Allentown
- AHEDD
- Baltimore Medical System, Inc.
- People's Community Health Center

Professional Activities

- AICPA – Member
- PICPA - Member

Community/Civic Involvement

- Beta Alpha Psi – Past President and Active Alumni
- The Arc – Volunteer/Mentor
- Maryland Food Bank – Volunteer

In addition, Mr. Kehl speaks at in-house seminars and is instrumental in the firm implementation of IDEA software, which is utilized specifically on audit clients for data analysis and sampling. Furthermore, Mr. Kehl is part of a team in the process of assisting with our ongoing review of Single Audit engagements for efficiency and effectiveness in the Harrisburg Office.

Education

B.S. in Accounting and B.S. in Financial Planning, Minor in Information Systems
Salisbury University



Appendix B: Cost Matrix

ATTACHMENT B COST MATRIX

	ITEM	Quantity	Unit of Measure	Price	TOTAL
	LOT 1 ODP EXAMS	14	EA	\$3,200.00	\$44,800.00
A	LOT 1 ODP AUP's	1	EA	\$2,150.00	\$2,150.00
	LOT 2 OMHSAS, OCDEL and OLTL EXAMS	4	EA	\$4,000.00	\$16,000.00
	LOT 2 OMHSAS, OCDEL and OLTL AUP's	9	EA	\$2,700.00	\$24,300.00
B	LOT 3 OCYF EXAMS	12	EA	\$3,200.00	\$38,400.00
C	LOT 3 OCYF AUP's	1	EA	\$2,150.00	\$2,150.00
B	LOT 4 OCYF EXAMS	11	EA	\$3,200.00	\$35,200.00
C	LOT 4 OCYF AUP's	1	EA	\$2,110.00	\$2,110.00
	TOTAL				\$165,110.00

A. It does not appear that any provider in Appendix F fits this criteria.

B. It does not appear that any provider in Appendix F fits this criteria.

C. Based on Appendix F, 12 providers fit this criteria for Lot 3 and 11 providers for Lot 4. The price provided would be the same for each of the 12 and 11 providers in these categories.



Appendix C: Domestic Workforce Utilization Form

ATTACHMENT C
DOMESTIC WORKFORCE UTILIZATION CERTIFICATION (07/22/09)

To the extent permitted by the laws and treaties of the United States, each proposal will be scored for its commitment to use the domestic workforce in the fulfillment of the contract. Maximum consideration will be given to those offerors who will perform the contracted direct labor exclusively within the geographical boundaries of the United States or within the geographical boundaries of a country that is a party to the World Trade Organization Government Procurement Agreement. Those who propose to perform a portion of the direct labor outside of the United States and not within the geographical boundaries of a party to the World Trade Organization Government Procurement Agreement will receive a correspondingly smaller score for this criterion. In order to be eligible for any consideration for this criterion, offerors must complete and sign the following certification. This certification will be included as a contractual obligation when the contract is executed. Failure to complete and sign this certification will result in no consideration being given to the offeror for this criterion.

I, Partner [title] of Maier Duessel [name of Contractor] a Pennsylvania [place of incorporation] corporation or other legal entity, ("Contractor") located at 3003 North Front Street, Suite 101, Harrisburg, PA 17110 [address], having a Social Security or Federal Identification Number of 25-1622758, do hereby certify and represent to the Commonwealth of Pennsylvania ("Commonwealth") (Check one of the boxes below):

All of the direct labor performed within the scope of services under the contract will be performed exclusively within the geographical boundaries of the United States or one of the following countries that is a party to the World Trade Organization Government Procurement Agreement: Aruba, Austria, Belgium, Bulgaria, Canada, Chinese Taipei, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hong Kong, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea, Latvia, Liechtenstein, Lithuania, Luxemburg, Malta, the Netherlands, Norway, Poland, Portugal, Romania, Singapore, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, and the United Kingdom

OR

_____ percent (____%) [Contractor must specify the percentage] of the direct labor performed within the scope of services under the contract will be performed within the geographical boundaries of the United States or within the geographical boundaries of one of the countries listed above that is a party to the World Trade Organization Government Procurement Agreement. Please identify the direct labor performed under the contract that will be performed outside the United States and not within the geographical boundaries of a party to the World Trade Organization Government Procurement Agreement and identify the country where the direct labor will be performed: _____

[Use additional sheets if necessary]

The Department of General Services [or other purchasing agency] shall treat any misstatement as fraudulent concealment of the true facts punishable under Section 4904 of the *Pennsylvania Crimes Code*, Title 18, of Pa. Consolidated Statutes.

Attest or Witness:

Ashley Backerson 12/7/11
Signature/Date

Ashley B. Backerson, Manager
Printed Name/Title

Maier Duessel
Corporate or Legal Entity's Name

Lisa A. Ritter 12/7/11
Signature/Date

Lisa A. Ritter, Partner
Printed Name/Title



Appendix D: Lobbying Form

LOBBYING CERTIFICATION FORM

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, Disclosure of Lobbying Activities, in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed under Section 1352, Title 31, U. S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for such failure.

SIGNATURE:

Lisa A. Rette

TITLE:

Partner

DATE:

12/7/11

Appendix E: Copy of Peer Review



3325 Saw Mill Run Blvd.
Pittsburgh, PA 15227-2736
412/885-5045
Fax 412/885-4870
www.gbaco.com

Certified Public Accountants

SYSTEM REVIEW REPORT

August 27, 2010

To the Partners
Maher Duessel, CPAs
and the Peer Review Committee of the Pennsylvania Institute of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Maher Duessel, CPAs (the firm) in effect for the year ended May 31, 2010. 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. 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. 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. The nature, objectives, scope, limitations of, and the procedures performed in a system review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards* and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of Maher Duessel, CPAs in effect for the year ended May 31, 2010, 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*. Maher Duessel, CPAs has received a peer review rating of *pass*.


Goff Backa Alfera & Company, LLC
Pittsburgh, Pennsylvania