CHESS CONSULTING LLC

Complex Accounting
Disputes
Investigations
Regulatory Compliance

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Edwin Tharp is a Director with Chess Consulting LLC. He has more than 25 years of experience providing accounting, auditing, and financial consulting services with a primary focus on government contracting. After starting his career with Arthur Andersen LLP, he served as a Controller and then as a Chief Financial Officer for a publicly held corporation. Ed's expertise and real world experience includes financial reporting and analysis, auditing, business risk assessment and mitigation, business process assessment and re-engineering, forensic accounting, government contract accounting, and regulatory compliance, as well as internal audit. In addition, he has provided consultation on mergers and acquisitions, including due diligence and technical and complex accounting support on carve-outs and purchase accounting.

Ed has experience serving companies that range in size from Fortune 500 to middle market across various industries including aerospace and defense, professional services, information technology, biotechnology, engineering and construction, manufacturing, consumer products, pharmaceutical, medical and scientific devices, and non-profit organizations.

Professional Experience

Complex Accounting and Business Advisory:

- **Financial Reporting/Audit Readiness.** Ed has provided consulting services to various clients by preparing financial statements such as quarterly and annual filings with the Securities and Exchange Commission (SEC). In addition, he works closely with finance organizations to prepare for external audits and helps ensure critical audit and accounting risks are properly addressed and documented.
- **Implementation of New Accounting Standards.** Ed provides consultation, interpretation, and implementation of new accounting standards including but not limited to ASC 606 revenue recognition, purchase accounting, and ASC 842 lease accounting.
- **IPO Readiness.** Ed has assisted clients in planning and preparing for initial public offerings (IPOs), including, but not limited to, reviewing business systems and financial reporting to facilitate the production of the filing and establishing the procedures for capturing, tracking, and reporting the information necessary to complete future SEC reporting requirements.
- **Forensic Accounting and Corporate Investigations.** Ed has extensive experience working with companies and their legal counsel on special investigations involving accounting and financial reporting irregularities, misappropriation of assets, and circumvention of internal controls. His work has involved forensic analysis of accounting books and records, evaluations of financial reporting and related securities disclosure matters, identification and quantification of misappropriated assets, assessment of internal control and compliance programs, and reporting of findings and recommendations to legal counsel, senior management, and boards of directors.
- **M&A and Financial Due Diligence.** Ed has provided assistance in evaluating the feasibility of potential business acquisitions, including the performance of financial diligence and quality of earnings assessments and has demonstrated success effectively managing the integration of the acquisition.

Governance, Risk Management, and Compliance:

- **Internal Controls.** Ed helps clients document, evaluate, and develop design improvements of internal controls over financial reporting to ensure compliance with the Sarbanes-Oxley Act (SOX). His experience includes reviewing and assessing the financial reporting, IT, procurement, revenue, billing, treasury, payroll, variable compensation, tax, and fixed asset cycles. His extensive experience includes assisting clients effectively structure business systems and build sustainable assessment processes and procedures to support their conclusions regarding the effectiveness of internal controls.

  Ed has also assisted government contractors with the management and execution of contractor business systems reviews, including the accounting, purchasing, cost estimating, material management, property, and earned value management systems to assure compliance with applicable regulations. The reviews consisted of mapping the client's current processes and identifying key controls, completing gap assessments of the existing practice, assisting with development of remediation plans, testing effectiveness of the internal controls, and assisting with the development and writing of the government contractor's policies and procedures.
- **Business Risk Management.** Ed assists companies in establishing and improving their overall business risk management processes. His experience includes performing enterprise-wide business risk assessments, as well as developing and examining internal audit plans to ensure that the company's key risk areas are appropriately addressed. He also has experience leading internal audit projects and reporting audit findings and recommendations to senior management, audit committees, and boards of directors.

Government Contract Advisory Services:

- **Regulatory Compliance/Business System Reviews.** Ed assists clients assess the adequacy of their internal processes, controls, and self-governance programs. The controls review includes evaluating appropriateness of rate structures and adequacy of financial system structure to accommodate government reporting requirements (i.e., accumulation of direct vs. indirect costs, identification of allowable vs. unallowable costs, labor charging, billing, purchasing, financial reporting, EVMS, etc.). His experience also includes facilitating enhancements or re-design of client information systems to improve data capture and comply with Defense Federal Acquisition Regulation Supplement (DFARS) Business Systems Rule requirements.
- **Bid Proposal Preparation.** Ed assists clients by drafting and/or reviewing and critiquing clients' responses to Government requests for proposals (RFPs). Reviews include, but are not limited to, ensuring reasonableness of price/cost proposals, reasonableness and supportability of underlying assumptions, and basis of estimates and compliance with relevant Federal Acquisition Regulation (FAR) provisions and other key evaluation criteria.
- **Forward Pricing and Incurred Cost Submission.** Ed has extensive experience assisting government contractors with the preparation and/or remediation of forward pricing rate submissions and incurred cost submissions. This includes assisting clients with development of compliant rate structures and/or preparation, as well as reviewing existing submissions for accuracy and compliance and then remediating issues so that they may be submitted or re-submitted to the Government.
- **Cost Impact Statements.** Ed's experience includes assisting government contractors with the assessment and creation of cost impact statements related to changes in accounting practices. The calculations entailed multiple sets of indirect rates and projections under various scenarios, and then calculating the related cost impact to each contract.
- **Audit Support.** Ed assists clients and their legal counsel prepare and negotiate responses to the Defense Contract Audit Agency (DCAA), Defense Contract Management Agency (DCMA), and other government agencies regarding audit findings.

Education and Certifications

- University of Baltimore, B.S., *magna cum laude*, Business Administration
- Certified Public Accountant (CPA), licensed in Maryland
- Chartered Global Management Accountant (CGMA)

Professional Affiliations

- American Institute of Certified Public Accountants (AICPA)
- Maryland Association of Certified Public Accountants
- Institute of Management Accountants