

WATKINS | MEEGAN

Expertise | Insight | Ideas



At Watkins Meegan, we know what it takes to help our clients develop, pursue, and achieve their objectives. We have been doing just that since the firm was established in 1975. We have earned a reputation for both quality and reliability, which has enabled us to become one of the largest CPA firms in the Washington, DC, area and one of the top 75 firms in the United States. Our experienced staff listens first and then responds with an unparalleled level of personal service.

Whether our clients want to improve business performance, minimize costs, lower risks or increase cash flow, our team of accounting and financial professionals knows how to help. Our strength is in understanding your unique business needs—from tax planning and compliance to information technology and outsourced accounting.

Through our membership in IGAF Worldwide, Watkins Meegan has access to more than 140 firms in 60+ countries worldwide. Our IGAF membership gives us the reach of a large, international firm while still maintaining a regional firm size and focus—allowing us to meet each client's unique needs quickly and effectively.

Our own growth and our strength are built upon a talented and dedicated team of professionals that takes pride in helping clients achieve their goals. We look forward to the future and we will continue to serve our clients as we always have... with quality work and personal service.

A handwritten signature in black ink that reads "Mike". The signature is fluid and cursive.

Mike Micholas
MANAGING MEMBER

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“ I can't say enough good things about Watkins Meegan. I've used three or four different accounting firms over the years, but the people at Watkins Meegan are by far the most responsive and talented—they have some of the best tax accountants around.”

*—Nicolette Hendricks, PMP, Sr. VP
Organizational Strategies Inc.*

WHITE-GLOVE SERVICE



About Us

At Watkins Meegan, we bring our 30+ years of experience and personal service to each engagement. Founded in 1975, we've grown to more than 225 professionals across the region. We've also proven our strength and expertise in the market—consistently ranking in the top 75 accounting firms in the United States and the top 15 in the Washington, D.C., area.

We're expert business consultants, tax strategists and auditors, but we do so much more than just accounting. We're also industry specialists with a focus on government contracting, construction and real estate, not-for-profits and emerging growth companies.

IGAF MEMBERSHIP

Watkins Meegan is part of IGAF Worldwide, an organization of more than 140 independent firms worldwide. With our IGAF membership, we can provide clients with local service in more than 60 countries worldwide. Additionally, if a client needs assistance with a project that's outside of our expertise, we can connect them with one of our trusted IGAF partners.

COMMUNITY INVOLVEMENT

At Watkins Meegan, we make it a priority to help others and to give back to the communities in which we live and work. Whether we're teaching disadvantaged students about financial literacy, raising money for wounded soldiers or leading a Girl Scout troop, we give back to the communities that have given so much to us.

YEAR FOUNDED

1975

MANAGING MEMBER

Mike Micholas

NUMBER OF PROFESSIONAL STAFF

More than 200

LOCATIONS

Bethesda, MD (main office),
Tysons Corner, VA, Annapolis, MD,
and Herndon, VA

Audits, Reviews & Compilations

We know that an audit should do more than just ensure compliance. An effective audit can help make a company stronger—by reducing risk, streamlining accounting systems, and fine-tuning policies and procedures. It can also improve a company’s overall performance and provide valuable information for outside organizations, such as financial institutions and potential investors.

- › Financial statement audits, reviews and compilations
- › Employee benefit plan audits
- › Internal audits / internal controls assessments
- › Fraud audits and assessments
- › Information technology audits
- › OMB A-133 (Yellow Book) audits
- › SAS 70 type I and type II reports

Tax Services

At Watkins Meegan, we know how to solve the tax challenges facing you or your business. Whether your challenges involve tax return preparation, tax planning and transaction structuring, or resolving tax disputes, our team of tax experts has the knowledge and experience to help you. We will utilize that knowledge and experience to minimize your tax burden domestically, both at the federal and state levels, as well as internationally. We will also keep you updated as tax laws and requirements change, so you can adjust to take advantage of any tax-saving opportunities.

- › Tax compliance
- › Personal tax
- › Corporate tax
- › Partnerships and closely-held businesses
- › State and local
- › International
- › Estate, trust and wealth planning
- › Tax controversy
- › Mergers and acquisitions
- › Executive compensation
- › Employee benefits
- › Tax accounting methods

WHITE-GLOVE SERVICE

“ It’s rare to find a firm that so successfully combines professional tax and business expertise with personalized and accessible service. I trust Watkins Meegan to keep my companies on firm footing.”

*–Jack Sammis, President & CEO
IMN Solutions*

“ I’ve used Watkins Meegan’s excellent tax and business advisors for more than 20 years for both my personal and business accounting needs. Their range of services, combined with their high level of integrity and trustworthiness, is what continues to impress me.”

*—Don Reed, Former CEO and Owner
Zen Technology, Inc.*

MORE THAN ACCOUNTING

Business Advisory Services

Watkins Meegan builds strong and enduring business relationships. Our clients see us as their trusted advisor, providing them with assistance on everything from tax compliance and general accounting to employee benefits and executive compensation.

Need assistance with your company's Initial Public Offering? Lacking staff in your finance and accounting office? Watkins Meegan's team of Certified Public Accountants, Certified Fraud Examiners, auditors, lawyers and financial consultants—to name a few—can help. Whether you want to improve operations, expand into new territories, attract high-level employees or simply cut costs, Watkins Meegan has the experience and ability to help you meet your goals.

- › Outsourced accounting solutions
- › Project-based consulting
- › SEC assistance
- › IT management outsourcing and consulting
- › Server hosting
- › Accounting software implementation
- › Employee benefit plans design and implementation
- › Executive compensation consulting
- › Wealth management
- › Business valuation opinions and reviews
- › Trust and estate planning
- › Business succession planning
- › Charitable giving
- › Mergers and acquisitions

Forensic Accounting

Whether you're concerned about possible fraud or facing a tax audit, our team of accounting, financial, and legal experts has the knowledge and experience to keep your profits and your profile in the clear. At Watkins Meegan, our people know where—and how—to find the information you need to achieve your business objectives.

- › Criminal and civil fraud investigations
- › Fraud prevention and detection
- › Expert witness testimony
- › Dispute resolution
- › Contract disputes and breach of contract
- › Business valuation opinions and reviews
- › Litigation support
- › IRS audits and appeals
- › Tax controversy
- › State tax audits
- › Criminal tax investigations
- › Tax liens and levies

Risk Services

At Watkins Meegan, we offer practical, realistic solutions to help you strengthen corporate governance, assess and control risk, and comply with regulatory requirements. A comprehensive risk strategy will position your executive team to recognize and respond to opportunities and achieve strategic goals. We offer a full complement of risk assessment and compliance solutions.

- › Internal audit services
- › Enterprise risk assessments
- › Financial and compliance audits
- › SAS 70 readiness assessments, Type I and Type II audits
- › IT audit support and risk assessments
- › Records management programs
- › Vulnerability assessments
- › Systems and application security audits
- › Policies and procedures development
- › KPIs and business metrics design and development
- › Internal controls design and implementation
- › Sarbanes-Oxley (Section 404) compliance

“ What attracted me to Watkins Meegan was the commitment of the firm to its employees, which I believe is one of the reasons the firm was named one of the best places to work in the DC area.”

– *Michael Dudley, MBA*
Watkins Meegan Advanced
Staff Accountant

Government Contracting

Through our 30+ years of government contracting experience, Watkins Meegan has gained an in-depth understanding of the contracting regulations of many federal departments and agencies. We've worked with contractors in various industries, such as construction, security, and janitorial services, and we're well versed in the unique requirements for special business types, such as 8(a), small businesses, joint ventures, and Alaska Native Corporations.

No matter if you need DCAA audit assistance, contract management, or cost and rate analysis and structuring, Watkins Meegan's government contracting specialists have the expertise to guide you and grow your business successfully.

Government contract compliance

- › Pre-award survey audit assistance
- › Internal controls review
- › Time-keeping and accounting system review
- › General accounting policies and procedures assessment
- › DCAA and other cognizant audit agency assistance
- › Foreign Ownership, Control or Influence (FOCI) assistance

Indirect costs & rates / FAR & CAS consulting

- › Indirect rate analysis and structure
- › Provisional rate / billing rate development
- › Incurred cost proposals (submissions)
- › Disclosure statement preparation
- › Contract terminations, claims or close-outs

Technology & systems

- › Accounting software evaluation
- › System design, implementation and maintenance
- › Outsourced staffing / system operations
- › Deltek implementation and training
- › Reporting analysis

Business advisory services

- › Tax compliance, consulting and planning
- › Outsourced accounting and financial management
- › Stock-option accounting and disclosures
- › Equity-based compensation plan review and development
- › Employee benefit plan audits
- › Estate and trust planning
- › Mergers and acquisitions; due diligence



WHITE-GLOVE SERVICE

“ No matter the assignment Watkins Meegan performs for us, they do it well and on time. They’re innovative, creative and responsive— a real asset for our firm.”

*–J. D. Murphy, Jr., CEO
Computech, Inc.*

“ Watkins Meegan knows the real estate and construction industry inside and out, and it shows. I know I can count on them to save us time and money, both of which we can't afford to waste.”

—Tom Tepper, CFO
Hendricks Investment Holdings, L.L.C.

DEEP EXPERTISE



Real Estate

To achieve success in the real estate industry, you have to survive the ups and downs of the economy. At Watkins Meegan, we've watched the region's real estate market expand and contract over the last 30+ years. We know that a downturn can impact financing opportunities and lease rates. We're also aware that an economic boom can result in escalating property taxes that eat into your profits.

Thanks to our intricate knowledge of the real estate industry, as well as our accounting expertise, we're able to help clients navigate the challenges that come with a changing economy and reach their business goals.

Business advisory services

- › Cost segregation studies
- › Income tax planning and compliance
- › Business succession planning
- › Outsourced accounting
- › Business valuations
- › Asset management
- › Operating income projections
- › Financial consulting, including budgeting and cash analyses
- › Business structuring

Real estate transactions

- › Acquisition and disposition structuring
- › Property cash flow and resale
- › Lease vs. purchase analysis
- › Business and property negotiations
- › Like-kind exchanges, including 1031 exchanges

Landlord & property management

- › Outsourced property management
- › Property taxes and assessment appeals
- › Feasibility studies for expansion
- › Build-out allowances
- › Pass-through expenses and lease clauses
- › Capital expenditure deductibility

Construction

Construction contracting is a complicated business—no matter if you're an established contractor or new to the industry. You need to determine if a project is a good investment for your business, figure out your projected profit, and identify the associated risks. You also have to make sure you have the tools, training, and employees to finish the job on time and on budget. At Watkins Meegan, our 30+ years of construction experience has provided us with unrivaled industry insight and expertise. So we understand not only the difficulties you face, but also the proven methods to resolve them.

Financial management

- › Cash flow management
- › Benchmarking
- › Vehicle fleet and equipment costs
- › Year-end tax planning
- › Insurance and bonding
- › Budgeting and forecasting
- › Asset management
- › Lease vs. buy considerations
- › Indirect costs and rates
- › Loan and financing packages

Technology & systems

- › Construction accounting implementation and support
- › Website development and management
- › Systems engineering
- › Infrastructure support and design

Risk management & consulting

- › Bonding risk analysis
- › Policy and procedure development
- › Insurance coverage analysis
- › Lien rights analysis
- › Construction cost audits
- › Internal control reviews
- › FDIC insurance limitations
- › Davis-Bacon Act compliance

Business advisory services

- › Business succession planning
- › Cash-basis income management
- › Outsourced accounting
- › Employee incentive programs
- › Construction accounting training
- › Document management and review
- › Life insurance strategies
- › Mergers and acquisitions
- › FAR and CAS consulting

Litigation support

- › Contract terms and conditions
- › Review of payment clauses
- › Lien rights
- › Billing requirements
- › Claims and dispute resolution
- › Risk management
- › Contract changes
- › Claims and back charge management

WHITE-GLOVE SERVICE

“ Our Watkins Meegan team really knows the construction industry. They do an outstanding job and get the work done on time...that’s why we’ve been a client for 20+ years.”

*–Thomas W. Flynn, CFO
Chaney Enterprises*

“ With Watkins Meegan you gain a trusted partner beyond audit services who you can call on anytime. They understand the challenges that face not-for-profit organizations. We rely on and leverage their depth, knowledge and experience across several disciplines.”

*—Steve Cocke, CFO
Independent Insurance Agents and
Brokers of America*

DEEP EXPERTISE

Not-for-Profit

At Watkins Meegan, we're well versed in the unique tax and accounting challenges for not-for-profits of all types and sizes, from associations and foundations to charities and social/country clubs. Regardless of whether your mission is focused on charitable activities, education, healthcare, telecommunications, construction, insurance or another area, we're aware that the landscape is constantly changing and we've been helping not-for-profits navigate those changes for more than 30 years.

Audits, reviews & compilations

- › Financial statement audits, reviews and compilations
- › Internal control reviews and audits
- › Circular OMB A-133 and Yellow Book audits
- › Employee benefit plan audits, including 401(k) and 403(b)

Consulting & outsourced services

- › Temporary CFO services
- › Outsourced accounting
- › Governance consulting
- › Risk assessments
- › Audit preparation
- › Financial reporting
- › Budgeting and forecasting
- › Financial analysis
- › COSO compliance
- › IT consulting and support

Tax compliance & consulting

- › Tax returns and related filings
- › Related entity structures
- › Applications for exemption
- › Nonprofit tax laws and regulations consulting
- › Unrelated Business Income Tax (UBIT) requirements

Emerging Growth Companies

Emerging growth companies—whether they're start-up operations or established businesses—often run into tax complications, financial issues and general business difficulties. At Watkins Meegan, our strategic growth advisors understand those challenges and have 30+ years of experience helping similar companies proactively and successfully manage their growth.

Our clients also benefit from our specific industry knowledge. In addition to government contracting, construction, and real estate, our areas of expertise include professional services such as law firms and architecture firms; lobbyists and engineering groups; healthcare and medical practices; hospitality-based businesses including restaurants and hotels; media production; landscaping; insurance; franchise businesses; and the service industry.

Business advisory services

- › Business structure planning
- › Mergers and acquisitions, including structuring and due diligence
- › Executive compensation and fringe benefits
- › Computer system and software analysis
- › Litigation support and investigation
- › Outsourced accounting and bookkeeping

Financial services

- › Financial statement audits, reviews and compilations
- › Cash flow analysis
- › Financing
- › Budgeting
- › Wealth and debt management

Tax services

- › Tax planning
- › Tax compliance and preparation
- › IRS and state tax controversy assistance



WHITE-GLOVE SERVICE

“ I found the Watkins Meegan team to be very detailed, very careful and very organized. They quickly picked up on our processes and policies and were able to make appropriate judgment calls when needed. I don't think it's possible to overrate the importance of their work to our project.”

*–Kate Package, Senior Staff Accountant
Sunrise Senior Living*

Our Affiliates

Watkins Meegan's network of resources expands beyond the accounting and finance world—thanks to our diverse affiliate companies.

Watkins IT

using technology to solve business problems and create new opportunities

W J Technologies (WiJiT)

answering all your questions about Deltek's accounting solutions for small and mid-sized government contractors

Watkins Meegan Government Services (WMGS)

providing government customers with contract services, budget formulation and execution, and financial management systems requirements analysis

Watkins Sinclair

bringing personal experience and real-world credibility to strategic planning, strategic alignment and leadership development

Watkins CSI

specializing in financial and forensic accounting for the sub-prime mortgage industry

Watkins Walsh

supporting small and closely-held businesses with business valuation, litigation support and financial analysis

Keep in Touch

With Watkins Meegan, you'll receive more than once-a-year service. Through our website, blog, email newsletters and whitepapers, we'll keep you up-to-date on news in the accounting, tax, and finance world and how it could impact you and your business.

Visit our website at www.watkinsmeegan.com to sign up for our e-newsletters, download a whitepaper, or read our blog, Watkins Wire — or email us at watkinsmeegan@watkinsmeegan.com.

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